



*Committee on the Environment, Public Health and Food Safety
The Chair*

05.2.2024

Mr Johan Van Overtveldt
Chair
Committee on Budgets
BRUSSELS

Subject: Opinion on Guidelines for the 2025 budget – Section III (2023/2220(BUI))

Dear Chair,

Dear Mr Van Overtveldt,

The coordinators of the Committee on the Environment, Public Health and Food Safety (ENVI) decided on 28 November 2023 that ENVI would provide an opinion on the Guidelines for the 2025 budget – Section III (2023/2220(BUI)) in the form of a letter. Therefore, as both ENVI Chair and Standing Rapporteur for the Budget, let me provide you with ENVI's contribution in the form of resolution paragraphs, which was adopted by ENVI at its meeting¹ of 24 January 2024 and which I kindly request will be taken into account by your committee:

– Emphasises that the instability and insecurity caused by Russia's aggression against Ukraine requires not only a more united and supportive Union, but also an energy independent Union

¹ The following were present for the final vote: Pascal Canfin (Chair), Bas Eickhout (Vice-Chair), Anja Hazekamp (Vice-Chair), César Luena (Vice-Chair), Mazaly Aguilar, Catherine Amalric, Maria Arena, Katarina Barley, Hildegard Bentele, Sergio Berlato, Michael Bloss, Daniel Buda, Delara Burkhardt, Sara Cerdas, Mohammed Chahim, Asger Christensen, Christophe Clergeau, Nathalie Colin-Oesterlé, Ana Collado Jiménez, Maria Angela Danzi, Marie Dauchy, Matthias Ecke, Pietro Fiocchi, Heléne Fritzon, Malte Gallée, Gianna Gancia, Paola Ghidoni, Catherine Griset, Teuvo Hakkarainen, Martin Hojsík, Jan Huitema, Martin Häusling, Peter Jahr, Karin Karlsbro, Billy Kelleher, Ska Keller, Petros Kokkalis, Danilo Oscar Lancini, Peter Liese, Javi López, Thierry Mariani, Lydie Massard, Sara Matthieu, Liudas Mažylis, Nora Mebarek, Dace Melbārde, Marina Measure, Silvia Modig, Dolors Montserrat, Alessandra Moretti, Ville Niinistö, Ljudmila Novak, Nikos Papandreou, Francesca Peppucci, Jessica Polfjärd, Stanislav Polčák, Erik Poulsen, Nicola Procaccini, Frédérique Ries, Manuela Ripa, María Soraya Rodríguez Ramos, Maria Veronica Rossi, Silvia Sardone, Günther Sidl, Ivan Vilibor Sinčić, Sara Skytvedal, Maria Spyraiki, Edina Tóth, Achille Variati, Idoia Villanueva Ruiz, Petar Vitanov, Alexandr Vondra, Veronika Vrecionová, Thomas Waitz, Mick Wallace, Jörgen Warborn, Emma Wiesner, Michal Wiezik, Stefania Zambelli, Esther de Lange, Margarita de la Pisa Carrión, Elżbieta Katarzyna Łukacijewska, Michaela Šojdřová.

that leads the green and just transition, leaving no one behind and addressing energy poverty; notes that the serious geopolitical situation must not divert attention or slow down the efforts towards achieving the climate neutrality target set for 2050 at the latest;

– Points out that the EU's long-term budget for 2021-2027, together with NextGenerationEU, is aimed at implementing the EU's long-term priorities in various areas, including climate and the environment; highlights, specifically, that EUR 401 billion has been earmarked for natural resources and the environment, while 30 % of total EU expenditure is allocated to climate-related projects; welcomes, in this regard, the intention to increase funds by EUR 10 billion in the mid-term review of the 2021-2027 multiannual financial framework, especially in relation to environmental and climate priorities; supports the need for an additional EUR 1 billion under Heading 3 'Natural Resources and Environment', which includes expenditure and investment related to agriculture, maritime sectors, climate, environmental protection, food security and rural development², in order to address the environmental challenge with more flexibility³;

– Recalls that the green and digital transitions are two of the main objectives of NextGenerationEU and that its centrepiece – the Recovery and Resilience Facility (RRF) – is expected to guide the EU towards a more sustainable future by providing over EUR 700 billion in grants and loans to Member States; stresses the need to ensure that the RRF contributes to the mainstreaming of climate action and environmental sustainability and the achievement of the EU's goal of climate neutrality by 2050 by supporting Member State reforms in green technologies and capabilities, including sustainable mobility, energy efficiency, renewable energy, climate change adaptation, circular economy and biodiversity; recalls that, in order to receive these funds, Member States must prepare plans that devote at least 37 % of their total expenditure to investments and reforms in support of climate objectives; calls on Parliament to exercise its oversight function over the RRF by assessing that national plans are in line with climate and environmental objectives⁴;

