

COMMITTEE ON BUDGETS  
COMMITTEE ON BUDGETARY CONTROL

INVITED COMMITTEES:  
COMMITTEE ON CIVIL LIBERTIES, JUSTICE AND HOME AFFAIRS  
COMMITTEE ON LEGAL AFFAIRS

**HEARING OF PIOTR SERAFIN**  
COMMISSIONER-DESIGNATE  
(Budget, Anti-Fraud and Public Administration)

THURSDAY, 7 NOVEMBER 2024  
BRUSSELS



1-0002-0000

**IN THE CHAIR:**

**JOHAN VAN OVERTVELD**  
*Chair of the Committee on Budgets*

**NICLAS HERBST**  
*Chair of the Committee on Budgetary Control*

1-0003-0000

*(The hearing opened at 14:29)*

1-0004-0000

**Johan Van Overtveldt**, *Chair of the BUDG Committee*. – Dear colleagues, on behalf of our committees on Budgets and Budgetary Control, I'm very glad to welcome Commissioner-designate for Budget, Anti-Fraud and Public Administration, Piotr Serafin, to this hearing. A very warm welcome. I would also like to welcome the members of the invited LIBE and JURI committees, the LIBE Chair Mr Zarzalejos and the JURI Vice-Chair Ms Walsmann.

During the evaluation meeting, which will take place after the hearing, coordinators will have to state clearly whether they consider the candidate to be qualified both to be a member of the College and to carry out the particular duties he has been assigned.

Before the hearing, the Commissioner-designate replied in writing to a preparatory questionnaire. The written answers have been distributed to Members in all languages. The Committee on Legal Affairs assessed the question of potential or actual conflicts of interests, and has raised no objection to the holding of this hearing.

Commissioner-designate, the next five years are really crucial for Europe. We will soon start negotiating the multiannual financial framework post-27 and the NextGenerationEU programmes. The number of priorities we need to address has never been higher. This has to be done while meeting our commitments to support Ukraine and repaying the debt we contracted under NextGenerationEU.

We expect a strong and ambitious Commission, a strong Commissioner on budget, striving not to defend the least possible compromise in the Council, but to work for an ambitious EU budget which takes the principled positions of this House daily into account. We expect a Commissioner acting neutrally and transparently, and respecting the roles and prerogatives of every institution to ensure that work can be conducted in a climate of full trust.

I am sure we will have the chance to dig more into these and other topics with you during the coming debate, and I pass the floor now to Niclas Herbst.

1-0005-0000

**Niclas Herbst**, *Chair of the CONT Committee*. – Dear colleagues, dear Commissioner-designate, I would also like to seize the opportunity and stress the key importance of keeping a strong EU budgetary control framework. We expect the Commissioner on Budget, Anti-Fraud and Public Administration to maintain high standards of ethics and accountability in EU administration and

strive towards a transparent and accountable EU financial system, so that the EU's financial interests are effectively and efficiently protected.

Transparency, accountability and efficient management of EU funds, including RRF funds and future performance-based funding, are essential to that end and need to be supported by a better coordination of anti-fraud actors and a properly functioning rule-of-law conditionality mechanism.

Let me remind you how this confirmation hearing will be structured. The Commissioner-designate will make an opening statement of no longer than 15 minutes. He will have five minutes at the end of the meeting for a closing statement.

After the introduction, we will turn to the questions from the MEPs. The confirmation hearing will be structured in four rounds, with very strict timing.

A first round of political groups with five-minute slots each, with one minute for the question – that means 60 seconds – and two minutes for the answer from the Commissioner-designate, with a possibility of a follow-up question from the same Member, no longer than one minute – again, 60 seconds – with one minute for the reply.

A second round of questions with three-minute slots each, based on the overall distribution of speaking time among the political groups, including a representative from the non-attached Members.

A third round of questions by the Chairs of the invited committees with three-minute slots each will then take place.

To conclude, a final round of questions by political groups in reverse order, also with three-minute slots each. After slots of three minutes, all of the slots will be divided into one minute for a question and two-minute answer from the Commissioner-designate.

Interpretation is provided in 23 languages so that all speakers can therefore use their own language. Please do not speak too quickly. The interpreters need to be able to follow all your speeches.

Dear Commissioner-designate, we acknowledge your responses to the horizontal written questions and your readiness to cooperate with the European Parliament. This is particularly important in the context of the revision of the Framework Agreement between the European Parliament and the Commission – in particular, your engagement to be regularly present in committee and plenaries, to follow up on Parliament's legislative initiatives, and to timely share information in Parliament as co-legislators and as an arm of the budgetary authority.

We count on the full implementation of these commitments and emphasise the Commission's role as an honest broker in all legislative procedures and the interinstitutional negotiations, ensuring equal treatment of Parliament and the Council. If you treat us better than Council, we will not complain.

I equally count on your full cooperation to also inform our committees in advance of all upcoming proposals, with detailed justification for those requiring urgent action. This will ensure transparency and allow Parliament to properly exercise its prerogatives.

I now give the floor to Johan Van Overtveldt, who will chair the first half of the confirmation hearing.

1-0006-0000

**Johan Van Overtveldt**, *Chair of the BUDG Committee*. – Thank you, Niclas. Mr Serafin, you have the floor for a presentation of no longer than 15 minutes. Please.

1-0007-0000

**Piotr Serafin**, *Commissioner-designate*. – Dear Chairs, honourable Members of the European Parliament, thank you very much for the invitation today and for your words of introduction.

As you can probably guess, today's hearing is a very emotional moment for me. I know that I would not be here without the fight of many generations of Poles for freedom and, as we used to call it, a return to Europe. I am grateful to my compatriots who, also today, are a source of hope for a strong European Union, even at a time when dark clouds are increasingly gathering around us.

It is with this hope that I stand before you today as Commissioner-designate for Budget, Anti-Fraud and Public Administration.

I know that the European Parliament is the source of democratic legitimacy for the College, and for each and every Commissioner-designate. I want to assure you – not out of politeness but because it is my firm belief – that your opinions and cooperation with you will be as important for me today as they will be in the future.

Honourable Members, the most important task of the Commissioner for Budget will be to support the President of the European Commission in preparing the new Multiannual Financial Framework. As the new MFF will largely shape the EU for the next several years, it obviously requires extensive prior consultations, also – and perhaps above all – with the European Parliament.

It should be our ambition to create an MFF of unity, not of division. It must be a strong political statement that Europe is taking more responsibility for its own future.

This means that we should be financing our common priorities more than before. We know them all very well: competitiveness, cohesion, digitalisation, agriculture and the green transition – after all, the climate and biodiversity crisis will not just go away.

But the economy and climate are not our only challenges. Nearly 1000 days ago, Russia launched a full-scale invasion against Ukraine, and the EU's security is also at risk. Today, with wars raging in and around Europe, our alliance is facing new challenges. Security and defence have also become a priority, and there is no way around it.

That is why, if I am confirmed as Commissioner for Budget, I will work for an MFF that addresses these challenges. Based on the political guidelines of the President, I would like to present to you a few ideas on how such an MFF could be built.

Firstly, the new MFF will include a plan linking reforms with investments in each Member State. We want to develop these plans in dialogue with capitals and with regions. It is them who know best what reforms and investments they need.

Secondly, a new European Competitiveness Fund can play a key role in reinforcing our economy. We should build on our strength – an efficient research and development sector. What remains a weakness is the transition from research to the real economy, especially in strategic sectors critical for competitiveness. The new technological revolution is already changing the face of the global economy, from AI to biotechnology. And Europe cannot remain a mere spectator!

Thirdly, the budget must be more flexible. Our budget should allow us to react quickly to crises and changes in and around our Union. In recent years alone, we have faced a pandemic, a full-scale war on the European continent, an energy crisis and relentless waves of fires and floods. We still remember the disastrous flooding in Poland and Central Europe. Now, we are saddened by the tragic floods in Spain. Unfortunately, the future will not be more stable.

Fourth, we need a simpler budget. Simpler primarily for its beneficiaries. We are concerned, and rightly so, about the rising error rates in budget expenditure. However, in the vast majority of cases it is not caused by fraud or conflict of interests, but by complicated procedures, contradictory rules, and multiplied funds and programmes that pursue similar objectives. Accessing EU funds does not have to be a bureaucratic nightmare. We should work on it.

Fifth, we must get the maximum out of every euro in the EU budget. We know investments in Europe must increase dramatically. We also know that public finances cannot lift this burden alone. This is why, more than before, we must mobilise private and institutional capital. Increased use of guarantees or blending instruments is the way forward, and the EU budget has its role to play here.

There is, finally, the question of budget financing. My task will be to remind the Member States that the deal from 2020 remains in place – I refer to the interinstitutional agreement – and we are all committed to working on new own resources. Progress on this matter has been insufficient and time is running. I expect the Council to resume work on this issue at the beginning of the next year, at the latest.

In short, the EU budget and the next MFF must show the solutions. They must show that Europe is ready to tackle the challenges head on and it must be realistic. I count on very close cooperation with you in this House. There will be no strong MFF without you.

Honourable Members, in recent years, we have built new institutions to protect the financial interests of the community and Member States and to fight organised crime. If confirmed as Commissioner for Anti-Fraud, I will work on the review of anti-fraud architecture to strengthen these institutions and to step up their cooperation.

Better collaboration between OLAF and the European Public Prosecutor's Office is an opportunity for swift recovery of EU budget funds.

The further strengthening of EPPO is bad news for fraudsters and organised crime. The Office is currently handling VAT fraud cases with an estimated value of EUR 11 billion.

We must do everything we can to eliminate fraud and organised crime in the EU. This would also ensure that tax revenues are steered away from fraudsters and towards addressing key challenges for the Union, the Member States and our people.

The respect for the rule of law is closely linked to anti-fraud. This respect is – and will continue to be – a must for EU funds. The rule of law is a matter of guaranteeing that European taxpayers' money serves common goals and whole societies, not just those in power and their acolytes. That is why I will work to further strengthen mechanisms that guarantee respect for the rule of law. We will build a close link between the Rule of Law Report and the EU budget.

Today, I would like to thank the European Parliament for its contribution to the fight for the rule of law, and I am ready to cooperate both on implementing the current rules and on reinforcing them in the future.

Honourable Members, finally, if confirmed, I will also be the Commissioner for Public Administration. Without a strong and efficient public administration, our objectives will remain only on paper.

The last time we reflected on how the Commission is organised was 25 years ago. Since then, the world around us has changed beyond recognition. And our Union is also different, with more and more tasks entrusted to the EU level.

We must get our administration up to speed to respond to these new circumstances. This will be the purpose of the large-scale review of the Commission's organisation and operations.

But European administration is not only about structures. It is above all about people, their values and their life aspirations. I am happy to see that women are now very well-represented in managerial positions in the Commission. I am, however, worried that the European institutions are becoming less attractive as an employer, especially for young talent. As a result, there is a growing problem with geographical balance. I am counting on the support of this House also on this matter.

Honourable Members, the European Union remains the best place to live in the world. But focused on competitiveness, the technological race, defence or enlargements, we must not lose sight of those overwhelmed by the pace of change.

We have obligations towards all Europeans, and even more so towards those who need our assistance. The European institutions must accompany them in the just transition.

I have no illusion that the EU budget alone can solve all our problems, but I do know that it can be a powerful tool to face them.

Let me finish on a personal note. I come from a generation of Poles born in times when the Iron Curtain still divided Europe. I was reminded of this almost every day by soldiers of the Red Army, whose base was six kilometres from my home.

I want to say that those who remember a divided Europe, those who know what it means to live in a foreign-dominated country with no respect for individual rights and civil liberties, those people understand the great value of a strong and united European Union.

We may argue about various issues but we must, at all costs, protect our unity and the values that constitute our community.

Thank you. I am ready to take your questions.

1-0008-0000

**Johan Van Overtveldt**, *Chair of the BUDG Committee*. – We will now start the first round of questions by political groups, with five-minute time slots each. One minute for a question, then two minutes for the reply by the Commissioner-designate, then one minute for a possible follow-up question, and then again one minute for the follow-up answer.

Please let me remind all of you that we will be extremely strict in this time allocation. One minute is one minute, two minutes are two minutes!

1-0009-0000

**Siegfried Mureşan (PPE).** – Thank you very much, Chair. Commissioner-designate, welcome to the European Parliament.

The budget of the European Union is one of the most important tools that we have to implement our priorities as a European Union. We in the European Parliament believe in a robust budget, a budget that delivers for the citizens, a budget that is transparent, and a budget with democratic accountability, specifically also to the European Parliament. We expect a Budget Commissioner who acts as an honest broker between the European Parliament and the Council, the Member States.

In your mission letter, you are asked to develop a new approach for a modern and reinforced budget, moving to a policy-based budget from a programme-based budget. We have also seen some public news in this respect.

This is why my first question is: how do you see the architecture of the next multiannual financial framework?

My second question is: how will you balance between the longstanding priorities of the Union and the new priorities of the Union?

My third question is: if you believe in a single RRF-type programme, or if you believe that the current programmes of the Union have to continue in the current or in a similar form?

1-0010-0000

**Piotr Serafin, Commissioner-designate.** – Thank you for these questions. Let me start by saying that up until now, there is no proposal of the European Commission for the future MFF. The only thing which is on the table are the political guidelines of the President von der Leyen and the mission letter that I have received. So whatever you have read in the press, it is not the proposal of the Commission for the next MFF.

When it comes to the policy-based budget versus programme-based budget, I believe that is the idea which should guide us in further discussions and preparations for the next MFF. For me, the meaning is the following: we should start with our policies. We should think about the objectives that we would like to achieve. And then in view of those policies and objectives, we should adjust our programmes. It might mean that there will be less programmes in the future, and here I will refer to your question on architecture, because indeed, both in the political priorities and in my mission letter – but I believe also here in this House – we are all committed to work on simplification. We are all committed to work on more flexibility. These two guiding principles should be also guiding us in the preparation of the architecture of the future MFF. You are absolutely right.

I now refer to your third question on the priorities. We will be confronted with a huge challenge. We need to have the ambitious MFF, but the fact that we need to pay more attention to security and defence does not mean that we should forget about green transition, or that we should forget about cohesion in the EU. These are still objectives having European importance.

