

socialplatform

The EU budget More than money – solidarity and democracy for a social and sustainable future

Common position adopted by the Annual General Assembly on 15 April 2007

The Social Platform supports the decision of the European Commission to open the core issue of budget to the scrutiny of European citizens. Budgets are indeed instrumental to achieve common European objectives in the interest of all people living in Europe. In that respect, **a democratic and participatory approach to budget priorities, design and implementation is not only highly desirable but crucial for the EU's legitimacy: European people ultimately finance the EU budget through their taxes.**

Social NGOs experience social changes first hand. Working with or voicing concerns of people experiencing poverty, exclusion and inequality, they draw from their experience of community, neighbourhood, local social work and social and health service provision to respond to the EU budget consultation.

In its response the Social Platform argues that:

- ✓ **The objectives of the EU budget are defined in the EU Treaty**
- ✓ **The future of the EU is social and sustainable: growth alone does not deliver a lasting well-being**
- ✓ **Putting people first: social policies deserve their own budget line**
- ✓ **The future EU budget needs to respect the provisions of general application**
- ✓ **Solidarity is a must have: start sharing and stop "I want my money back"**
- ✓ **Coherence with soft and hard law mechanisms: no to an 'either or' policy**
- ✓ **How to spend the EU budget? By involving those that ultimately pay for it: European people**

In addition, the Social Platform has joined forces with the seven largest European NGO networks through the Civil Society Contact Group¹ and together we have agreed upon common principles on which the future EU budget should function. Those principles are at the basis of the Social Platform response and can be further consulted in the Annex.

➤ **The objectives of the EU budget are defined in the EU Treaty**

The Social Platform believes that the EU budget shall primarily be considered as an instrument to fulfil the objectives of the EU as defined by Member States in the EU Treaties. Although the Lisbon Treaty ratification is not completed yet, the article 3 of the Treaty of the European Union should be factored into tangible budgets, not merely treated as long-term aspirations.

The European Commission shall seek to transpose these objectives in both the structure and the priorities of the EU budget. Below we have underlined the objectives of Article 3 that are the most crucial for Social NGOs and that are to be financially supported.

*“ 1. The Union’s aim is to promote peace, its values and the **well-being of its peoples**. (...) It shall work for the **sustainable development of Europe based on balanced economic growth and price stability, a highly competitive social market economy, aiming at full employment and social progress, and a high level of protection and improvement of the quality of the environment**. (...)*

***It shall combat social exclusion and discrimination, and shall promote social justice and protection, equality between women and men, solidarity between generations and protection of the rights of the child. It shall promote economic, social and territorial cohesion, and solidarity among Member States.** (...)*

*It shall contribute to peace, security, the **sustainable development of the Earth, solidarity and mutual respect among peoples, free and fair trade, eradication of poverty and the protection of human rights, in particular the rights of the child**, as well as to the strict observance and the development of international law, including respect for the principles of the United Nations Charter. (...)*”

¹ The EU Civil Society Contact Group brings together the Platform of European Social NGOs (Social Platform), the European NGO confederation for relief and development (Concord), the Human Rights and Democracy Network, the Green 10 (environmental organisations), the European Women’s Lobby, the European Forum for the Arts and Heritage (EFAH), the European Public Health Alliance (EPHA) and the European Civil Society Platform on Lifelong Learning (EUCIS-LLL). Encompassing hundreds of European NGOs and thousands of national affiliates, they work together to develop the dialogue between civil society organisations and the EU institutions as an essential part of strengthening participatory democracy.

➤ **The future of Europe is social and sustainable: growth alone does not deliver a lasting well-being**

In the renewed EU Sustainable Development Strategy adopted in 2006, Heads of States and Governments committed to *"create a socially inclusive society by taking into account solidarity between and within generations and increase the quality of life of citizens as a precondition for lasting individual well-being"*. They further added that *"sustainable development is an overarching objective of the European Union set out in the Treaty, governing all the Union's policies and activities"*.

The Social Platform believes that these commitments should be the cornerstone on which the priorities of the EU budget are decided as opposed to "growth and competitiveness". **Economic growth without social development and environmental protection, economic growth that leaves people marginalised, is a recipe for resentment, conflict and exclusion.**

In addition, we urge the European Commission to use the objectives and policy guiding principles listed in the **EU sustainable development strategy** to define the priorities and structure of the future EU budget:

- The key objectives are: environmental protection, social equity and cohesion, economic prosperity and meeting our international responsibilities.
- The policy guiding principles are: promotion and protection of fundamental rights, solidarity within and between generation, open and democratic society, involvement of citizens, involvement of businesses and social partners, policy coherence and governance, use best available knowledge, precautionary principle and make polluters pay.