– Underlines that the Union's budget for 2025 should be aligned with the European Climate Law's ambition of making the EU the first climate-neutral continent by 2050 and the Paris Agreement's goal of keeping the global average temperature increase below 2°C compared to pre-industrial times;

– Welcomes the commitment of the Commission, Parliament and the Council to strengthen the EU budget's contribution to the fight against climate change, as agreed in the Interinstitutional Agreement in December 2020⁵; emphasises the need to secure essential resources for climate and biodiversity mainstreaming, which ensures that all European programmes in any field take climate and biodiversity priorities into account in their design, implementation and evaluation; recalls the importance of reaching the climate spending target of 32.6 % of the EU budget of

² European Commission, 'Heading: spending categories', available at https://commission.europa.eu/strategy-and-policy/eu-budget/long-term-eu-budget/2021-2027/spending/headings_en.

³ Karoline Kowald, 'Mid-term revision of the 2021-2027 MFF: Interim report on Commission proposal', available at [https://www.europarl.europa.eu/thinktank/en/document/EPRS_ATA\(2023\)753945](https://www.europarl.europa.eu/thinktank/en/document/EPRS_ATA(2023)753945).

⁴ https://ec.europa.eu/economy_finance/recovery-and-resilience-scoreboard/green.html.

⁵ IIA= Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council of the European Union and the European Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.LI.2020.433.01.0028.01.ENG>).

EUR 578 billion; underlines the importance of ensuring the functioning of the Carbon Border Adjustment Mechanism, which will allow the Commission to take compensatory action to close any gaps in achieving the overall climate spending target for the EU budget⁶;

– Points out, with regard to biodiversity mainstreaming, the need to tackle biodiversity loss and restore ecosystems through significant investment and the achievement of the target of allocating at least 7.5 % of annual expenditure to biodiversity targets in 2024 and 10 % in both 2026 and 2027; underlines that further efforts must be made within the 2025 Union budget to ensure that the biodiversity spending targets set for the years 2026 and 2027 are met; stresses that the EU budget must be a key factor in the implementation of the 2030 Biodiversity Strategy, according to which biodiversity action requires at least EUR 20 billion per year from ‘public and private funding at national and EU level’⁷;

– Insists on the need to transparently monitor climate and biodiversity-related expenditures through reliable and comprehensive reporting in budget documents and on the performance website, and emphasises the need for sufficient *ex post* evaluations with a focus on impact; calls for the methodology for climate spending to differentiate between climate mitigation and adaptation where feasible; expects and stresses the need for the Commission to deliver a comprehensive and effect-based methodology based on EU climate coefficients and to provide annual reporting on past and future expenditures for all seven years of the MFF to ensure meaningful and well-designed climate and biodiversity mainstreaming; underlines the importance of avoiding misleading approximation of the spending contribution to climate and biodiversity objectives, including lack of explicit targets; urges the Commission to check the quality of expenditure at programme level; reminds the Commission to publish the mid-term review after consulting Parliament and stakeholders and to present a related proposal if the targets are not met;

– Calls for the commitment to the ‘do no (significant) harm’ (DNH) principle to be respected in every EU budgetary programme; stresses the need to practice the DNH principle by restricting expenditure with potentially negative climate and environmental impacts⁸; further stresses that compliance with the principle should be ensured throughout the budget and that necessary corrective measures should be taken, without undue delay;

– Calls on the co-legislators to swiftly conclude the outstanding legislative dossiers in the ‘Fit for 55’ package and further emphasises the need to implement this legislation in order to achieve the intermediate target of a 55 % reduction in greenhouse gas emissions by 2030; calls on the Commission and the Member States to ensure the swift and effective implementation of new rules and reforms;

– Recalls the need to ensure that one third of the EUR 1.8 trillion investment from the NextGenerationEU recovery plan and the EU’s seven-year budget will finance the European Green Deal and related initiatives; highlights, in this regard, the need to allocate sufficient

⁶ European Commission, ‘Climate Mainstreaming’, https://commission.europa.eu/strategy-and-policy/eu-budget/performance-and-reporting/horizontal-priorities/green-budgeting/climate-mainstreaming_en.

⁷ European Commission, ‘Biodiversity Mainstreaming’, https://commission.europa.eu/strategy-and-policy/eu-budget/performance-and-reporting/horizontal-priorities/green-budgeting/biodiversity-mainstreaming_en.