1-0011-0000

**Siegfried Mureşan (PPE).** – Two specific follow-up questions from my side, Commissioner-designate.



You spoke about an ambitious multiannual financial framework. This is also the view of the European Parliament. How do you see the repayment of NextGenerationEU, of the Recovery and Resilience Facility, taking place, and how do you see that being aligned with an ambitious multiannual financial framework?

My second question is in the context of the conditionality regulation. Can you envisage us working on beneficiaries of EU funds in the future not being penalised if governments of Member States are attacking European values or rule of law? So, for the time being, funds are frozen for Member States which are attacking the rule of law, and its local, regional authorities and beneficiaries are suffering. The question is, can we envisage reform developments in this area?

1-0012-0000

**Piotr Serafin**, *Commissioner-designate*. – When it comes to the repayment of the NGEU debt, I believe we should stick to our commitments. We are working on the assumption – and this is the assumption which is enshrined in law – that as of 2028 until 2058, we will be paying back the principle of our debt. We should stick to it.

When it comes to financing, in view of that challenge, we have on the table the proposal also from you: own resources. That's why I believe we should push and convince the Member States to go in that direction. It's true, with so many priorities, it might be really difficult to meet all the objectives.

And finally, when it comes to conditionality, I am also aware of the position of the Renew Group on the smart conditionality. There are some clauses in the existing conditionality regulation. We should look whether it is possible to put them into practice.

1-0013-0000

**Jean-Marc Germain (S&D)**. – Monsieur le Commissaire désigné, la tragédie de Valence vient nous rappeler la réalité des ravages du dérèglement climatique et l'urgence à y faire face. L'Europe devra être au rendez-vous pour aider nos amis espagnols à se reconstruire.

L'urgence climatique n'est pas le seul défi pour notre Europe. On ne peut, après l'élection de Donald Trump, qu'approuver M. Kubilius, qui pose la défense européenne comme une urgence politique, et donc budgétaire, absolue. Ou rejoindre M. Hansen, qui juge que toute réduction de la PAC serait un désastre, ou encore M. Jørgensen, qui évoque des besoins massifs pour le secteur de l'énergie, ou M<sup>me</sup> Roswall, qui demande un financement à la hauteur pour le pacte vert.

Vous nous écrivez, dans votre réponse, qu'il ne peut y avoir, je vous cite, «en même temps le remboursement de NextGenerationEU, un budget européen qui réponde à nos ambitions et pas d'augmentation des ressources propres». C'est juste, mais l'heure n'est plus à énoncer un théorème d'impossibilité, mais à prendre des engagements précis.

Quelle est votre évaluation des budgets supplémentaires pour répondre aux ambitions de la législature? C'est ma première question. Ma seconde question: pouvez-vous nous confirmer que les 36 milliards d'euros que vous avez évoqués dans la proposition de ressources nouvelles permettront de couvrir ces besoins?

1-0014-0000

**Piotr Serafin**, *Commissioner-designate*. – Thank you for your question. I really believe that we should start the reflection on the future MFF about identifying our priorities and about concentrating how we can improve the budget which we have right now for the future. That should really be the

starting point, but you are absolutely right – we will get also to a moment when the most fundamental question will be on the table, the question also of the size of the budget and how to finance it.

Personally, if you ask me, I believe that it is not feasible to meet all these challenges with 1 %. But that is my personal view and what would need to happen: we need to have first in the Commission an in-depth discussion within the College and then also consultations with you. And that will be the moment when we will get to the question of the size. I think if our ambition is to build the budget which unites and divides, we should first concentrate our attention on priorities.

1-0015-0000

**Jean-Marc Germain (S&D).** – Ma question de suivi vient de ce que votre réponse nous laisse un peu sur notre faim. Nous attendons aujourd’hui des solutions, parce que j’ai bien lu votre lettre de mission et elle vous demande d’agir dès demain. Je vais donc poser deux questions précises pour lesquelles j’attends, nous attendons, des réponses précises.

Tout d’abord, Monsieur le Commissaire désigné, prenez-vous l’engagement, oui ou non – parce que la menace existe –, que les politiques de cohésion ne seront pas sacrifiées sur l’autel du remboursement de la dette Covid, mais au contraire renforcées?

Seconde question, Monsieur le Commissaire désigné: vous engagez-vous à nous présenter des budgets pluriannuels marquant un changement d’échelle par rapport au niveau actuel des dépenses de 1,1 % du PIB pour honorer les politiques vitales en matière climatique, sociale, économique, de défense que nous avons le devoir d’engager sans délai?

Vous connaissez la maxime: quand il y a une volonté, il y a un chemin. Nous attendons que vous nous montriez aujourd’hui votre volonté.

1-0016-0000

**Piotr Serafin, Commissioner-designate.** – Thank you for these follow-up questions.

On the size of the budget, I’m not going to express myself. I said already enough for you to know what are my views. I am committed to work on the new own resources and the situation is very simple. There are two ways to finance the budget. Either you increase the contribution from the Member States or you have new own resources.

It is my commitment to work on new own resources, and I also promise you that I will do my best to convince the Member States that when it comes to some new priorities we talk about – like defence, like competitiveness – it makes much more sense, also from the perspective of the finance ministers, to spend money at the EU level rather than at the national level. It will simply be cheaper to achieve our objectives in these two areas by doing that together. So this is the commitment I’m ready to take.

With regard to the cohesion policy, I want to repeat what was already said by President von der Leyen. Regional policy, regions will remain at the heart of the cohesion policy, and cohesion policy will be a must also for the future.

1-0017-0000

**Ondřej Kovařík (Pfe).** – Commissioner-designate, I will follow up to where you just ended on the Cohesion Policy. You mentioned that there’s a number of new challenges that the European budget

should respond to, but at the same time, there's a number of long-term, well-functioning policies addressing some of the key issues on which the European Union are built, such as the Cohesion Policy, investment in infrastructure, agriculture or security. Can you give us your views on how you would like to balance all these priorities in the new budget so that these, to quote you, are not 'forgotten', but they have the right place in the next MFF?

The second question: you mentioned you would like to consolidate the financial instruments. Can you give us a guarantee that instruments that address these four areas that I just mentioned would not be blended, so to say, that the role of the cohesion or agriculture policy will be diminished in this new consolidated financial structure?

1-0018-0000

**Piotr Serafin**, *Commissioner-designate*. – On cohesion and on the common agricultural policy, I can safely redirect you to the political guidelines presented by the President of the European Commission here in this House on 18 July. She could not be more clear: she wants to see strong regional policy, and she wants to see CAP policy that finds the right balance between investments, income supports and also regulation and the need to reform.

On the future structure, this is something that we really need to discuss also with you. We need to have that input from the European Parliament to make wise decisions. But on the blending, on guarantees, I would say that definitely in the regional policy and in the CAP grants remain key, but more and more regions and Member States are keen to use also guarantees and blending. We should not stop them.

1-0019-0000

**Ondřej Kovařík (Pfe)**. – My second question would go to actually the time period that will be covered by MFF. We currently program the MFF for seven years. There are considerations on either shortening or keeping the period – I would like to know your personal view on how long the period should be for the MFF.

Then the second point goes alongside it: we have, currently in European law, a number of commitments that go well beyond the time period, not only of the Commission or the Parliament's mandate, but also of the MFF. To give you an example, the Trans-European Transport Network, we have commitments that go until 2030, 2040 or 2050. The same goes for some of the climate issues. Can you give us your considerations on how we can better plan a long-term investment, which are beyond the time period of the MFF, so that we can still guarantee that there is enough money available from the European Fund also to meet these long-term commitments that we have in European law?

1-0020-0000

**Piotr Serafin**, *Commissioner-designate*. – As you know, the Treaty provides for the possibility of having MFF of five years. So far it only happened once. I also understand that in the past it was the strong view of the European Parliament that the MFF should be shorter, that it should provide for more flexibility. That will be definitely one of the issues to reflect upon while preparing the next MFF.

There is a consideration to which I have referred – flexibility, but there is also a consideration to which you refer: predictability, also for the financing of the projects with a long-time horizon. So there is no decision on that issue when it comes to the Commission, and I will approach this debate with an open mind.

1-0021-0000

**Ruggero Razza (ECR).** – Signor Presidente, signor Commissario designato, l'Europa ha, secondo i maggiori osservatori, grandi problemi di competitività.

Lei, nelle sue risposte scritte, parla della nuova Commissione come "Commissione degli investimenti" e annuncia di voler costituire un fondo per la competitività europea.

Le domando come ritiene che il bilancio debba sostenere questo nuovo fondo e immagino che questo sia antecedente all'entrata in vigore del nuovo QFP, perché il tema di competitività è ora e adesso e non può essere certamente rimandato ai prossimi due anni.

Lei immagina soltanto una risposta dalle nuove entrate proprie, dal dibattito aperto? E come la immagina in funzione degli obiettivi che emergono dalla relazione Draghi?

1-0022-0000

**Piotr Serafin, Commissioner-designate.** – When it comes to a new Competitiveness Fund, this is the proposal which is being discussed right now in view of the next MFF. But I think we also have to be very clear, the idea of the Competitiveness Fund is to concentrate on the sectors which are the most critical for the competitiveness of the European economy, so-called strategic sectors.

We have already a training ground for a Competitiveness Fund – that is STEP. So how does STEP work? STEP coordinates 12 funds which are in Heading 1 of the MFF. STEP allows also transfers from the Cohesion Policy from the RRF. And the idea is that we assist the project from the research phase until the phase it reaches real economy. We are still debating, and the Commission will debate, how it should be organised, but this is at this point the best proxy of what you could expect.

1-0023-0000

**Ruggero Razza (ECR).** – Provo ad approfondire, se mi consente, ulteriormente il tema.

Nella relazione che è stata presentata al Parlamento dal Presidente Draghi si fa riferimento alla necessità – dal punto di vista della quantità delle risorse che debbono essere investite per la competitività dell'Europa – di un piano che valga 800 miliardi di investimenti all'anno. Dal 2026 si prevede che le risorse proprie possano apportare 36 miliardi di euro all'anno.

Allora, posso condividere e certamente il Parlamento sarà pienamente impegnato con la Commissione nella individuazione del nuovo QFP. La preoccupazione è: quali iniziative ci saranno nel 2025 e nel 2026 e cioè quando il tema della competitività si pone adesso e il nuovo QFP entrerà in vigore nel 2028?

1-0024-0000

**Piotr Serafin, Commissioner-designate.** – Well, 800 billion euro per year – this is not what we can expect from the EU budget. We have to be very frank and honest among ourselves.

The EU budget can chip in. I would even add that the public finances of the Member States are not prepared for such an effort. That's why we also need to engage the private capital and institutional capital. There is no way around it.

Now, when it comes to the initiatives that should be presented in the nearest future before the next MFF, this is not necessarily a question to me. This is a question which I believe has already been addressed in the hearings. But what I know is that my colleagues are working also on the Clean

Industrial Deal. This is the initiative that they would like to present still in 2025. The budget, if asked, we will look at the possibilities to assist these efforts. But I think the best we have is STEP.

1-0025-0000

**Johan Van Overtveldt (ECR).** – Commissioner-designate, you are, of course, entirely free to answer in the way that you want, but I just want to remind you that on the first question of the Member of Parliament, you have two minutes' time to answer, because I saw you limited each time to one minute. I think there was a small misunderstanding there. It's indeed fairly frugal, but you have two minutes on the first question. Just to be clear on what the rules of the game are! Let's proceed.

1-0026-0000

**Lucia Yar (Renew).** – I will have a question which you may use two minutes for!

In your written response and also in your foreword today, you stated an intention to reinforce the link between the EU budget and the recommendations from the Rule of Law Report. Could you commit to concrete measures that will ensure that link, so that this link translates into some accountable and measurable actions? In other words, how will you reinforce this link in concrete actions? For instance, do you intend to integrate the Rule of Law Report recommendations into the plan for reforms for each Member State?

Secondly, do you consider the current extent of the Rule of Law Report precise enough to inform you, if confirmed as the Budget Commissioner, about potential threats to the EU budget? Which indicators, maybe, are you considering missing in order to warn the Commission at the early stages that it needs to act in order to avoid such threats?

1-0027-0000

**Piotr Serafin, Commissioner-designate.** – On the link between the Rule of Law Report and the budget, this is, of course, the work that I would need to – with pleasure, actually – carry on together with the Commissioner for Justice and the Rule of Law. What I can tell you at this point is that indeed we should look into the recommendations of the report. We might find – and the reports might find – weaknesses in various Member States in terms of anti-corruption, in terms of anti-fraud, in terms of audit. And I believe that the EU budget could also be in a position to assist Member States in those reforms that, at the end of the day, might be useful also from our European perspective.

You referred to the RRF model, reforms and investments. Why not? Maybe we should also reflect about that. I think that the experience, when it comes to that part of the RRF was a positive one, and we could also build on it for the future.

The second question, I will be very honest: if you could just hint to me what was the most important element of it?

1-0028-0000

**Lucia Yar (Renew).** – Precision. Whether the Rule of Law Report is precise enough, according to you, to inform you of the potential threats of the EU budget? Or where would you extend it?

1-0029-0000

**Piotr Serafin, Commissioner-designate.** – It definitely is the case. If the Rule of Law Report demonstrates weaknesses in the anti-corruption strategy, that is a hint. The hint which then has to be followed up also by the DG BUDG services.

1-0030-0000

**Lucia Yar (Renew).** – The follow-up question will be something probably not many will be asking today. It will be on gender equality in the EU budget, because gender equality is a core EU value and also a top priority for our political group, and we believe it should feature as a key dimension in the Rule of Law Report.

In your written answers, you mentioned plans to ensure that all programmes and activities reflect the principle of gender equality. But last year we had only 11 % of EU budget directed to ensure equality for all. Could you commit to, and perhaps name at least maybe three very concrete, specific, maybe measurable actions to implement this principle effectively? For example, could you commit and confirm that you would require Member States to report on gender-equality outcomes for projects funded by the EU?

1-0031-0000

**Piotr Serafin, Commissioner-designate.** – First of all, I would like to congratulate you, because indeed, the fact that in the Interinstitutional Agreement we have a reference to the gender equality in the context of the EU budget, this is the success also of the Renew Group, not only, but Renew was playing a critical role in that respect.