A specific attention should be paid to the promotion of innovative solutions in the field of social inclusion, transport, protection of environment, since innovation is not an objective per se of the EU public policies but an instrument for a better quality of life. The promotion of innovation nevertheless should not mean a shift towards the use of EU money to only support innovative and pilot projects. One should indeed keep in mind that EU policies and programmes can only be effective if they trigger large scale effect, territorial coherence and long-term impact.

➤ **Putting people first: social policies deserve their own budget line**

Although the European Commission paper lists some key trends, **we are surprised by how little attention is paid to social challenges**² i.e. social and demographic change, growing inequalities, rising poverty, deterioration of working conditions in certain sectors, downgrading of social protection systems, lack of care infrastructures as well as gaps in the provision of public services and in their quality.

² See also the Social Platform's contribution to the BEPA consultation on Europe's social reality

The Social Platform considers that public policies shall be directed towards impacting on existing needs, regardless of whether they have changed or not. As a matter of fact, **poverty and social exclusion is not a changing need per se, it is an ongoing issue and yet no “decisive impact” on it has been made.** It would be inexcusable if the European Commission would not recognise the 78 million people living in or at risk of poverty in the EU27 Member States³, among them 1 child out of 5 aged 0 to 15, as a policy priority for the future budget.

How to do so? The Structural funds, and in particular the European Social Fund, have a key role to play in this view, and have made a difference for people facing exclusion. It is therefore crucial to ensure that they remain a cohesion tool.

Albeit the Structural Funds remain largely the main funding instrument to deliver social objectives, one should not forget to **promote synergies with other programmes and support coherence across the multiannual framework programmes** (eg DAPHNE, PROGRESS, the Public Health Programme, Europe for citizens’ programme). Combating social exclusion and promoting social justice requires a mix of programmes from different equally important fields. The possibility for new programmes, and in particular of reintroducing a Poverty Programme, should be also considered, as a way to put in practice the EU’s commitment to “make a decisive impact on poverty eradication”.

In addition, one should also bear in mind the importance of **financing small scale projects that would benefit citizens’ associations working at grass root level.**

The added-value of EU spending on social expenditures can be summarised as follow:

- Putting member states solidarity into practice;
- Implementing the EU’s social Policies, including the Open Method of Coordination on Social Protection and Social Inclusion;
- Implementing the EU’s social goals agreed by member states from the EU to the very local level;
- Supporting member states working together towards common goals and ensuring mutual learning between them thanks to a soft harmonisation of policies.

➤ **The future EU budget needs to respect the provisions of general application**

In the Treaty on the functioning of the EU, the Heads of States have agreed upon respecting clauses with a general application. In other words, articles that will have to be applied in all policies of the European Union, including the budget. We would therefore urge the European Commission to design a mechanism that would ensure that the clauses are properly implemented budget-wise, especially:

³ In European Commission, *Joint Report on social protection and social inclusion: supporting document*, 2007

*“Article 8: **In all its activities, the Union shall aim to eliminate inequalities, and to promote equality between men and women.***

*Article 9: In defining and implementing its policies and actions, the Union shall take into account requirements linked to the **promotion of a high level of employment, the guarantee of adequate social protection, the fight against social exclusion, and a high level of education, training and protection of human health.***

*Article 10: In defining and implementing its policies and activities, the Union shall aim to **combat discrimination** based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation.*

*Article 11: **Environmental protection** requirements must be integrated into the definition and implementation of the Union policies and activities, in particular with a view to promoting sustainable development.”*

The good news is that some mechanisms already exist to ensure a comprehensive application of the clauses of general interest. Among others, can be cited **poverty proofing, or gender budgeting.**

➤ **Solidarity is a must have: start sharing and stop “I want my money back”**

The EU budget shall be financed according to principles of solidarity and fairness. The principle of solidarity is as the heart of the European Union. **Solidarity between member States, regions but also solidarity between individuals:** the wealth which is created in Europe must be shared and redistributed to ensure that everyone can have a decent life and participate fully in society.

Although other systems should be explored, GNI-based finances seem to be roughly fair as member states contribute according to their wealth. This means as well, that **correction or compensatory mechanisms** for Member States that consider contributing to the EU budget more than they ‘receive’ is not sustainable, nor does it fulfil a principle of solidarity and cohesion among member states. It is therefore highly difficult to justify them, especially when countries benefiting from such a system are among the wealthiest of the EU.