⁸ SWD(2022)0225, https://commission.europa.eu/system/files/2023-06/swd_2022_225_climate_mainstreaming_architecture_2021-2027.pdf.

human and financial resources for the implementation of the EU Climate Law, the EU Strategy on Adaptation to Climate Change, the EU Biodiversity Strategy for 2030, the Farm to Fork Strategy, the European Industrial Strategy, the Circular Economy Action Plan, the Batteries and Waste Batteries Regulation⁹, the EU Chemicals Strategy for Sustainability, the EU Forest Strategy for 2030 and the Nature Restoration Law, and to guarantee clean, affordable and secure energy¹⁰;

– Stresses the need to show a more ambitious increase in the allocation of funds for each programme, such as LIFE, to finance climate and environment-related projects as well as the Just Transition Fund to help the most vulnerable carbon-intensive regions facing the economic and social costs of the climate transition; calls for the ‘greening’ of all other relevant programmes and funds, including a proactive integration of climate and biodiversity finance into programming activities¹¹;

– Emphasises the need for better prevention and preparedness through the implementation of climate adaptation measures to enable the Union to prevent and respond to emergencies such as the recent floods, fires, droughts and other unforeseen events; stresses the continued importance of ensuring adequate funding of the Union’s civil protection mechanism;

– Recalls that the Commission is responsible for making sure that all EU countries properly apply EU law and thus urges the Commission to ensure that there is sufficient funding and staff capacity to monitor the implementation;

– Underlines the importance of allocating sufficient financial and human resources to the European agencies under ENVI’s remit, such as the European Environment Agency (EEA), the European Chemicals Agency (ECHA), the European Food Safety Authority (EFSA), the European Centre for Disease Prevention and Control (ECDC) and the European Medicines Agency (EMA), to ensure that they can play their key role in European policymaking in response to the crises facing the EU;

– Stresses the importance of prevention and of being better prepared to combat future health threats; stresses the need to ensure the continued availability and affordability of medicines to preserve the health and wellbeing of citizens; highlights the EU’s current dependency on active pharmaceutical ingredients (APIs) and chemical raw materials imported from non-EU countries and further stresses the need to achieve a more independent and open strategic autonomy in the pharmaceutical supply chain;

– Further stresses the importance of strengthening the sustainability and resilience of health systems while reducing disparities in equal and equitable access to healthcare and medicine; stresses that health-related expenditure should follow the ‘One Health’ and ‘Health in all policies’ approaches; highlights the absence of and need to establish a common global vision on the ‘One Health’ approach and pandemic preparedness; recalls the danger of shortages of essential medicines and calls for immediate measures to be taken to ensure continued supply

⁹ Regulation (EU) 2023/1542 of the European Parliament and of the Council of 12 July 2023 concerning batteries and waste batteries, amending Directive 2008/98/EC and Regulation (EU) 2019/1020 and repealing Directive 2006/66/EC, OJ L 191, 28.7.2023, p. 1.

¹⁰ COM(2019)0640.

¹¹ SWD(2022)0225, https://commission.europa.eu/system/files/2023-06/swd_2022_225_climate_mainstreaming_architecture_2021-2027.pdf.

and the availability and affordability of the most critical medicines and components¹²;

– Reiterates its concern that over 50 % of the EU4Health budget was allocated for operational expenditures of the Commission’s European Health Emergency Preparedness and Response Authority (DG HERA) and stresses the importance of allocating adequate funding for the activities under the EU4Health programme, including sufficient support for the implementation of the European Health Data Space;

– Underlines, in this regard, that many epidemics are linked to the rise of infectious diseases and that the Union’s efforts to combat antimicrobial resistance should be significantly increased; further stresses the need for stronger cooperation with international partners with regards to reaching a global agreement on the use of and access to antimicrobials;

– Highlights the need to continue the EU’s fight against cancer by ensuring the implementation of Europe’s Beating Cancer Plan through adequate funding; welcomes the use of funds from the EU4Health programme and other EU instruments that will provide substantial financial support of EUR 4 billion to Member States in their efforts to make their health systems more robust and capable of tackling cancer¹³;

– Emphasises the importance of an enhanced EU own resources system capable of meeting the challenges and contributing to the Union’s health, environment and climate goals, and to NextGenerationEU’s debt recovery; recalls that the EU budget is complementary to Member States’ national budgets and allows the EU to maintain and even strengthen its role as a global player in tackling today’s challenges;

I have sent a similar letter to Mr Victor Negrescu, general rapporteur for the 2025 budget.

Yours sincerely,

Pascal Canfin

¹² COM(2023)0672.

¹³ Europe’s Beating Cancer Plan: Communication from the commission to the European Parliament and the Council, available at https://health.ec.europa.eu/system/files/2022-02/eu_cancer-plan_en_0.pdf.

**ANNEX: ENTITIES OR PERSONS
FROM WHOM THE RAPPOREUR FOR THE OPINION HAS RECEIVED INPUT**

The Chair in his capacity as rapporteur for the opinion declares under his exclusive responsibility that he did not receive input from any entity or person to be mentioned in this Annex pursuant to Article 8 of Annex I to the Rules of Procedure.