You referred to 11 %. It transfers into a lot of money, and let's also be frank: we have introduced a methodology as requested by the Interinstitutional Agreement. We have also demonstrated that, from one year to another, there is progress.

Now, when it comes to the future, what we have in mind is indeed a review of the mainstreaming architecture, including with methodologies, because I know that there are many issues being raised in that respect, and that is something to which I can commit at this point.

1-0032-0000

**Rasmus Andresen (Verts/ALE).** – Thank you so much, Mr Serafin. Good to have you here in the Committee. I think that the coming years will be quite decisive for the future of European generations, let's put it like this. Also with the outcome of the US elections, I think it's really important to strengthen the budget. Despite all the global challenges, also facing climate change and the loss of biodiversity – you mentioned it will be one of the big challenges we need to tackle.

We got a clear commitment from the Commission President in her speech before she got elected on the Green Deal. Now I think we also need to follow up on the financing side of it, therefore, I would like to ask you a little bit more into what your plans are on this. So how will you approach climate and biodiversity action as a horizontal policy goal, as gender equality also is in the next MFF? What will be your level of ambition to deliver on the Green Deal? Would you commit to increase the level of climate and biodiversity spending?

1-0033-0000

**Piotr Serafin, Commissioner-designate.** – When it comes to horizontal policy goals, as I have said, our intention is to look both into the whole toolbox of mainstreaming and the methodology that is being used. I also know that, not just you, but also that there are certain concerns expressed by the European Court of Auditors, in particular with respect to the methodology on the CAP. So that is something into which we will look. At this point, my clear commitment is that, in line with the financial regulation – no significant harm rule, that is the rule which should be applied all across the budget. And, as you remember, that rule provides for both climate and biodiversity.

Now, on the scale of EU budget expenditure on the green transition, you will understand I cannot make a commitment on any number at this point. But when I think about it and when I see the scale of the investments which are needed, and they are needed not just in our economy, the support is needed also at the level of households, to implement the Green Deal; then I believe that it would actually be our responsibility to follow up on the regulation adopted at the EU level, also with significant financing that can assist our households, our energy systems, our transport systems, because that is simply our responsibility. But please, at this point, I will not give you an exact number.

1-0034-0000

**Rasmus Andresen (Verts/ALE).** – You also mentioned the agricultural spending, and besides of the size of the budget and the level of spending for climate and biodiversity, I also think we have an issue on the quality. And there had also been some reports, for example, from the Court of Auditors. So would my second question would go on how do you intend to ensure that also the agricultural spending will deliver on the climate and biodiversity goals?

You briefly mentioned it in your first answer on my question, but maybe you could deep-dive a little bit more, also when it comes to the methodology linked to the climate and biodiversity quota, assessing the agricultural part of it.

1-0035-0000

**Piotr Serafin, Commissioner-designate.** – Two elements of my answer: the first one is, of course, we need to draw conclusions from the farmers' protests at the beginning of this year. What is that conclusion, in my view? In my view, it means that we should put more emphasis on incentives. And we know, looking also at the toolbox of the CAP, that we have eco-schemes which incentivise farmers to invest more into biodiversity. So that would be one element of my answer.

When it comes to the methodology, yes, I'm aware of the report of the Court of Auditors, and what I can tell you at this point is that together with the agriculture ministers, we will work on a delegated act in which the methodology of tracking climate and biodiversity in the CAP will be reviewed. At this point, the studies have been already commissioned and the process is going to progress.

1-0036-0000

**João Oliveira (The Left).** – Senhor Comissário indigitado, o Orçamento da União Europeia tem de compensar os impactos assimétricos das políticas da UE em cada país e região. Para isso, o orçamento tem de ter como prioridades e objetivos: a coesão económica, social e territorial; o combate a desigualdades e injustiças sociais; a elevação das condições de vida dos povos; o pleno aproveitamento de capacidades e recursos produtivos nacionais e o desenvolvimento equilibrado e sustentável. Tudo isso é especialmente relevante na discussão do próximo quadro financeiro plurianual.

Por isso, pergunto: como vai resolver a contradição entre esses objetivos e o modelo de orçamento da União Europeia que defende, e cito, «com menos programas e um plano para cada país que associe as principais reformas ou investimentos orientados para os domínios em que a ação da UE é mais necessária»?

Pergunto ainda: como pretende conjugar as suas propostas de aumento das contribuições nacionais para o orçamento da UE e, simultaneamente, reforço dos recursos próprios, de forma a não subverter o caráter redistributivo que o orçamento tem?

1-0037-0000

**Piotr Serafin**, *Commissioner-designate*. – Well, a plan for each country linking reforms and investments does not need to be in contradiction to the objectives that you have spelled out at the beginning of your contribution. I think it can be perfectly in sync. It will be in the hands of Member States and the regions how they would like to define those plans. I said it very openly. Our idea is to work on them in the spirit of partnership. I believe that is the approach which we should pursue, also learning lessons from the NGEU and RRF – that we need to keep the space also for the regions when it comes to the programming of development policy.

Now, the problem which you have raised of the way in which the budget is financed, that is the problem with which each and every finance minister also has to deal with at the national level. I cannot deny. I'm not even saying that I believe that we will reach the point when we will say, 'Oh, we have enough. We have more than enough.' It will be always the case that needs will be higher than what we will be able to finance at the EU level.

But as I said, our job is to convince ministers, governments, certain things can be done better, cheaper at the European level, so it's better to spend public money at the European level rather than at the national level.

Then there is the story of own resources. There is a basket of own resources right now on the table. Some of them, I believe, are not only rational and reasonable, but they can be even more effectively managed from the European level.

1-0038-0000

**João Oliveira (The Left)**. – Senhor Serafin, registo a sua resposta, mas ela não nos descansa. E não nos descansa porque esse modelo de orçamento acentua ainda mais o orçamento como um instrumento de pressão sobre os Estados-Membros para os forçar a adotar as políticas impostas pela Comissão. Isso preocupa-nos, sobretudo, considerando as políticas que vão em sentido contrário àqueles objetivos.

Nas suas respostas a este Parlamento, encontramos a insistência na canalização de verbas para a militarização da UE e a indústria do armamento, tal como encontramos a inspiração no relatório Draghi para defender a dita competitividade, de forma a canalizar verbas, enormes recursos orçamentais para a criação de grandes multinacionais de base europeia que possam competir à escala mundial.

Essa política económica, de centralização e concentração empresarial, terá impactos orçamentais óbvios. Ela será feita à custa dos recursos, que ficarão a faltar para apoiar as pequenas e médias empresas, para apoiar o investimento nos serviços públicos – na saúde, na educação, na cultura, na segurança social –, para apoiar o alargamento da oferta pública de habitação, para dar resposta aos problemas e desafios ambientais.

Não nos parece que esse seja o caminho que sirva o desenvolvimento e o progresso a partir da utilização que devemos fazer do Orçamento da União Europeia.

*(o Presidente retira a palavra ao orador)*

1-0039-0000

**Piotr Serafin**, *Commissioner-designate*. – Please, take one point into account: it is not the intention of the Commission to simply replicate the RRF model for the future. That also refers to the way in which we would like to work on the plans linking reforms and investments.



You have mentioned very important social objectives. You mentioned housing. That is also an already announced dimension of the EU budget. You know it quite well, President von der Leyen has announced the intention to increase funding for social housing. At this point, with the current MFF in place, it could take a form of allowing Member States to double their contribution from the cohesion policy to that objective.

But soon we will have also social climate funds. That is also going to assist. Soon we will cooperate also with the EIB, which might also help providing for the market more loan opportunities.

1-0040-0000

**Johan Van Overtveldt**, *Chair of the BUDG Committee*. – Alexander Jungbluth, you will have the honour to finish this first round.

1-0041-0000

**Alexander Jungbluth (ESN)**. – Herr Serafin, es wurden vor Kurzem Pläne der Kommissionspräsidentin von der Leyen publik, die angestoßen hat, den EU-Haushalt radikal reformieren zu wollen. Insbesondere ein Punkt ist uns dabei sehr sauer aufgestoßen: das sogenannte Geld-gegen-Reformen-Prinzip. Das hat einen ganz bunten Strauß: die Einführung von Frauen-Migrantenquoten, die radikale Umstellung auf Biolandwirtschaft, dass keine konventionelle Landwirtschaft mehr gefördert werden soll.

Das sind unseres Erachtens alles Dinge, die sich gegen die Interessen der Mitgliedstaaten richten. Und ich glaube, dieses Geld-gegen-Reformen-Prinzip, das dort eingeführt wurde, ist ein Euphemismus für die Erpressung der einzelnen Mitgliedstaaten. Durch solche Maßnahmen könnte man dann auch lästige Artikel-7-Verfahren im Zweifelsfall umgehen, um unliebsame Länder wie Ungarn beispielsweise durch solche Maßnahmen auf Linie zu bringen. Und mich würde interessieren, wie Sie insbesondere zu diesem Geld-gegen-Reformen-Prinzip stehen, ob Sie sich dagegen positionieren, ob Sie sich dafür positionieren und was Sie dagegen tun werden, dass eben durch finanziellen Druck eine Erpressung von Mitgliedstaaten erfolgt.

1-0042-0000

**Piotr Serafin**, *Commissioner-designate*. – I'm afraid, to a large extent, I will repeat the answer that I have already given a minute ago. I believe that money, it's a question of reforms and investments – indeed, investments require financial resources. The idea which I'm going to pursue within the College is an idea of partnership. Partnership not only with the Member States, but also with the regions. I believe that the region dimension was the one which was missing from the RRF model – that's what I believe in.

Now, you have mentioned a number of potential objectives that could be covered by such plans. If we work on the basis of partnership, it will be for the Member States to spell out their expectations. If they will mention that or the other objective then, of course, I mean, it could be part of that model.

1-0043-0000

**Alexander Jungbluth (ESN)**. – Ich halte dieses Prinzip der Partnerschaft für sehr gut. Partnerschaft bedeutet natürlich aber auch, dass wir schauen, dass wir eine möglichst gleichmäßige Belastung der einzelnen Mitgliedstaaten haben. Und wir stellen momentan fest, dass insbesondere in Deutschland die Wirtschaft natürlich sehr schwach ist. Wir haben durch diese grüne Transformation unheimliche Probleme in Europa, insbesondere aber auch in Deutschland mit der Industrie. Die Automobilindustrie leidet sehr, und deshalb müssen natürlich insbesondere die beitragsstarken Länder aktuell entlastet werden. Deutschland zahlt aktuell netto in den EU-Haushalt 17,4

Milliarden Euro ein. Ich glaube, ein Großteil der deutschen Bürger ist es inzwischen satt, Nettozahler in diesem Maße zu sein und das alles hauptsächlich finanzieren zu müssen. Insofern würde mich interessieren, was Sie dafür tun, dass der überproportionale Anteil der Geberländer in der Europäischen Union reduziert werden kann.

1-0044-0000

**Piotr Serafin**, *Commissioner-designate*. – Really, we should start with discussing about the priorities about the future budget. Yes it happens, it is also the case right now, that there are rebates, that there are lump sums; this happens in the negotiations. I don't know what's going to happen in the negotiation of the next MFF, but the tools are there. I would not recommend to use such tools – they should not be, in my view, the starting point of the negotiations. At the end of the day, when we concentrate on priorities, maybe there is a chance that we will manage to build a budget which reflects our common priorities and which is the one that all the Member States would like to finance, and they will find their interest in financing it. I think we should at least try to do so.

1-0045-0000

**Johan Van Overtveldt**, *Chair of the BUDG Committee*. – This finishes then the first round of questions. We go to the second round of questions by political groups with three-minute time slots. One minute for the question and again two minutes for the answer.

1-0046-0000

**Karlo Ressler (PPE)**. – Mr Commissioner-designate, you have already mentioned the really unprecedented nature and the context of global and European changes, transformations, that are going to shape also the discussions on the future MFF.

To live up to these challenges, we will need a profound reform of the EU budget, which will also require from your side deep expertise, but also political wisdom.

Against this backdrop, efficient and transparent interinstitutional cooperation will be more important than ever. How will you ensure a timely and meaningful engagement in every phase of the policy-making process and flow of information at the equal footing with the Council?

Secondly, how do you plan to coordinate the Commission services in the process of the MFF preparation?

Finally, since you are also tasked with reducing administrative burdens and simplification within your portfolio, how do you plan to ensure this, especially towards smaller beneficiaries?

1-0047-0000

**Piotr Serafin**, *Commissioner-designate*. – On the cooperation with the European Parliament, I already referred to it in my written comments and I would like to confirm everything which was said there, but there is one element which I would like to add. There is a legal framework in which we operate – to be frank, to ensure the flow of information on an equal footing with the Council seems to me quite easy, and I'm surprised, maybe there is something I overlooked, but to me it's very simple to organise that the information reaches at the same time the Parliament and the Council.

But what I wanted to add, that on top of the rules, rules which we have in the Interinstitutional Agreement, commitment to stand in the CONT Committee in the discharge procedure, commitment that is being discussed right now in the context of use of Article 122. There is also

something which is more important: the spirit of cooperation. And I want to assure you that it is my deep conviction that it is in the interest of the Commission, of the Budget Commissioner, to have very close relations with the European Parliament.

I have met many of you during these last two months. We have had very extensive exchanges, and I have no doubts that we share a lot of points in common, that in many cases, we need to work very closely also to achieve good results for the budget.

Can you repeat the second question?

1-0048-0000

**Karlo Ressler (PPE).** – Within the Commission, with the services, also in this context. And thirdly, it was the reduction of the administrative burdens.

1-0049-0000

**Piotr Serafin, Commissioner-designate.** – On the coordination with the Commission: you know, I know my place. The Commission is a collegial body, there is a President of the Commission. My role is to assist the President of the Commission in the preparation of the next MFF. The next MFF will touch upon each and every portfolio of each and every Commissioner. I cannot imagine that we can table a proposal without in-depth, solid consultations in the Commission first.

1-0050-0000

**Carla Tavares (S&D).** – Senhor Presidente, Senhor Comissário indigitado, já aqui, hoje, abordámos também a questão que vou colocar.