Redistribution should be considered as an inherent component of the project of European integration: preserving an element of solidarity is essential to ensuring that the EU project goes beyond the mere construction of a European economic area.

Redistribution also ensures that sufficient financial resources continue to circulate through key economic sectors so that marginalized communities are supported and cushioned during periods of economic downturn so that fewer other direct interventions have to be made by other actors and authorities.

➤ **Coherence with soft and hard law mechanisms: no to an 'either or' policy**

There is a tendency to consider that regulations and rules can substitute public spending as mechanisms to ensure the provision of EU public goods. Financial incentives are required to induce national and sub-national governments to adjust their policies to the EU priorities. The Open Method of Coordination is a good example that combines European objectives with soft national mechanisms which require adequate funding to function properly and deliver results. Besides, it is misleading to consider a regulation as a purely cost-free mechanism. Ensuring that the objectives are delivered requires a policy mix which entails finances.

It is also important to consider the role of global grants in order to allow a more flexible functioning of the budget.

Therefore, the Social Platform urges policy makers to accompany soft policy mechanisms and hard law with the appropriate financial incentives to support an efficient delivery of results.

➤ **How to spend the EU budget? By involving those that ultimately pay for it: European people**

Any decision on how to distribute and spend the budget should truly involve people living in Europe, that ultimately pay for it. **NGOs can play a key role in bridging the gap between governing and governed, and for this reason their role in budgeting should be strengthened.**

This goes well beyond a consultation and requires a set of tools that we'd like to outline below

The Treaty of the European Union, as modified by the Lisbon Treaty provides the legal basis - the new article introducing **participatory democracy as a democratic principle governing the EU requires** specific attention when considering the EU budget. The article 118b states that:

"1. The institutions shall, by appropriate means, give citizens and representative associations the opportunity to make known and publicly exchange their views in all areas of Union action.

2. The institutions shall maintain an open, transparent and regular dialogue with representative associations and civil society.

3. The European Commission shall carry out broad consultations with parties concerned in order to ensure that the Union's actions are coherent and transparent. (...)"

Here again, it is a duty of all Directorate Generals to seek ways to implement this article and make sure that all voices are represented in the debate. The process of public budgeting at European and member state level needs to allow for meaningful participation of public interest organizations, as stated in the above-mentioned article. This process would seek to ensure that all voices are heard and not only the ones with more resources to voice it out.

The Social Platform calls on the **EU institutions to explore a way to implement participatory budgeting, a system that has proven to be particularly successful in areas of Canada or the United Kingdom for instance⁴.**

Participatory budgeting is a chance for European decision-makers to bridge the gap with the local level, and to establish a local legitimacy, credibility and accountability. It is a long-term investment which develops capacities in both the community and decision makers, which remain long after the process has finished. It ensures a higher level of citizen understanding of budgetary choices and acceptance of the decisions taken.

Civil society at large experience change first hand. European decision makers would therefore benefit from their experience of community, neighbourhood, local social work and services provision, in order to improve the effectiveness of EU spending, ultimately benefiting all people living in Europe.

Participatory budgeting is essentially an open and democratic process of participation that enables ordinary citizens to deliberate and make decisions collectively about the public spending of their money. It has **four key moments: diagnosis, deliberation, decision-making and follow-up (control)**. It goes beyond alternative budgets, which are mainly academic exercises and beyond traditional control mechanisms. Obviously, operating such a system at European level would involve a combination of representative democracy and citizens' associations' participation.

The reasons for choosing participatory budgeting are several:

- it helps to ensure equity in the allocation of resources;
- it contributes to democratise the EU, making it more transparent, accountable, and effective in serving people and communities;
- it promotes solidarity and concern for the common good;
- it creates a collaborative model of governance in which policy makers and civil society work together;
- it promotes the mobilisation of entire communities by engaging local groups on issues that matter to them;

⁴ A guide to participatory budgeting, B. WAMPLER, 2000 - <http://www.internationalbudget.org/resources/library/GPB.pdf>

Participatory Budget: A Tool for Democratizing Democracy Talk given by Daniel Schugurensky at the meeting "Some Assembly Required: Participatory Budgeting in Canada and Abroad," Toronto Metro Hall, April 29, 2004)

Participatory budgeting in the UK: an evaluation from a practitioner perspective, Kezia Lava, Participatory budgeting Unit, 2007 – <http://www.participatorybudgeting.co.uk>

- it is ultimately a school of active citizenship.