Até à data, a presidente da Comissão, Ursula von der Leyen, deu poucos pormenores sobre o plano da Comissão para o próximo quadro financeiro plurianual pós-2027. Anunciou, no entanto, um novo fundo para a competitividade, que funde os programas da União existentes num só – já abordámos aqui hoje.

Nas suas respostas escritas, o senhor afirma que, para sermos uma Comissão «de investimentos», precisamos de uma arquitetura financeira mais eficiente e com maior impacto para a União.

E, por isso, pergunto: na sua opinião, de onde virá o financiamento deste novo fundo para a competitividade? Para ser uma Comissão «de investimentos», tenciona recorrer a novos empréstimos conjuntos? Em caso afirmativo, compromete-se a utilizar uma base jurídica que permita ao Parlamento Europeu desempenhar o seu papel de colegislador?

O Parlamento instou recentemente a Comissão a propor uma capacidade orçamental permanente que permita à União responder às crises imprevistas sem ter de tocar nas políticas existentes. E o que pergunto é também: qual é a sua posição relativamente a este tema?

1-0051-0000

**Piotr Serafin, Commissioner-designate.** – Thank you for that question. On the competitiveness fund, the logic, which is also present in the guidelines of the President, is to concentrate on the strategic sectors, to concentrate on our strength – research development – and to address our weaknesses. And those weaknesses are related indeed with scaling up, and with deployment into the real economy.

Now, how to finance it? I already hinted to the potential answer. There is no clear answer at this point, but I hinted to STEP – the programme that entered into force false just a few months ago. The programme, which is based exactly on that logic. Money in the budget, blending guarantees, InvestEU, money in the budget in Heading 1. We have a number of programmes. By the way, some of them could be confusing; they are separate, but they pursue very similar objectives. That is, as I said, a training ground where we look on how it could work. That's, I think, the most specific answer that can be given at at this point.

1-0052-0000

**Tomáš Zdechovský (PPE).** – Thank you, Chair. Thank you, Commissioner-designate. You know that discharge – and you mentioned already – is something essential for European taxpayers and for European Parliament – how exactly their money is spent at European level. It's really very important, not only for us. It's the main tool we have to make sure that all EU bodies, including Commission, agencies and institutions are held accountable for their use of the EU budget.

However, we often see that not all EU institutions fully cooperate, which makes it harder to get the transparency we need.

With this in mind, how do you plan to make the discharge procedure stronger and more binding? How can we ensure Parliament's recommendations are not only noted, as actually put into ...

*(The President cut off the speaker)*

1-0053-0000

**Piotr Serafin, Commissioner-designate.** – Well, I believe that there is a very solid legal framework in place, starting with the Treaty, which foresees that it is the European Parliament which is the sole discharge authority. We have also the Financial Regulation, which gives you a number of options.

The strongest tool which you have, and I don't want to encourage you to go in that direction, but the strongest tool which is in our hands is to refuse the discharge, and that is the strongest possible motivation for the Commission to cooperate and to work with you.

As I already declared in my written answers, I declare my presence in the CONT Committee during the discussions on the discharge, and I can also commit to work on the follow-up of your recommendations in the Commission. That's what I will find important, also because, as you have said, the position of the CONT Committee and the discharge of the European Parliament is immensely important for the credibility of the Commission.

1-0054-0000

**Julien Sanchez (Pfe).** – Monsieur le Commissaire désigné, «je m'engagerai sans relâche à ce que chaque centime des contribuables européens soit protégé contre la fraude et les irrégularités»: ce sont vos mots. De jolis mots rassurants, mais ambitieux, vu tous les rapports de la Cour des comptes européenne mettant en évidence une gestion actuelle profondément défailante des fonds européens – le fonds pour l'Afrique, la FRR et bien d'autres. Savez-vous, toujours selon la Cour des comptes, que le niveau d'erreur dans les dépenses a atteint le taux énorme de 5,6 %?

Si votre nomination était confirmée, comment envisageriez-vous de rompre avec ces pratiques? Comptez-vous ouvrir des enquêtes internes pour les défaillances révélées par la Cour des comptes? Prendre des mesures disciplinaires ou pénales contre les responsables de ces scandales? Ou êtes-vous de ceux qui cherchent à ne pas faire de vagues? Quelle serait votre réaction si de tels scandales

venaient à se produire sous votre mandat? Si vous ne défendiez pas le bon usage de l'argent public, sachez que le groupe Patriotes pour l'Europe serait face à vous.

Second sujet: vous annoncez le renforcement du mécanisme de conditionnalité. Vu l'hostilité de M<sup>me</sup> van der Leyen vis-à-vis du Premier ministre Orbán et de la Hongrie, par exemple, vous engagez-vous personnellement et sur l'honneur à ce que ce mécanisme ne soit pas un instrument de chantage et de discrimination politique?

1-0055-0000

**Piotr Serafin**, *Commissioner-designate*. – I would like to say that I am concerned as well about the error rate and, in particular, the fact that the error rate increases, according to the Court of Auditors' reports. But I think we have to state something very clearly from the beginning. The error rate is not the rate of corruption, it's not a rate of fraud, it's not even a rate of the conflict of interest. It is a rate of administrative mistakes. So what we should do? We should look into the root causes of the administrative mistakes. And the root causes of the administrative mistakes are much too often multiplication of regulations, different eligibility rules from one regulation to another, multiplication of funds that have to be implemented in parallel. So the reasons are there and they have to be addressed. That's why I was talking at the beginning of my presentation on the need to ensure simplification in the future budgets.

Now, what can be done now? Now we should as much as possible work also with the European Court of Auditors because, it's true, there are different methodologies between the Commission and the Court of Auditors. I was explained by somebody in a very picturesque way that the Commission is concentrated on the error rate at the closure; we are making a movie, and there is a more or less happy ending, whereas the European Court of Auditors is making a picture, when and once the funds are being implemented.

Now, on the Conditionality Regulation: I think that what you have said does not really reflect the reality. We have the framework of the Conditionality Regulation, which is very closely linked, based on the ruling of the European Court of Justice, with the severe risks for the spending of the EU money. It's not about politics.

1-0056-0000

**Bert-Jan Ruissen (ECR)**. – Voorzitter, mijnheer Serafin, de Europese Unie is een belangrijke donor van financiële steun aan de Palestijnse Autoriteit. Ze laat de Palestijnse Autoriteit zelfs schoolboeken uitgeven die doordrenkt zijn van antisemitisme en aanzetten tot haat. De Palestijnse Autoriteit ondersteunt bovendien de families van terroristen met zogenaamde martelaarbetalingen.

Bent u bereid twee harde voorwaarden te stellen aan de steun die aan de Palestijnse Autoriteit wordt verleend, namelijk de verwijdering van al het antisemitisme uit schoolboeken en de stopzetting van martelaarbetalingen, of wilt u de Palestijnse Autoriteit geld blijven geven en dit als een soort begrotingssteun zien en zich er niet over bekommeren waar het terecht komt?

Hoe kunt u ons er ten slotte van overtuigen dat u het foutenpercentage, met name met betrekking tot de cohesiefondsen, binnen vijf jaar gaat terugbrengen van 9,3 % naar 2 %?

1-0057-0000

**Piotr Serafin**, *Commissioner-designate*. – On financing of terrorism by the EU budget, of course there should not be space in the EU budget for terrorism, nor for hatred, nor for anti-Semitism, nor for

anti-Islamism. I think that we already have in place a solid framework thanks to the Financial Regulation, which directly refers to such situations.

On this specific case you have referred to, I simply don't know this case, so I do not want to comment. What I know is that we have a solid framework based on the framework regulation. We have also a system based on EDES, the early detection and exclusion system, that would allow the EU budget to react in such situations.

When it comes to the error rate in cohesion policy, as I said, in the short term, before the new MFF architecture is tabled, I think that the way forward is to cooperate with the audit authorities in the Member States, strengthen them as much as possible. That is also the cooperation with the European Court of Auditors. I know that Commissioner Hahn has initiated a dialogue with the European Court of Auditors, which I would like to continue.

And maybe indeed, also here also in the Commission, we should reflect about increasing the number of on-the-spot checks rather than checks made only at the desk.

But I think that the most important changes would require indeed a systemic approach to simplification.

1-0058-0000

**Fabienne Keller (Renew).** – Monsieur le Commissaire désigné, cher Piotr Serafin, je vais m'exprimer en français. Merci pour vos réponses très précises et qui vont droit au but. Vous avez évoqué, dans vos réponses écrites, l'adaptation des instruments budgétaires pour mieux répondre aux défis des États membres, notamment grâce à une plus grande flexibilité – je n'ai d'ailleurs jamais trouvé quelqu'un qui était favorable à la rigidité, sur cela, nous sommes tous d'accord.

Cependant, cette flexibilité ne doit pas se faire au détriment de la sincérité budgétaire. Il doit y avoir de la transparence, de la clarté. Quand on parle du budget, il faut qu'on sache à quoi les fonds seront utilisés pour qu'on puisse en débattre puis suivre l'utilisation de ces fonds.

Comment, Monsieur le Commissaire désigné, allez-vous concilier flexibilité et transparence sans trop de charges administratives? Est-ce que vous pouvez nous décrire votre vision, votre méthode dans ce domaine?

1-0059-0000

**Piotr Serafin, Commissioner-designate.** – I remember, that once Janusz Lewandowski told me, when he used to be the Budget Commissioner, that there is only one Commissioner for the better regulation and for the worst regulation competence is widely dispersed, and that partly explains the fact why everyone is for flexibility and we end up with rigidity.

Now, when it comes to my approach: some of the elements I have already presented. I believe we should look into the number of funds and programmes. I believe that if we have less funds and programmes, we will have more flexibility in the MFF. We should look also into the specific funds and programmes and we should increase scope of flexibility within those programmes. Let's take the example of the Cohesion Policy. Maybe, indeed, we should have much more money left not being programmed at the beginning of the Cohesion Policy, but the decisions taken later. It's just my idea, it will be something for Executive Vice-President Fitto to reflect upon, but that could be another element that we should bear in mind.

Finally, when it comes to the way the money are being spent, there are some ideas already present, for example, in the financial regulation. The idea, which was proposed by Madam Hohlmeier, to have a simplified procedure with respect to payments below EUR 15 000. We should think also about lump sums – they are allowed. There are also other simplified payment options – they are also allowed already now. We should encourage to use them more frequently.

1-0060-0000

**Sandra Gómez López (S&D).** – Señor presidente, señor comisario propuesto, el debate del próximo MFP, obviamente, va de la mano de la necesidad de buscar nuevos recursos propios, y celebro que usted mismo, en su intervención inicial, haya hecho una referencia a este punto y se haya comprometido a ello. Pero sí que es verdad que no nos ha dado muchas pistas sobre a qué recursos propios se está refiriendo.

¿Apuesta por crear nuevos recursos propios? ¿Qué estudios está usted considerando? Por ejemplo, ¿crear impuestos especiales sobre el patrimonio?, ¿sobre recompras de acciones? ¿O una imposición sistemática de los famosos beneficios caídos del cielo?

Además, usted mismo ha hecho referencia a que, actualmente, este debate y este trabajo están estancados en el Consejo. Por lo tanto, ¿cómo piensa desbloquearlos? ¿Qué compromisos puede adquirir con el Parlamento para convencer a los ministros de Finanzas nacionales de que es absolutamente necesario que, para atender las nuevas prioridades, necesitamos nuevos recursos?

*(el presidente retira la palabra a la oradora)*

1-0061-0000

**Piotr Serafin, Commissioner-designate.** – That is indeed the point of reference which we have on the table. I was referring to the Interinstitutional Agreement with the roadmap – a quite specific roadmap – on when what type of own-resource is going to be tabled.

The Commission did its part. It presented a proposal for the CBAM own-resource. It presented its proposal for the ETS own-resource. We already mentioned, and this is also part of our package, the proposal to tax large multinationals, part of the OECD Pillar One discussion. The negotiations have been concluded, but the ratification still didn't take place, so in the meantime the Commission has also brought forward a statistical proposal for the corporate sector.

So these are the elements, the package which is there on the table. I'm not saying it's going to be easy in the Council, but I believe they are committed. They are part of the commitment. On the Interinstitutional Agreement, I saw that it was signed by the President of the Council in December 2020. So that commitment still stands, and as I said, at the beginning of next year, I think our job will be to exert maximum pressure on the Council in that respect.

1-0062-0000

**Monika Hohlmeier (PPE).** – Vielen herzlichen Dank, lieber designerter Kommissar! Wir beide hatten schon die Gelegenheit, auch miteinander sprechen zu können. Danke auch für diese Bereitschaft dazu. Sie wissen, dass mir – und auch dem ganzen Haushaltsausschuss – der Konditionalitätsmechanismus sehr am Herzen liegt. Wir müssen feststellen, dass im Besonderen Verletzungen der Binnenmarktregeln dazu führen, dass – ob sie bei Ausschreibungsverfahren, ob sie bei Verfahren im Zusammenhang mit Verkäufen von Unternehmen und Ähnlichem stattfinden – auch unsere finanziellen Interessen der Europäischen Union empfindlich betroffen sind.

Meine Frage ist: Sind Sie bereit, die Intentionen der Kommissionspräsidentin zu unterstützen, dass die Binnenmarktregeln auch in den Konditionalitäts- und in den Rechtsstaatlichkeitsmechanismus aufgenommen werden? Und zweitens: Wie glauben Sie, dass aus Ihrer Sicht heraus diese Regeln dann besser im Konditionalitätsmechanismus berücksichtigt und auch vollzogen werden können?

1-0063-0000

**Piotr Serafin**, *Commissioner-designate*. – Thank you for this question. I certainly share your concerns with respect to how the breaches of the rule of law impact negatively the functioning of the single market.

With respect to the conditionality regulation, I believe your question is a legal question. It's not a political question. Because politically we might agree, but legally we need to look on what is possible – also in view of the ruling of the European Court of Justice. The European Court of Justice was rather clear that the conditionality regulation is not there just to punish the breaches of the rule of law. We need to be able to demonstrate that there is a very clear, significant link – I think this is the language which is used by the European Court of Justice – a significant link between the breach of the rule of law and the impact on the budgetary expenditure. That would be the key challenge in that respect.

But what I know, and what has already been discussed among Commissioners-designate, is the question of the Rule of Law Reports and the budget. I know that the Commissioner for Justice and the Rule of Law wants to integrate to the report for which he is responsible also the question of the impact of the breaches of the rule of law on the single market. Then it would also open a space for the Budget Commissioner to work.

1-0064-0000

**Daniel Freund (Verts/ALE)**. – Thanks, Mr Serafin, also for sharing your personal words on your experience with the attacks on rule of law and the democracy in your own Member State in the past.

You know the situation in Hungary as well. Viktor Orbán and his cronies have stolen at least EUR 14 billion from the EU. And still there are billions of taxpayers' money going to Hungary, despite your Commission saying that the anti-corruption system isn't working, the justice system isn't working, on the 27 super milestones there hasn't been any progress at all in two years now.

So my first question is for your very personal take, if confirmed, how long can we wait for this to persist before you will put additional pressure, freeze additional funds so that we finally see reforms on anti-corruption and the justice system?

Second question, in the infringement that the Commissioner has launched on the Hungarian sovereignty law, the Commission comes to a clear assessment that the Article 2 values are breached in Hungary. Yet when disbursing funds under the Financial Regulation, they then validate that Article 2 is respected...

1-0065-0000

**Piotr Serafin**, *Commissioner-designate*. – Well, I think that as a future Commissioner – and I commit to it – in particular on the cases related to the rule of law I am committed to respect the rule of law as well. I mean, I referred just a second ago to the question of the single market. There is a conditionality regulation. We need to apply the conditionality regulation to the letter. I think that



the worst thing that could happen would be for us to take decisions, which – I can share your political approach, but that are not solidly grounded on the legal text.

So that's what I can commit to: to be strict, but also fair and respecting the rules which we have right now in place. And those rules are numerous. This is not just the conditionality regulation: we also have – in the context of the RRF – the milestones, and that is another set of rules that we have.

And for the future MFF, I have already said, we are committed to work on ways to strengthen the toolbox of the rule of law and the links with the EU budget, but we also have to reflect, as it was also present in some of the questions, how to make sure that, in line with the Financial Regulation, there are also some funds which reach financial beneficiaries which are victims of those who are breaking the rule of law.

1-0066-0000

**Niclas Herbst**, *Chair of the CONT Committee*. – You mentioned a couple of times the error rates, and I like the comparison of a movie and a picture. Nevertheless, for us, it creates confusion.

Therefore, I would like to give you the opportunity to elaborate a bit on how you intend to address the issue of the difference in error rate between the European Court of Auditors and the Commission, and what measures will you propose in order to ensure a consistent approach between the Commission and ECA?

Or, put in other words: how do you want to make life easier for the CONT Committee?

1-0067-0000

**Piotr Serafin**, *Commissioner-designate*. – I don't think it will be 100 % easy, your life, because I believe that the full harmonisation of methodologies might not be possible. What we should work on, and I already referred to the fact that the process has been initiated, a process of dialogue between the Commission and the European Court of Auditors. There was, or there will be relatively soon, also a workshop at the technical level to better understand where the differences come from.

The movie/picture analogy is one source. There are also cases when we have a different interpretation of law, of applicable rules. For example, the rules on eligibility: that could be another source. You are absolutely right, and I commit that we will make every effort to ensure full transparency (a) to try to limit the scope of differences, (b) to ensure the full transparency of why those differences are there, and it will be then for you to judge which methodology is more appropriate, more useful from your perspective. That's how I see the way forward.

1-0068-0000

**Νικόλας Φαραντούρης (The Left)**. – Η μικρομεσαία επιχειρηματικότητα στην Ευρώπη θεωρείται η ραχοκοκαλιά της οικονομικής της ζωής. Παρόλα αυτά, υπάρχουν χώρες στην Ευρωπαϊκή Ένωση που δεν στηρίζουν όσο θα έπρεπε τη μικρομεσαία επιχειρηματικότητα, παρά το γεγονός ότι προβλέπεται και στις Συνθήκες και στα κείμενα του παραγώγου δικαίου. Θέλω να μας πείτε, αγαπητέ ορισθέντα Επίτροπε, τι σκοπεύετε να κάνετε για το Πολυετές Δημοσιονομικό Πλαίσιο, τόσο το τρέχον όσο και το προσεχές, για την ενίσχυση της μικρομεσαίας επιχειρηματικότητας —τόσο ως προς την πρόσβαση στον τραπεζικό δανεισμό όσο και ως προς τις αναγκαίες δαπάνες για αναβάθμιση, νέες τεχνολογίες, ψηφιακή μετάβαση, πράσινη μετάβαση και καινοτομία.

1-0069-0000

**Piotr Serafin**, *Commissioner-designate*. – You referred to SMEs at the beginning of your question. I really believe that whatever has been already said about the simplification would be more than welcomed by our SMEs. In the context of competitiveness, I already quite extensively explained the idea of the Competitiveness Fund, but we also have to be open. Competitiveness is a horizontal political objective which should be also pursued and incentivised in other policy areas, including in the regional policy. So that's what I would say at this point.

1-0070-0000

**Victor Negrescu (S&D)**. – We all agree that these hearings are important for the institutional balance of powers, but also for the democratic scrutinising role of the Parliament. That is why we want, dear Commissioner-designate, to hear clear commitments and clear solutions for citizens, but also that you are willing to respect the role of the European Parliament as a key budgetary authority, not only for the hearings.

Of course, this portfolio is key on budgets and anti-fraud. So I will come back to the issue of Cohesion Policy, which is a main instrument designed to reduce disparities. Can you be more precise on the changes that you want to make to the programme? And, of course, based on the changes, I will even be more precise in my question, will countries like Poland or Romania, that still benefit from important sums from the cohesion funding, will those countries still continue to receive the same kind of amount of cohesion funding? You also mentioned that you want to draw or reform plans for each country – who will design them? How? What about horizontal objectives like the social pillars or skills?

1-0071-0000

**Piotr Serafin**, *Commissioner-designate*. – I will remain faithful to my commitment and will not refer to the numbers and amounts, that was one of the questions to which you will not get the answer. Now when it comes to the Cohesion Policy, you also need to bear in mind that I'm not the Commissioner for Regional Policy, this is somebody else. But I have my views and I also have a clear mandate; all Commissioners have a clear mandate, as specified in the political guidelines of the President.

One thing which I can tell you for sure: I believe that the regions should remain at the heart of the Cohesion Policy. I believe it is wise, not only from the perspective of economy, because I believe they know best how to plan their economic development, they are the best placed also to interact with the Commission in that respect, and then to implement regional policy on the ground. I really think they can do it much better than the central government. That would be the first point.

The second point, which refers to the plans. Again, I believe that regions should be part of the exercise plan reforms and investments. I think this was one of the weaknesses of the RRF approach. The RRF approach did not take sufficient account of the regional dimension. Also based on the country I know the best I can tell you that in that country the idea of the plan was the following: grants for the central government, loans for the regions. That's how it was implemented. It's not a good idea – I think we have to really take account of the regional interests.

1-0072-0000

**Virginie Joron (Pfe)**. – Monsieur Serafin, devenir commissaire au budget et à la lutte antifraude, c'est une promotion qui devrait vous faire peur. Le passif du tandem Macron-van der Leyen est face à vous: Emmanuel a mis la France en K.-O. technique budgétaire et Ursula nous a entraînés au nom du Covid dans une folle gabegie avec 800 milliards d'euros, sans traçabilité.

Vous promettez que tous les emprunts européens seront remboursés au plus tard en 2058 et diminueront de manière régulière et prévisible, mais qui peut croire cela? Depuis des années, les milliards flambent ici. Donc Bruxelles veut 36 milliards de nouvelles taxes par an, mais pour acheter quoi? Des cours de cuisine pour les migrants? Des garages à vélos dans les pays de l'Est? Des doses Pfizer périmées?

Monsieur Serafin, est-ce que vous vous engagez à ne rien cacher des budgets et déchets des produits médicaux commandés par Bruxelles? À ouvrir une enquête antifraude sur les contrats et profits géants réalisés par Pfizer, Gilead et Moderna? À mettre sur pied une équipe pour lister et arrêter les subventions absurdes de vos collègues et à faire un rapport annuel des économies au Parlement?

1-0073-0000

**Piotr Serafin**, *Commissioner-designate*. – On the scale of the challenge, I am fully aware of it. But as I said at the beginning, the European Union and European unity are too dear to all of us and too important to all of us. We cannot afford to lose them, in particular in the world we live in. For the European Union to be able to face the common challenges which we also discuss here, we need to have the European budget.

I know I'm not going to be the most popular – if confirmed – Commissioner in the College. On the contrary, I would be too often in a situation where I would need to say no. But still, I think it is worth it. It is worth it to take that challenge.

When it comes to anti-fraud, that is also part of my portfolio. I am committed and determined to work together with our anti-fraud architecture. We have the institutions like OLAF, EPPO, Europol, Eurojust. We are there to make sure that the taxpayers' money, the European taxpayers' money, is spent wisely, that fraudsters and organised crime is eliminated. That is part of my mission. That's what I can commit to.

1-0074-0000

**Michele Picaro** (ECR). – Signor Commissario designato, nel tempo il Fondo europeo di sviluppo regionale ha finanziato progetti in infrastrutture, innovazione, piccole e medie imprese e formazione, affrontando anche sfide come crisi economiche, cambiamenti climatici, digitalizzazione, pandemie e crisi geopolitiche.

Per ridurre le disuguaglianze, l'Unione europea deve rafforzare il Fondo di sviluppo regionale con risorse adeguate e una maggiore flessibilità nelle politiche di coesione, semplificando la burocrazia e adattando i fondi ai bisogni locali.

Per questo il bilancio 2025 deve essere ambizioso, equo e mirato alla coesione, senza lasciare indietro nessuna regione. Investire nella coesione e nello sviluppo sostenibile è essenziale per un'Europa più forte e unita, affrontando le disuguaglianze come questione di giustizia sociale.

Concludo Commissario, rivolgendole la seguente domanda: come intende assicurarsi che le politiche di coesione, e in particolare il Fondo europeo di sviluppo regionale, siano adeguatamente rafforzate e riformate nel bilancio 2025?

1-0075-0000

**Piotr Serafin**, *Commissioner-designate*. – Yes, I already said on many occasions, also replying to the questions of honourable Members, how dear cohesion policy and the regional dimension of cohesion policy is to me. I can repeat it once again, but I also want to say something more as well.

I want to say that the cohesion policy and regional policy needs reforms, and we expect that together with the Member States, together with the regions, we will manage to transform the regional policy in a way that would allow us to have better results – and simplification, and also flexibility, are the tools that we should be using.

You referred specifically to the year 2025. When it comes to 2025, the key challenge for the cohesion policy will be to make sure that the level of spending finally increases. The key problem which we have at this point with the cohesion policy is that the funds are there, but they are not spent. This is the real problem for the year 2025.

1-0076-0000

**Joachim Streit (Renew).** – Commissioner-designate, which areas or policies do you intend to target with new own resources?

If the target of EUR 36 billion in new own resources is not met, what specific contingency plans do you have to ensure budget stability without increasing the financial burden on Member States or jeopardising EU initiatives?

You also committed to simpler rules and procedures for access to EU funds. But do you think this will be enough to ensure better absorption rates in Member States on a permanent basis?

In 2023, the amount of outstanding commitments was around EUR 460 billion. What other measures do you intend to put in place to ensure increased absorption capacity in Member States?

1-0077-0000

**Piotr Serafin, Commissioner-designate.** – Well, on *reste à liquider*, close to EUR 460 billion, to which you referred. Be aware that this effect might be temporary. The increase of the *reste à liquider* which took place in 2023 is primarily because of the fact that RRF funds had to be committed, and that's what happened last year. In 2026 – this is, as you know, the deadline for the RRF money to be spent, so that will be the moment when the commitments would need to be transformed into payments.

Now, on the own resources, I inherited a proposal tabled by the current Commission based on the Interinstitutional Agreement between the Council, the European Parliament and the Commission. So the basket is already there on the table. Which sectors? When we talk about CBAM, for example, that is about everyone who is exporting to the EU goods which are not covered by carbon tax, contrary to the production that we have in the European Union.

When it comes to Pillar One OECD, which is lagging behind, well, we talk here about big multinationals. A significant part of that equation is the digital sector, the big multinational companies in the digital sector. Then, if we talk about the ETS, we know it all. It's an energy sector and it is also an industrial sector. So this is the proposal which is there on the table. I have no plan B, I have only plan A: I want to push that plan A and then let's see what happens based on the discussion in the first half of next year.

1-0078-0000

**Danuše Nerudová (PPE).** – Commissioner-designate, I will still remain within the new own resources. We all know that the main problem is that the Member States are blocking. I am also from a country which is blocking. So I have a simple question. What will be the carrot you will have for Member States and European citizens to stop the blocking?

And secondly, in the light of the latest developments and especially in the light of the possible trade war which is in the air, what is your perfect basket?

And secondly also, touches the topic of the tragic floods in Spain, and countries like Czechia, Poland, Italy, which remind us of the critical need of European solidarity and help. Do you foresee a need for revising the European financial support for disaster recovery, particularly the Solidarity Fund, to secure more resources and make them available more in advance?

1-0079-0000

**Piotr Serafin**, *Commissioner-designate*. – Thank you, I will start with the second question.

Yes, I believe that the Solidarity Fund that we have is not good enough. And it is not good enough for two reasons.

The resources are completely inadequate in the era in which we live, and actually the situation will only deteriorate. We will have a much more increased need to invest also into the adaptation of the climate change.

But the Solidarity Fund is inadequate also because, indeed, what is really appreciated in the countries which are hit by flooding is the support here and now, not in a year. And, indeed, that's the weakness of the Solidarity Fund. There is a mechanism of pre-financing, of advance payments, but one would need to look into it.

But you mentioned Poland, you mentioned Czechia, you mentioned other Central European countries. As you know, there is also the proposal from the Commission, Restore, which I know is not perfect, but it allows at least to disperse money quickly and when needed. There is an advance payment of 30 % that could be very timely and very necessary and needed for the countries affected by the flooding. This proposal is there on the table. I hope that the work on it, both in the Council and in the European Parliament, will progress quickly.