For it to be successful, an important condition is **the political will** of the authorities to ensure the sustainability of the process. **Should citizens be better engaged in understanding the budget composition and its allocation, it entails giving citizens' associations the means and technical support to do so.**

The Social Platform is concerned that the **present consultation might be biased by the lack of responses from small civil society organizations**. This would not reflect their lack of interest in the issue but simply the fact that the consultation subject requires skills and knowledge on the specificities of the EU budget that local and national organizations lack. We would encourage the European institutions to better consider the resources needed by those voicing the concerns of those often un-heard when planning a consultation process or the future EU budget. Technical assistance schemes could be considered and widespread across all member states. This would allow listening to voices that go beyond the Brussels European village.

That being said, **the role of European networks is crucial in the sense that they act as a relay, promote debate and help shape a common understanding**. We therefore call on the European Commission to give greater engagement to European Civil Society Organisations (CSOs) that coordinate and inform national and local CSOs.

Increasing the democratic control and transparency - Increasing the democratic control (for example through a greater role of the European Parliament) over the direction and structure of spending priorities is necessary, since it will help guaranteeing that the political commitments will be followed by concrete actions, adapted to the need of the citizens. Transparency and clarity on how funding across the different budget lines fit together to meet the objectives is essential. Without this transparency, it will be hard for the EU to maintain the confidence of its citizens that their money is well spent in a well thought-out and coherent fashion.

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The Platform of European Social NGOs (the Social Platform) is the alliance of representative European federations and networks of non-governmental organisations active in the social sector, promoting social justice and participatory democracy by voicing the concerns of its member organisations. The Social Platform and its members are committed to the advancement of the principles of equality, solidarity, non discrimination and the promotion and respect of fundamental rights for all, within Europe and in particular the European Union.

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EU Civil Society Contact Group

A value and rights based EU budget for the future

EU Civil Society Contact Group contribution to the EU budget review consultation

3 April 2008

The EU Civil Society Contact Group brings together some of the biggest European platforms of public interest organisations coming from different sectors – culture (EFAH), development (CONCORD), environment (Green 10), human rights (HRDN), lifelong learning (EUCIS-LLL), public health (EPHA), social issues (Social Platform) and equality between women and men (EWL). Encompassing hundreds of European NGOs and thousands of national affiliates, together we work to develop a common vision for the European Union and the dialogue between public interest organisations and the EU institutions as an essential part of strengthening participatory democracy. www.act4europe.org

For a long time the EU budget has been the result of horse-trading between national interests. It is time for the EU budget to become a real European budget serving the public interest. This consultation is about a vision for the European Union and about the political will to translate this vision into reality for people. The EU budget is a tool to make this vision a reality for everyone. It needs to better reflect European values and policy priorities as anchored in the Lisbon Treaty. The Civil Society Contact Group therefore considers that the EU budget needs to better reflect European values and policy priorities as anchored in the Lisbon Treaty.

The members of the Civil Society Contact Group share a vision of European integration, which opposes the drift to purely economic goals, but instead builds a European Union that:

- Is built upon and promotes the European social model, the international rule of law and sustainability with its economic, social and environmental dimension;
- Is close to its citizens, respects and reflects the diversity and equality of all women and men living in Europe;
- Builds an institutional framework which is truly effective, democratic and participatory, transparent and accessible, and develops the role of Europe in the world as a positive and stabilizing force;

The EU budget should reflect a vision of a world in which poverty is unacceptable, where decisions are based on social justice and upon our responsibility to future generations, and where every person has the right to live in dignity, free from poverty, in a healthy environment and in harmony with nature.

The EU Civil Society Contact Group has discussed and agreed on the following principles that should guide the EU towards a value and rights based budget, financing priorities that matter for people and a better governance system.

The EU Civil Society Contact Group calls on the EU heads of states and governments, the members of the European Parliament and the European Commission to respect and enhance the following principles in future budget negotiations and decisions:

- The EU budget must respect and promote the values and rights as outlined in the Lisbon Treaty and contribute to achieving the Treaty aims and objectives
- EU money is public money and it must serve the European public interest
- EU funds must respect the principle of solidarity
- Sustainable development must be the overarching goal of a new EU budget
- Public budgeting and spending must be a transparent and accountable process
- The process of public budgeting needs to allow for meaningful participation from public interest organisations
- EU funds must be allocated in a way that reflects the EU's policy priorities and that supports coherence within and between policies
- There must be an immediate end to all perverse subsidies
- EU spending should be subject to regular evaluation

1 Principles for a value and rights based European budget for the future

Principle 1: The EU budget must respect and promote the values and rights as outlined in the Lisbon Treaty and contribute to achieving the Treaty aims and objectives.