On the own resources, the perfect basket and the trade war. Let's see what happens. I really don't want to speculate on whether there will be a trade war, who is going to be in that war and what the implications could be. Let's be patient. I believe that it is not for the European Union to speculate about trade wars, not to mention to start any.

1-0080-0000

**Giuseppe Lupo (S&D)**. – Signor Presidente, signor Commissario designato, in una sua precedente risposta ha già fatto cenno al tema degli alloggi. Ma vorrei tornare sull'argomento rivolgendole due domande.

La prima: quali saranno le misure concrete all'interno del bilancio dell'Unione europea per migliorare la situazione abitativa dei cittadini europei?

La seconda: Lei ha già detto che qui non parlerà di importi precisi: ma può indicarci, almeno in linea di massima, quale previsione pensa sarà possibile nel prossimo QFP incentrato sulle persone per rispondere all'emergenza alloggi per i cittadini dell'Unione europea?

1-0081-0000

**Piotr Serafin**, *Commissioner-designate*. – Another tricky question on the numbers.

Now, the best number I can offer you when it comes to the housing is the one which was already specified by the President of the Commission. That is the option to open already now – you don't need to wait until the next MFF – the possibility to double the support for the housing within the cohesion policy. That is an option for Member States, and it is for Member States, together with the regions, to decide whether and to what extent they would like to use that option.

Another number I can give you is the number of support which is offered at this point by the European Investment Bank to the housing sector. It is slightly above EUR 1 billion. It could be more. That is something on which the Commission would be ready to work together with the EIB.

Then finally, but without numbers, soon we will have European solidarity funds in place. These funds will open a number of opportunities to support the housing sector. Of course, we talk here about renovation, we talk about sustainable housing, but that is actually something which households all around Europe needs. They don't want to spend God knows how much money on their electricity or heating bills. They would like to invest also to make savings on their bills.

1-0082-0000

**Hélder Sousa Silva (PPE).** – Caro Comissário indigitado, Piotr Serafin, em 2022, o Tribunal de Contas Europeu reportou que a Comissão Europeia contratou anualmente mil milhões de EUR numa multiplicidade de serviços de consultoria externa, estudos e atividades de investigação, tendo as nossas agências sido, maioritariamente, a fonte das informações fornecidas pelos consultores à Comissão.

Como tenciona a Comissão – e, em particular, o senhor futuro comissário – utilizar de forma mais eficiente os conhecimentos especializados das agências, no futuro?

Por outro lado, na passada legislatura, muitos dos mandatos destas agências foram alargados, mas os recursos financeiros e os recursos humanos não acompanharam de forma proporcional. E eu direi mesmo que, nalguns casos, põem em risco as próprias agências.

Como vê a evolução do papel das agências e dos recursos que lhes estão afetos?

1-0083-0000

**Piotr Serafin, Commissioner-designate.** – There are two questions. The first one: consultancy and the money the Commission spends and the agencies. To me, it would be only common sense that if you can refer to the resources available in agencies, it's not a good idea to spend taxpayers' money to order external reports by the consultancies. While in the Commission, I will look into this issue. But to me, this is simply common sense.

Now, when it comes to the resources, both human and financial, for the agencies: you know, it's not an easy situation, when it comes to the European administration, I was also referring to it. But there are examples when indeed the human and financial resources do increase. We're talking here about EPPO, for example. I know the ambition of EPPO is to have much more, but the increase is there. When we talk about Frontex, this is also the case. But we have to be aware that most of those agencies, they are being financed not by Heading 7, the heading which we have there for administration. Heading 7 is activated again once the employees of agencies retire, then the problem is there for Heading 7. But when we finance agencies, we put them under the headings with specific programmes. And then it is for both arms of budgetary authority, for the European Parliament and for the Council, to decide. This is the decision which is being taken within the framework of the annual budgetary procedure.

1-0084-0000

**Thomas Geisel (NI).** – Commissioner-designate, according to the questionnaire, you consider the new Commission to be a policy-driven rather than programme-driven investment Commission. I understand with investment you mean projects and structural reforms in Member States that are in line with the Commission's objectives. So I guess the trade-off is that Member States receive funds if and to the extent that they are prepared to adopt policies designed and developed by the Commission.

So my question would be, are there any limits the Commission would have to observe when it comes to proposing or imposing policies on Member States – or, let's put it in other words – is there still space for such a thing as a principle of subsidiarity when it comes to conferring responsibilities to the EU level?

1-0085-0000

**Piotr Serafin, Commissioner-designate.** – I have one comment to your question: you were referring to the Commission's objectives, and I would insist that we should be referring to the objectives of the European Union that are decided collectively by the Member States, by the European Parliament, and the Commission is actually there to implement. It is not there to decide on behalf of the Council and the Parliament on the objectives. You are taking decisions, not the Commission, when it comes to the broad priorities of European policy.

But when it comes to subsidiarity, yes, I think there is a space, and there will be a space also in the future for subsidiarity. This is one of the Treaty principles.

1-0086-0000

**Tomasz Buczek (NI).** – Szanowny Panie Komisarzu! Miałem zadać pytanie odnośnie planowanej zmiany w polityce spójności w ramach długofalowego budżetu Unii Europejskiej, ale to pytanie już padło tyle razy, że zapytam o coś innego.

Słyszymy o planach powołania swego rodzaju komitetu sterującego, który miałby przeprowadzić coroczny przegląd wydatków z budżetu Unii Europejskiej. Komitet sterujący byłby w stanie w sposób uznaniowy wskazać, gdzie mogą zostać skierowane środki europejskie, a gdzie nie. Czy uważa Pan, że taki kiluosobowy komitet sterujący złożony z urzędników Komisji Europejskiej zagwarantuje wystarczający poziom niezależności i przejrzystości? I czy zgodzi się Pan z opinią, że taka koncentracja władzy byłaby głęboko niedemokratyczna i sprzeczna z zapisaną w Traktacie o Unii Europejskiej zasadą pomocniczości?

1-0087-0000

**Piotr Serafin, Kandydat na komisarza.** – Dziękuję za to pytanie. Ja bardzo starannie przeanalizowałem zarówno wytyczne polityczne, priorytety polityczne przewodniczącej Komisji Europejskiej, jak i moją misję, mój mandat określony przez panią przewodniczącą Komisji, i szczerze powiem, że o tym pomysle słyszę po raz pierwszy. Nie słyszałem, by taki pomysł kiluosobowego komitetu sterującego gdziekolwiek funkcjonował.

Natomiast jeśli pyta się mnie Pan, czy to byłby dobry pomysł, odpowiadam: to byłby bardzo zły pomysł. Lecz według mojej wiedzy taki pomysł nie istnieje.

1-0088-0000

**Marit Majj (S&D).** – Commissioner-designate, with President Trump’s re-election, a development that resonates globally, there is an urgent need to reaffirm our commitment to the rule of law and European values. It has been said here before today.

The rule of law conditionality mechanism is essential to ensure EU funds go to Member States that uphold these values. It’s also crucial that this mechanism fosters inclusivity and ensures projects benefit all groups, particularly women and marginalised communities.

How do you plan to strengthen the European Parliament’s oversight of EU funds allocated to advance gender equality, especially in areas like labour rights, public health and anti-corruption, where women are often under-served?

You mentioned that 11 % of the EU budget contributing to promoting gender equality is, I quote, ‘a lot of money’. The gender pay gap in the EU right now is 13 %, and the pension gender pay gap is 29 %. So I guess there’s a lot of work to do. So how do you plan to work on improving gender mainstreaming in the budget to promote that gender equality?

1-0089-0000

**Piotr Serafin, Commissioner-designate.** – Well, as I have already hinted in the context of discussion on other horizontal political priorities, before we make a proposal on the future MFF, we would need to look into the mainstreaming toolbox already available and at methodologies which are already applied. That is the commitment which I can make. Of course, if we are going to look into it, then the idea is not to make things worse, but to make things work better. That’s the general perspective which I can offer.

But we really have to be aware – and I want to repeat it, I said so already – that the budget is not going to solve all the social problems which we have in the European Union. Please. The European budget is 1 % of GDP. So while we can promote various objectives, while we can support Member States, regions, NGOs, there are some limits. Those limits are set by the ceilings of the multiannual financial framework.

Now, when it comes to my readiness to engage also on the question of gender mainstreaming, I remain at your disposal.

1-0090-0000

**Niclas Herbst, Chair of the CONT Committee.** – Sorry again for misspelling your name, but I gave you some extra seconds as compensation!

The next challenge for my spelling ability is Caterina Chinnici, our CONT Vice-Chair.

1-0091-0000

**Caterina Chinnici (PPE).** – Signor Presidente, signor Commissario designato, nell’architettura anti-frode, la creazione di EPPO ha aggiunto un importante livello di protezione al bilancio dell’Unione. EPPO ha un mandato distinto da quello di OLAF e nei primi anni di coesistenza abbiamo visto diversi esempi positivi di buona cooperazione fra loro.

Tuttavia, qualche volta si sono registrate delle sovrapposizioni che possono creare ostacoli nella condivisione delle informazioni e ritardare l’avvio delle indagini o mettere a repentaglio le relative procedure. Senza mettere in discussione l’esistenza di questi due organi, è però chiaro che dobbiamo migliorare la cooperazione fra EPPO e OLAF al fine di evitare tali rischi.



Nella sua lettera di incarico Lei ha il compito di valutare la necessità di rivedere il mandato di OLAF e di garantire una cooperazione efficace con EPPO.

Come vede dunque il futuro di EPPO e di OLAF?

Come possiamo garantire che continuino a coesistere e che le loro competenze siano rafforzate?

Come assicurare che entrambi questi organi abbiano accesso alle informazioni necessarie per svolgere efficacemente le loro funzioni?

1-0092-0000

**Piotr Serafin**, *Commissioner-designate*. – Thank you for this question. Both EPPO and OLAF are independent, but I think that the role of the anti-fraud Commissioner is indeed to stimulate the dialogue between not just EPPO and OLAF, but also Europol and Eurojust. I know that Commissioner Hahn has already initiated also such a dialogue. It took place already last year – a meeting of all actors of anti-fraud community in the European level. I think it would be a good idea also for me to continue this dialogue.

Then, indeed, we might have a unique opportunity with the review of the anti-fraud architecture, to look into potential overlaps, but I'm not sure whether there are overlaps. I think what is sometimes needed is a reciprocal goodwill to cooperate, and to bear in mind that, at the end of the day, while having different roles, we have a common objective.

You said in the context of EPPO that it might bring a lot to the EU budget. I would like to stress: EPPO might bring even more to the national budgets. And I'm not jealous about it, I'm not angry about it, because I think also we need to invest in EPPO, because if we do not address VAT fraud, if we do not address some forms of organised crime at the European level, they will not be addressed at all. That simply flows from the nature of those crimes.

1-0093-0000

**Rasmus Nordqvist (Verts/ALE)**. – Just before, when you answered my name-brother and Green colleague on the need of more ambition when it comes to climate and biodiversity action as horizontal policy there was a confusion, I think, between the principle of Do No Significant Harm and actual higher ambitions in the budget. I just want to make sure that Do No Significant Harm is for the whole budget, and we need high ambition when it comes to actual action.

Secondly, I want to question, because the coming MFF is really key if we want to secure action for biodiversity and climate, will we see from your hand also increased funding for the LIFE project or programmes like this because this would be key in order to do climate adaptation, climate mitigation as well as saving the biodiversity of Europe?

1-0094-0000

**Piotr Serafin**, *Commissioner-designate*. – I would not like to commit on any specific programme, including LIFE, but you have mentioned objectives, objectives which are particularly important: climate change adaptation. When we see floods around Europe, I think all of us we are reflecting: we need to spend more, we need to be better prepared for the consequences of climate change, and adaptation to climate change is one of the avenues. Which fund, which programme, I don't want to commit to it, but I even talked about it with the President of the Commission lately, that that is one of the dimensions that we need to bear in mind for the future.

Now on the Do No Significant Harm principle. I mentioned that because it has six dimensions, they have been defined in the financial regulation and both climate and biodiversity are part of it. That was the reason why I mentioned no significant harm, but I have to be loyal to my commitment not to tell you what will be the exact number. We are not at this point, we will get to that point. In view of the consultations, the Commission is going to make its proposal – I cannot make commitments at this stage on the numbers.

1-0095-0000

**Bogdan Rzońca (ECR).** – Mam do Pana pytanie następujące: otóż trochę Pan już o tym mówił, o tym bezpieczeństwie w Unii Europejskiej. Różnimy się jako grupy polityczne pewnie w wielu sprawach, ale chcemy żyć wszyscy w jednej, bezpiecznej Europie. I to nas powinno łączyć.

Wobec tego chciałem się Pana zapytać, bo jednak pozycja komisarza jest dosyć silną pozycją w grupie kolegialnej, wśród komisarzy i rządu europejskiego. Chciałbym się Pana zapytać, czy znajdzie Pan trochę determinacji w sobie i takiej siły, żeby pewną część z budżetu Unii Europejskiej przekierować właśnie na finansowanie bezpieczeństwa na granicach Unii Europejskiej.

Polska ma ten problem z Białorusią, z Rosją, te wojny hybrydowe to wszystko po prostu dużo kosztuje. Ale jednak to bezpieczeństwo jest naprawdę czymś, co może nas połączyć. Czy znajdzie Pan w sobie taką determinację, żeby budować taki konsensus finansowy wokół spraw bezpieczeństwa na granicach Unii Europejskiej, wydatkować środki na Frontex czy na przykład na płoty ochronne na granicy?

1-0096-0000

**Piotr Serafin, Kandydat na komisarza.** – Bardzo dziękuję za to pytanie. Tak jak mówiłem, moją ambicją jest – i mam nadzieję, że to może być nasza wspólna ambicja – zaproponowanie budżetu, który łączy, a nie dzieli. Konsensus jest warunkiem wstępnym dla takiego podejścia. Wydaje mi się, że gdy chodzi o politykę migracyjną, dzisiaj wszyscy bez wyjątku w Europie zdają sobie sprawę z tego, jak ona jest istotna. Wszyscy też doskonale rozumieją, że potrzebna jest ochrona zewnętrznych granic Unii Europejskiej. Bez skutecznie chronionych zewnętrznych granic Unii Europejskiej nie będzie Schengen. A to byłaby olbrzymia strata dla całej Wspólnoty.