The Union is founded on the values of respect for human dignity, freedom, democracy, equality, the rule of law and respect of human rights, including the rights of persons belonging to minorities. These values are shared by the Member States in a society in which pluralism, non-discrimination, tolerance, justice, solidarity and equality between women and men prevail (Article 2 of the Lisbon Treaty).

The aims of the European Union as set out in Article 3 of the Lisbon Treaty are as follows

“The Union’s aim is to promote peace, its values and the well-being of its peoples. (...)

It shall work for the sustainable development of Europe based on balanced economic growth and price stability, a highly competitive social market economy, aiming at full employment and social progress, and a high level of protection and improvement of the quality of the environment. (...)

It shall combat social exclusion and discrimination, and shall promote social justice and protection, equality between women and men, solidarity between generations and protection of the rights of the child. It shall promote economic, social and territorial cohesion, and solidarity among Member States. (...)

It shall contribute to peace, security, the sustainable development of the Earth, solidarity and mutual respect among peoples, free and fair trade, eradication of poverty and the protection of human rights, in particular the rights of the child, as well as to the strict observance and the development of international law, including respect for the principles of the United Nations Charter. (...)"

The European Commission shall seek to transpose these objectives in both the structure and the priorities of the EU budget.

Principle 2: EU money is public money and it must serve the public interest.

EU money must be spent in a way that serves the European public interest as opposed to private interests. EU spending must contribute to achieving goals of interest to all people living in the EU as a whole. These goals include those set out in the EU Treaty. European public interest includes among others peace, socio-economic and territorial cohesion, internal and external solidarity and a healthy environment.

Principle 3: EU funds must respect the principle of solidarity between and within Member States, regions and individuals. Wealth must be shared and redistributed to ensure that everyone can fully participate in society and enjoy a high quality of life.

Redistribution should be an inherent component of European integration. Solidarity mechanisms are essential to guarantee that the project of the European Union goes beyond the construction of a European economic area.

We see added value for European spending when it

- promotes and allows for solidarity between and within EU Member States and regions
- promotes and allows for solidarity between the EU and other parts of the world
- promotes innovative policies and addresses central issues that need cross border and international action. Innovation is though only effective if EU policies and programmes trigger large scale effect, territorial coherence and long-term impact.
- gives incentives to Member States and partners in the world to set up the framework allowing everyone a high quality of life. By high quality of life we mean a healthy environment, access to decent work and life long learning opportunities, participation in culture, work life balance, access to services of general interest, possibilities to take part in public debates, legally binding social and political rights.

Rebates for individual Member States as result of unfair pressure and deals do not fulfil the principle of solidarity and complicate the system, thus hindering both the understanding and transparency of the EU budget.

Principle 4: Sustainable development with its economic, environmental and social dimension, in Europe and globally, must be the overarching goal of a new EU budget.

The EU Civil Society Contac Group calls on the EU heads of states and governments to reject the dominance of economic considerations. We want economic policies to serve the Treaty objectives and to bring about sustainable development that benefits the wellbeing of everyone. We are aware that the EU budget is a relatively small amount of money confronted with big challenges. The challenges can only be effectively tackled if Member States put their budgets in line with the commitments they make at European level.

We urge the European Commission to use the objectives and policy guiding principles⁵ listed in the EU sustainable development strategy to define the priorities and structure of the future EU budget.

To put sustainable development at the center of all European actions of course is not only a question of budget allocation but one of political will.

2 Principles for a better governance structure for the EU Budget

Principle 5: Public budgeting and spending at European and Member State level must be a transparent and accountable process. Without transparency and accountability, the public can neither monitor nor influence decisions and expenditures that affect people's lives.⁶

People have the right to know how and for what purposes their money is spent. Transparency allows for public debate which is a basic principle of democracy. Transparency is also a prerequisite for accountability of the European institutions and decision-makers and in their interest. Transparency is crucial to overcome the apathy and cynicism of many citizens.

Principle 6: The process of public budgeting at European and Member State level needs to allow for meaningful participation by public interest organisations.

The participation article in the Lisbon Treaty (article II 8-b) reads:

⁵ The key objectives are: environmental protection, social equity and cohesion, economic prosperity and meeting our international responsibilities. The policy guiding principles are: promotion and protection of fundamental rights, solidarity within and between generation, open and democratic society, involvement of citizens, involvement of businesses and social partners, policy coherence and governance, use best available knowledge, precautionary principle and make polluters pay.

⁶ Interesting in this context is the conference report "A value based EU budget for the future – What role for NGOs?" on <http://act4europe.horus.be/module/FileLib/Report%20EU%20budget%20review%20conference.pdf>

- “ 1. The institutions shall, by appropriate means, give citizens and representative associations the opportunity to make known and publicly exchange their views in all areas of Union action.
2. The institutions shall maintain an open, transparent and regular dialogue with representative associations and civil society.
3. The European Commission shall carry out broad consultations with parties concerned in order to ensure that the Union’s actions are coherent and transparent. (...)”

This needs to be applied to EU budgeting. Public budgeting has long been considered the exclusive role of the executive and the legislative. However public interest organizations can and should make positive contributions to the budget process. On the basis of their particular fields of expertise and their first hand experiences, they can contribute to better policy choices. A higher participation of women and discriminated groups in budgetary debates is necessary to ensure inclusiveness. The expertise of NGOs also helps to improve the quality and impact of expenditure. Participation in public budgeting can make public expenditure more effective. Furthermore the involvement of public interest organisations contributes to the accountability of decision-makers.

Principle 7: EU and Member States’ funds must be allocated in a way that reflects the EU’s policy priorities and that supports coherence within and between policies. Good governance methods such as gender budgeting should be applied to the EU budget.

The EU must urgently make significant progress in achieving policy coherence. Coherence needs to be improved on four levels:

- between objectives, policies and the budget allocation
- between policy and implementation
- between actions in different policy areas
- between EU and Member States policies and spending

For this reason, the EU must systematically assess the impact of its decisions on public health, environment, diversity and equality, social cohesion as well as solidarity among and within Member States and worldwide.

EU-funded projects and programmes must be fully consistent with agreed policy priorities and strategies, and with relevant legislation. EU funds must not be released to recipients unless they comply with all relevant legislation.

Existing methods such as gender budgeting should be used and further developed to increase and maintain coherence. Gender budgeting is an important part of good governance consistent with the political commitments made in relation to equality between women and men.

We are aware that the EU budget is a relatively small amount of money confronted with big challenges. The challenges can only be effectively tackled if Member States put their budgets in line with the commitments they make at European level. Financial incentives are required to induce national and sub-national governments to adjust their policies to the EU priorities. EU Member States in their respective public budgeting also need to adhere to the principles as outlined in this document.

Principle 8: There must be an immediate end to all perverse subsidies.

Public money must be spent responsibly and always serve the public interest, following the principles of sustainability. All subsidies counteracting these principles must be phased out.

Expenditure in one category must not undermine overarching policy objectives of the EU. Such a situation, which we experience today e.g. in the agriculture and fisheries policies, goes against the principles of policy coherence, good governance, efficient use of public money, and also undermines the credibility of the EU.

For example, a large part of current EU spending on agriculture is supporting farming practices which contradict the interests of consumers, damage the environment, hurt smaller farms, hinder sustainable rural development, threaten public health and create inequity among Member States. This is absolutely contrary to EU objectives, such as reducing the pollution and degradation of biodiversity, promoting and protecting public health and social cohesion. These incoherencies need to be tackled.

Similar examples exist in the transport sector. EU Structural Funds often pay for big infrastructure developments and road building, indirectly causing an increase in CO₂ emissions, which are supposed to be regulated and reduced by targets set under other EU legislation. Often the EU is forced to correct and compensate such failures afterwards with even more public spending, e.g. for restoration of habitats or measures to reduce emissions elsewhere.

Principle 9: EU spending should be subject to evaluation looking at their compliance and coherence with EU objectives as well as at efficiency and effectiveness

Ensuring that EU money is allocated in line with the Treaty objectives and policy priorities is crucial and it is therefore equally important to control and monitor how money is spent and how far this contributes to the achievement of the policy objectives. To do so all EU spending programs should be subject to evaluation looking at their compliance with the Treaty objectives, their coherence with EU policy and strategies as well as their efficiency and effectiveness. This evaluation must be implemented in a participatory way using the provisions of the participation article (11-8 b) of the Lisbon Treaty.