Gdy chodzi o migrację, myślę, że ten pogląd, który wyraziłem, jest dosyć powszechnie podzielany i mam nawet na to kilka argumentów. Rozmawialiście państwo jeszcze niedawno, na początku tego roku, o rewizji wieloletnich ram finansowych. Migracja to jest ten obszar, gdzie budżet europejski został wzmocniony. Jest więcej środków na politykę migracyjną, która ma oczywiście wiele wymiarów. To jest nie tylko Frontex, to jest nie tylko zintegrowany system ochrony granic, ale to jest także współpraca z krajami trzecimi. To także jest sposób na ochronę zewnętrznych granic Unii Europejskiej.

Wydaje mi się, że świadomość tego problemu będzie służyła nam także w przyszłości. Wszyscy, także w przyszłości, będziemy mogli liczyć na to, że ochrona granic zewnętrznych będzie lepiej wspierana. I to jest dużo tańsze niż płacenie za ochronę granic wewnętrznych. Alternatywą dla solidnie bronionych granic zewnętrznych są granice wewnątrz Unii Europejskiej, które będą kosztowały.

1-0097-0000

**Stine Bosse (Renew).** – Thank you so much, Commissioner-designate Serafin. Excuse me for perhaps returning to subjects that you have touched upon, but just to let you know that it is something that is very close to us thinking ahead. As you said, budgets is thinking ahead.

The political guidelines and Draghi report clearly call for more ambitious budgets, both in size and in design.

There are two areas that most urgently need attention.

On defence, the EU has promised to supply Ukraine with 1 million artillery shells. We delivered a third of that. Europe is being outproduced 3-to-1 by North Korea. Our credibility is at stake. What concrete measures will you take together with NATO to boost defence investments that will enable us to expand Europe's defence industrial base?

On the green transition, we will need around 500 billion in investments. I appreciate that you won't give us numbers, but how will you also commit to investments in that size?

1-0098-0000

**Piotr Serafin**, *Commissioner-designate*. – On defence, I can tell you what is possible now. I already looked into the possibilities which exist in the current EU budget, the budget that we have, and they are rather limited.

Right now, the Parliament and the Council are negotiating a regulation on EDIP that is meant to support the defence industrial base in Europe. We have in the EU budget for that – at this point – EUR 1.5 billion by the end of the next MFF. There are also some monies potentially to be used in the context of EDF – the European Defence Fund. They have been pre-allocated, programmed, but still not spent.

I think you would agree with me: it's not enough. Therefore we need to also discuss, and the discussion is going on with the European Investment Bank. I know that you had an opportunity to talk with the President of the European Bank lately. This is, I think, a topic which should continue to be on the agenda. But I would agree with you – and to be frank, I don't think that we really have the luxury to wait for the next MFF to address the question of the security of Europe. But at this point, this is not necessarily a question to the Commissioner-designate, nor even a Commissioner, nor even the Commission. This is the question to our leaders.

1-0099-0000

**Isabel Benjumea Benjumea (PPE)**. – Señor comisario propuesto, como saben, España está sufriendo las consecuencias de unas riadas catastróficas, principalmente en la región de Valencia. Por lo tanto, le quería preguntar directamente por esta situación.

Hemos hablado del Fondo de Solidaridad: ¿qué medidas concretas se van a tomar para que se active de una manera ágil? Pero no solo eso: ¿se contempla darle la posibilidad a España de que utilice los excedentes de la política de cohesión para poder destinarlos a ayudar a la región de Valencia, a las regiones afectadas? ¿Contemplamos la opción de poder utilizar el dinero que no se está utilizando de los fondos Next Generation EU, del MRR, para poder dedicarlos a ayudar a la zona de Valencia, a las zonas afectadas?

También en relación con el marco financiero, quisiera decir que no puede haber una utilización del modelo del MRR sin primero haber aprendido sobre el éxito del mismo. Nos preocupa, sobre todo, la transparencia: a día de hoy no sabemos adónde está llegando el dinero, no conocemos los beneficiarios finales. Hay que tener mucho cuidado en este sentido.

1-0100-0000

**Piotr Serafin**, *Commissioner-designate*. – As I said already, what is most important in the situation in which we have witnessed in the region of Valencia is the quickest, fastest possible support. And I have to admit that the tools which we have in place, the European Solidarity Fund, are not the best place to do so.

I hope that when it comes to significant financial assistance from the EU, which I believe is needed, the tool tabled by the Commission two weeks ago, which is called Restore, which builds on the cohesion policy, it could offer at least part of the answer, and it could offer it quickly, because it foresees a much more significant advance payment of 30 % of total investments.

On the Solidarity Fund, we should reflect on its shape in the future. The sad reality is that in the MFF revision that the Commission proposed last year, there was a proposal also to beef up solidarity funds. That did not pass the test of the debate in the Council, and therefore the increases which ultimately took place were much lower than suggested by the Commission. I can commit to work, also for the future. We need to have, at the European level, instruments that can help Member States which are affected by natural disasters of such a scale.

On RRF and transparency, I can tell you I also read the reports of the European Court of Auditors. I also am aware of the debates which are taking place in the CONT Committee and in the Budget Committee. I think that while thinking about the future we should be driven, of course, still, by the desire of more flexibility, by the desire of simplicity, but we should do so prudently so that, for example, transparency is not the victim.

1-0101-0000

**Rudi Kennes (The Left)**. – Voorzitter, mijnheer Serafin, Europa verkeert in een grote crisis op het gebied van koopkracht, sociale rechten en klimaatverandering.

De herstel- en veerkrachtfaciliteit zou bedoeld zijn om de crisis het hoofd te bieden, maar wordt gefinancierd met overheidsgeld dat gebruikt zou moeten worden voor een ambitieuze strategie voor overheidsinvesteringen, de versterking van overheidsdiensten, de verhoging van de pensioenen, en sociale en milieu-investeringen. In plaats daarvan worden grote Europese multinationals en miljardairs beschermd.

Bovendien plaatst de Europese Rekenkamer serieuze vraagtekens bij de transparantie en traceerbaarheid van de middelen die in het kader van de herstel- en veerkrachtfaciliteit worden uitgetrokken.

Hoe bent u van plan dit probleem, waarop het Parlement de Commissie al eerder heeft gewezen, op te lossen? Bent u voornemens verdere maatregelen te nemen om de lidstaten te helpen het herstel- en veerkrachtplan correct en op transparantere wijze uit te voeren? Bent u het er ten slotte mee eens dat de faciliteit moet worden gebruikt voor overheidsinvesteringen in de werkende klasse, met name in tijden van sociale crisis?

1-0102-0000

**Piotr Serafin**, *Commissioner-designate*. – Thank you. This issue, as you very well know, is a constant subject of reflection of the European Court of Auditors and the CONT Committee. I think we should do whatever we can within the current legal framework to increase transparency.

I know that RRF was really necessary back then in 2020. When you think about it, when you think about Europe hit by the pandemic, when you think about the huge risks also for the stability of our

economic model, the decision to go ahead with RRF was absolutely critical. It injected optimism into our economy, without which it would maybe fail. It was also absolutely critical in view of rebuilding links, solidarity links, among the Member States, which, frankly speaking, at the beginning of the pandemic were very seriously undermined.

So I will defend the proposal, the RRF proposal, and the fact that it was necessary at that specific moment in history.

Now, it does not mean that we need to replicate it for the future, and it does not mean that we are not obliged, or that we should not be obliged, to correct the weaknesses which we see, and I agree – I know that we're at a very specific moment of implementation of the RRF. We are approaching the end. We're approaching the last lap of the implementation of the RRF. But whatever could be done to make sure that the transparency is there, that the money are spent wisely and that they really serve the purpose of the reforms which are declared by the Member States, should be done. That would be my answer.

1-0103-0000

**Niclas Herbst**, *Chair of the CONT Committee*. – Now it's time to turn to our invited guests from LIBE and JURI for their questions. You also have one minute for the question and two minutes for the answer. And we will start with the honourable Chair Javier Zarzalejos.

1-0104-0000

**Javier Zarzalejos**, *Chair of the LIBE Committee*. – Commissioner-designate, I have a number of questions from the LIBE Committee.

How will you integrate the necessity to uphold the rule of law and fundamental rights into the management of the Union budget? Do you envisage any changes in this respect in the next MFF? Do you see a need for improvement of the rule of law and fundamental rights conditionality across relevant instruments?

Would you commit to analyse the possible link to the EU budget when the Commission identifies a relevant deficiency as regards rule of law and fundamental rights, or when the Parliament invites the Commission to analyse such a deficiency? Would you commit to ensure transparency of such an analysis and to come before LIBE to present it?

What are your thoughts as regards strengthening the impact of the recommendations in the Annual Report on Rule of Law in relation to funding?

1-0105-0000

**Piotr Serafin**, *Commissioner-designate*. – Many thanks, there were a lot of questions in this contribution.

I know that the rule of law toolbox creates a lot of confusion because indeed we have a lot of instruments, starting with the Conditionality Regulation, then the milestones in the RRF, then we have also enabling conditions in the shared management funds, we have to look into all of them. I believe that in the future some elements should be kept. When I talk about the reform and investments, the idea that there are reforms which support the rule of law is, in my view, a good one, and that should be kept.

Now, on the link between the Rule of Law Report and the budget, I was already trying while answering one of the questions to say a few words about that. I'm committed to work on it, together with the Justice and Rule of Law Commissioner. That would be also my job to make sure that there are means in the EU budget that can support reforms that serve strengthening the rule of law at the level of Member States. I gave you the example of corruption, I can also give you the example of audit.

Now, on transparency and the commitment whether I will show up or not show up in LIBE: of course I will remain at your disposal, and to be frank, when I found out that the European Parliament had decided to go to the ECJ to question the decision of the Commission on Hungary, my first thought was: 'something went wrong'. I think there was not enough of the exchange of views, not enough of exchange of information, because I believe that both sides worked based on good intentions.

1-0106-0000

**Marion Walsmann**, *stellvertretende Vorsitzende des JURI-Ausschusses*. – Herr Serafin, ich stelle eine Frage im Namen des Rechtsausschusses, und sie betrifft die öffentliche Verwaltung. Wir entnehmen Ihrer Antwort auf die schriftliche Anfrage, dass Ihnen die legislative Entschließung des Europäischen Parlaments vom November 2023 mit Empfehlungen an die Kommission für Digitalisierung und Verwaltungsrecht bekannt ist. Sie haben ausgeführt, dass die Kommission bereits vorbereitende Arbeiten zu den am besten geeigneten Folgemaßnahmen für eine positive Beantwortung dieser Entschließung angekündigt hat. Was wären denn Ihrer Meinung nach die angemessensten Folgemaßnahmen und die geeignetsten konkreten Maßnahmen, die die Kommission ergreifen könnte, um die Empfehlungen des Parlaments positiv umzusetzen? Werden Sie entsprechende Gesetzgebung vorschlagen? Und natürlich: Was wäre der Anwendungsbereich, den Sie sich für eine solche Gesetzgebung vorstellen könnten?

1-0107-0000

**Piotr Serafin**, *Commissioner-designate*. – First of all, I can commit that I will approach your recommendations and your resolution with an open mind, and I know that already now, in the Commission, the process of reflection has started.

I think that the most appropriate way forward is indeed to have consultations not just in the Commission but also with other EU institutions, because we are talking here about administrative law, and also to draw on the experience of the Ombudsman, who also in her activities shares many of the recommendations that you have offered to the Commission.

One thing which I believe would not be advisable is to merge all sector-specific legislation and, it would not work, we are not going to have one administrative procedure. Because, you know, on the one hand we have antitrust, on the other hand we have the approval of new pharmaceuticals that are going to be put on the market.

But what I believe is possible and might even be potentially – not my decision, it is a collegial decision – transposed into the legislation, is a body of the general rules, principles of administrative law. I think this is the direction in which the internal reflection in the Commission should follow.

On digitalisation and also on the scope that you have proposed, we have to take into account the fact that lately there was a number of pieces of legislation that address some of your concerns. I, myself, was involved, in my previous life, in deliberations among two co-legislators on, for example, the e-wallet or Interoperable Europe Act. Those pieces of legislation can pave the way forward for

further digitalisation in contacts between the EU institutions and the citizens and businesses. But those pieces of legislation go much further.

1-0108-0000

**Niclas Herbst**, *Chair of the CONT Committee*. – Now it's time for the political groups, for the next round. I invite all the political groups in reverse order to take the floor, starting with Alexander Jungbluth for ESN.

1-0109-0000

**Alexander Jungbluth (ESN)**. – Ich hätte auch noch ein, zwei Anmerkungen: Zum einen haben Sie in Ihren Ausführungen davon gesprochen, dass Sie einen flexibleren Haushalt der Europäischen Union erreichen wollen. Mich würde mal interessieren, wie Sie sich das konkret vorstellen, also was Sie unter einer Flexibilisierung des Haushalts verstehen. Als Zweites fand ich interessant – das finde ich auch sehr gut, dass Sie das gesagt haben –, dass Sie in Bezug auf Ungarn gesagt haben, dass Sie einen Meinungsaustausch verbessern wollen. Mich würde mal interessieren, ob es hier Ihre Zielsetzung ist, eben in Zukunft den Dialog zu Ungarn beispielsweise zu fördern und nicht, wie es bisher gängige Praxis war, eben mit Sanktionen und Sanktionsandrohungen zu reagieren. Und als Drittes auch Rechtsstaatlichkeitsprinzipien: Sie haben gesagt, Sie wollen die Rechtsstaatlichkeitsprinzipien in der Europäischen Union stärken. Ich würde mich natürlich auch freuen, wenn Sie da den Fokus etwas weiter richten würden. In Deutschland ist es ja mittlerweile Usus, dass die Herrschenden hier Verbotsforderungen gegen Parteien und Vereine stellen. Also freue ich mich, wenn Sie das dann auch auf Deutschland zukünftig anwenden wollen.

1-0110-0000

**Piotr Serafin**, *Commissioner-designate*. – Thank you. On flexibility, as I said, one of the potential tools: less programmes, less funds. By definition, you get more flexibility. Then you can think about flexibility margins within the funds and programmes – that is another way to increase flexibility. And there is one thing which I have forgotten to mention, but I believe that this flexibility might be important not only from the perspective of having the EU budget which is ready to respond to the evolving challenges, but also from the perspective of having a substantive annual budget negotiation process, the process which can indeed take a political look at what is needed at a specific juncture. These days we have MFF, which constrains completely both co-legislators and does not allow the EU to react into the changing priorities.

On Hungary, I believe I was very clear, fair and honest. The Conditionality Regulation is about the risk for the EU financial interests. That regulation is implemented not because of whims, not because of political views, not because of different approaches on that or the other issue, but because the European taxpayers' money, in view of the Commission, are endangered. The Commission sees that there is a risk that those money are not going to serve their intended purpose, they are not going to serve the Hungarian society, and that's the reason why the Conditionality Regulation has been activated and still remains in place. Dialogue, of course, I mean, I have always been for the dialogue and I will always be for the dialogue, but dialogue, while important, cannot replace changes on the ground.

1-0111-0000

**Rudi Kennes (The Left)**. – Eurocommissarissen ontvangen duizelingwekkende bedragen van twintig- tot dertigduizend euro per maand. Dit heeft tot gevolg dat ze volledig worden losgekoppeld van de dagelijkse realiteit van de burgers die ze vertegenwoordigen.

Terwijl Eurocommissarissen een riant salaris, een hoog pensioen en een aanzienlijke uittredingsvergoeding ontvangen, moeten werknemers langer doorwerken en ontvangen zij een lager pensioen. De burgers kunnen hun rekeningen niet betalen, maar de voorzitter van de Commissie verdient makkelijk dertigduizend euro per maand.

Bent u het ermee eens dat deze salarissen ervoor zorgen dat Eurocommissarissen in een bubbel leven en ver verwijderd zijn van de realiteit van de gewone Europeaan? Hoe bent u van plan deze riant salarissen te verlagen en de uittredingsvergoeding af te schaffen?

1-0112-0000

**Piotr Serafin**, *Commissioner-designate*. – Thank you for that question. It is always a sensitive topic, talking about people's salaries. What I can tell you is that, yes, I am fully aware that I'm one of those privileged. But among us, you are also among those privileged, and so that's the reality.

Let me remind you what has happened by now. Also let me remind you, because I know that now, every year, there is a very heated debate on the level of salaries of the EU officials. So there have been reforms, ahead of the previous MFF, which has linked the level of salaries in the EU institutions with the level of salaries of the official at the national level. So if the increases are taking place, they take place only and exclusively in a situation when the salaries of civil servants, public officials, in the Member States, are taking place.

But everything is still a matter of reflection. We are going to approach the MFF negotiations and I'm fully aware what is the situation in Heading 7. We cannot put into question our commitments which we have vis-à-vis European public administration. I was telling about that already.

We have ended up in a situation where a job in the European institutions is not attractive enough for young talents from many Member States. We have a very serious problem with many nationalities.

A Danish diplomat told me once, and he was not joking, that by 2038 there might not be a Danish official in the Commission, because Danish young talents do not come anymore to work in the EU institutions. That is also the situation which we see more and more in the case of other Member States. There is an issue to reflect upon.

1-0113-0000

**Damian Boeselager (Verts/ALE)**. – Dear Commissioner-designate, having been part of the RRF negotiation team and being quite supportive of it, I'm very curious about the lessons learned for the performance-based part of the budget, and I have three questions on it.

The first one on traceability. Can you commit to ensuring transparency on the true final beneficiaries who are implementing the projects, and to a single harmonised database to track progress?

On parliamentary oversight, you have already said something about it, but can you commit that Parliament will have a vote on the national plans when they are yearly, and their disbursements?

And third on macroeconomic stabilisation, now that SURE and RRF will end, will you propose a new eurozone budget to channel funds flexibly to countries facing GDP and unemployment pressures and the looming financial crisis, as we have seen in the past?



1-0114-0000

**Piotr Serafin**, *Commissioner-designate*. – Very broad list of questions, ambitious questions as well.

Now, on the RRF, I have my views and I have expressed them, and I think that the views which I have expressed also reflect more and more the thinking in the Commission.

So there is a much better understanding that the RRF, in its current form, cannot be replicated, because of the weaknesses and problems with transparency, but also concerns that have been raised by the European Parliament on the role of the co-legislator. I share those concerns.

But when it comes to the current RRF, I also said so, we are really approaching the last lap of the implementation. Now, you make reference to the approval by the European Parliament of the programmes. You should know better, I was not part of the negotiations of this package, but I understand there was such a proposal at the time of the negotiations from the European Parliament, but it is not right now part of the RRF Regulation. So to change that, we would need to change the RRF Regulation. I really think that, on this last lap, we should concentrate on how to implement it well, and what lessons should we draw for the future.

On the specific budget for the euro area. Well, I think that it's not what I see these days on the cards. But what I believe is that more flexibility in the euro budget would better allow us to react also in changing circumstances. Of course, it is not going to work like a fiscal capacity. But you know also quite well that there are some instruments specific to the euro area that can play such a role – ESM.

1-0115-0000

**Gerben-Jan Gerbrandy (Renew)**. – Thank you, Mr Serafin. You've touched upon many, many, many topics. But one was not really highlighted, and that's the effectiveness of spending. To be frank, we have a budget not for spending money, we have a budget for achieving political objectives. We have numerous Court of Auditors reports that are very critical on the effectiveness of our budget, on the way that we spend it. And the Court of Auditors came with many, many ideas on how to achieve a much better performance-based budget. My question is whether you're willing to give a much higher priority to the objectives, to the effectiveness of spending, to put more pressure on Member States to provide the data necessary to really see whether we do achieve things? Thank you.

1-0116-0000

**Piotr Serafin**, *Commissioner-designate*. – The short answer is 'yes'. But then, of course, the question comes how to achieve that. And I think that that is also a role for you to play in this process for the European Parliament. There is a role to play also for the European Court of Auditors. I know that in particular when it comes to the efficiency of the spending of the EU budget, this was a topic which came back on the agenda of our budgetary discussions, also partly because of the RRF, and that is something on which we should also build for the future. But please rest assured that I would be ready to spend as much time as is necessary also to that issue.

1-0117-0000

**Dick Erixon (ECR)**. – The oversized EU budget fosters fraud, waste and cronyism. We should reduce it, not expand it. In Brussels, there seems to be little understanding of basic economics or the taxpayers' priorities. The Eurocrats who wrote Parliament's wish list for next year's budget think they have a credit card with no limit. We must allocate resources efficiently, boost competitiveness, reduce government spending, including at the EU level.

Mr Serafin, as you hear, I have a bit different topic from the former speaker's. My question is, if we don't reduce the budget and limit spending to projects with clearly value, like securing external borders, how can we avoid new EU taxes and further burdening the taxpayers?

1-0118-0000

**Piotr Serafin**, *Commissioner-designate*. – Thank you for recognising that there are still some priorities that could be better addressed from the level of the EU than at the national level. I think this is a good starting point for further discussion on extending the list of these priorities, because I believe it might be useful, also at the end of the day, for the finance ministers to invest into the EU budget to address the problems that can be better addressed from the European level.

1-0119-0000

**Tamás Deutsch (PFE)**. – Tisztelt Biztosjelölt Úr! Kérdezem, hogy meg fogja-e változtatni a Bizottság eddigi jogszerűtlen gyakorlatát, és a jövőben törvényesen kíván-e majd tevékenykedni a jogállamisági kondicionalitási eljárásokban. Az Európai Számvevőszék különjelentése ugyanis megállapította, hogy az Európai Bizottság súlyos szabálysértéseket követett el a jogállamisági kondicionalitási eljárásokban. A rendelet alkalmazásánál a jogszabály legfontosabb elemét szabálytalanul figyelmen kívül hagyta a Bizottság. A Számvevőszék megállapítása szerint ugyanis az eljárásokban nem volt igazolható megfelelően a jogállamiság elveinek megsértése és az Unió pénzügyi érdekeinek sérelme között fennálló, az eljárások megindításához nélkülözhetetlen, közvetlen ok-okozati összefüggés. Az ilyen szabálytalan eljárásokat pedig nettó politikai zsarolásnak lehet tekinteni. Kész-e tehát a biztosjelölt úr a törvénytelen jogállamisági eljárásokat megszüntetni?

1-0120-0000

**Piotr Serafin**, *Commissioner-designate*. – Well, I have heard actually about one ruling of the European Court of Justice on the Conditionality Regulation. I remember it very well when, back in 2021, both the Hungarian and the Polish Government questioned the legality of the Conditionality Regulation.

Then in February 2022, the European Court of Justice issued a very clear ruling, saying that, indeed, the Conditionality Regulation is needed, is fully in line with the Treaty, and is fully in line with something which is key for the functioning of the EU budget. The Court of Justice said at that point the European budget is the expression of solidarity, and for that expression of solidarity we need to have mutual trust.

I keep that ruling in mind and I will keep it also for the future.

1-0121-0000

**Carla Tavares (S&D)**. – Muito obrigada, Senhor Comissário indigitado, pelas suas respostas, mas tenho de voltar a alguns temas que carecem de uma resposta mais clara da sua parte.

E começamos pela questão dos novos futuros empréstimos conjuntos e não percebi da sua resposta se concorda que será ou não necessário recorrer a eles. Também, relativamente aos recursos próprios, tem intenção de propor novos recursos próprios, genuínos, para além dos que constam do acordo interinstitucional de 2020? Sim ou não?

No próximo quadro financeiro plurianual, apoiará abatimentos nacionais, os famosos rebates? Também é uma questão que lhe deixava.

E, por fim, perguntava-lhe se podia esclarecer que fundos estarão associados e a que reformas. Será o comissário dos Orçamentos e os seus serviços responsáveis pelo quadro jurídico que ligam as reformas ao financiamento? E qual é o papel que o Parlamento Europeu terá neste processo?

1-0122-0000

**Piotr Serafin**, *Commissioner-designate*. – First let me tell you that if confirmed I will be really happy to work with you on the future MFF. I'm already looking forward to this cooperation.

On own-resources my answer is a strong 'yes', we are going to push the own-resources agenda based on the Interinstitutional Agreement. I believe somebody asked how we are going to incentivise the Member States to engage into this dialogue. I think the situation is quite clear: if we are to address the priorities we were discussing today, there are only two options. Either you increase the national contribution or you have an own-resource. By the way, some of those own-resources bring justice into our economy, which I believe nobody should really put into question.

On the debates, I already said I don't like the debates. I know that very often – actually, it has always been the case, that in the MFF negotiations we end up with the debates, but not necessarily because we like them, but because that's the political necessity. We should start, however, with the assumption that it is possible to build a budget – as I said, a budget of unity, not a budget of disunity – that is based on the logic that what we finance at the European level makes sense all around Europe.

1-0123-0000

**Janusz Lewandowski (PPE)**. – After three hours of grilling, you deserve a more relaxing question. Post 2027, MFF is definitely your major challenge. This is never business as usual, always there are exceptional circumstances. When a little bit younger, Serafin was designing MFF 2014-2020. This was financial crisis, and pressure from Prime Minister Cameron, close to blackmail – he was preparing his unhappy referendum. Now, you are to propose the first ever wartime budget for European Union. So you may expect friendly pressure from Commissioner Kubilius, especially if this is based on Niinistö report claiming 20 % of budget for defence, for security. I think this is not quite realistic but generally: good luck, difficult job, but this is your free choice.

1-0124-0000

**Piotr Serafin**, *Commissioner-designate*. – Thank you also for those wishes of best luck.

Well, I would like and I will work very closely with Commissioner Kubilius, and I really share his agenda. It is very important that we have a Defence Commissioner, and I also share his pessimistic assessment of our defence readiness.

But in terms of how that cooperation could be translated into the budgetary resources, I also count on him, because it will be also for him to demonstrate to the Member States that spending money on defence at the EU level makes sense.

We have already a few initiatives. We were referring to them already – EDIS. We have also European Peace Facility, which is the first EU-funded programme of ammunition and military equipment addressed to Ukraine.

But the key challenge will be to demonstrate that there are also projects that we as Europeans could do together – in sync with NATO, but together – and that the engagement at the EU level can play a useful role.

So he will say, 'I count on Serafin'. I will say, 'I count on Kubilius'. Because if he will manage to convince the Member States that we can do things together, my life will be easier.

I believe there is a space, because whether we like it or not, whether there will be a fiscal consolidation at the national level or not, the spending on defence all around Europe will increase. That's the historical necessity. That's what we have witnessed already for the last few years. But that trend will continue. Now the question is whether part of it can be done through the EU budget. Thank you.

1-0125-0000

**Johan Van Overtveldt**, *Chair of the BUDG Committee*. – Thank you, colleagues, for your questions. Mr Serafin, now it's time for you to make your concluding statement, for which I can give you five minutes. Please.

1-0126-0000

**Piotr Serafin**, *Commissioner-designate*. – I will be frugal when it comes to time. I think I have already talked too much.

What I wanted to tell you is that I appreciate a lot not only today's hearings but also numerous contacts which we have had in the last two months. I have met – I think – the majority of those who are present in this room either individually or during the political party group meetings, and I appreciated each and every contact that we had.

And, as I said answering one of the questions, it was a question on the cooperation between the European Parliament and the Commission: Are you going to share information equally? Are you going to engage? Yes, and it's not only because of the rules, but also because I believe that by working together, we can make also a lot of good things for the EU budget.

As I said, the EU budget will be one of the most important tools that is going to shape European policies for the several years to come. So I sincerely count on your cooperation, if approved as a Commissioner, because I think without you, neither the MFF nor my role as the Anti-Fraud Commissioner nor my role as Commissioner for Public Administration, it cannot be really performed well.

Thank you very much and I hope we will meet in the future.

1-0127-0000

**Niclas Herbst**, *Chair of the CONT Committee*. – I would like to join my colleague in thanking you. We are ahead of our time, even. I think we are the first committees who did this! And if we are as good at saving money as we are at saving time, this will be a very good year, a very good term. Thank you very much.

The evaluation meeting will be held in camera without undue delay. And please finally note that a press point will be held outside the meeting.

1-0128-0000

*(The hearing closed at 17:24)*