

Declaration of Secretaries of State of European Affairs of Spain, France and Portugal

Madrid, 19 February 2020

We, the Secretaries of State of European Affairs of Spain, France and Portugal, adopt this declaration with a view to deepen our close cooperation - following the previous trilateral meeting held on 11 July 2019 in Lisbon - in order to jointly prepare the upcoming European meetings, starting with the extraordinary European Council on 20 February.

This European Council will focus on the European Union budget for the next seven years. Spain, France and Portugal want to reach an agreement ensuring the proper implementation of programs at the start of the Financial Framework. We believe that the EU budget must be a political instrument in order to achieve our strategic goals and contribute to the European sovereignty and solidarity. The agreement should therefore ensure a balance of traditional policies. We remember the importance of cohesion policy, which must be provided with the means to ensure convergence in Europe, and of common agricultural policy, which should at least provide the same support to farmers as it does currently.

The budget should also contribute to the ecological transition, assigning a more ambitious threshold to climate action expenditure including climate protection and biodiversity, in line with the European Green Deal. It should also incorporate a social dimension, with a view to facilitate the implementation of the European Pillar of Social Rights, namely through a new favourable horizontal condition. Finally, we support the establishment of a mechanism to protect the budget against widespread failures of the rule of law.

The budget should also be open to new sources of financing, namely based on the European Commission's proposals. The agreement should also provide for the possibility of new resources in the future. Compensation (rebates) should be eliminated immediately.

In this negotiation, we will also defend the specificities of the outermost regions and their adequate financing in future policies of cohesion, agriculture, fisheries and maritime affairs, including the funding intensity. On 19 November 2019, in Brussels, we organised a conference devoted to this issue and distributed a joint non-paper to the European institutions.

Following the United Kingdom's exit from the European Union on 31 January, Spain, France and Portugal want the future relationship between the EU and the United Kingdom to be integrated into a framework of broad and ambitious relations. This framework will reflect our proximity and our common values, which are based on a balance between rights and obligations and which ensure fair competition and respect for the decision-making autonomy of the EU. To this end, we will pay special attention to the challenges of regulatory alignment and the establishment of robust governance.

Furthermore, our three countries will pay close attention so that the future agreement preserves EU fishermen's access to British waters and fishery resources, while also preserving the activity of the EU fleet. The union of the

27 should be maintained during this negotiation. We express our full support to the European Union's chief negotiator.

At a time where the EU embarks on a new institutional cycle, it is time to promote a more open debate on how the EU should adapt to current challenges, achieve concrete results and better involve our citizens. We strongly believe that the Conference on the Future of Europe will allow a democratic debate to continue and will strengthen the citizens' trust in the European project. Our three countries commit themselves to encourage an open and inclusive debate with our citizens, also based on the results of citizens' consultations in 2018, in order to address their concrete concerns. The organisation of this debate must be defined in a rigorous and transparent manner, in accordance with the principles of institutional balance and subsidiarity. We believe that the Conference should prioritise issues that have an impact on European citizens and that raise their interest.

Spain, France and Portugal believe that the ecological transition is the main challenge faced by our societies and urge the EU to be at the forefront of the fight against climate change. We support the objective of carbon neutrality by 2050 and we welcome the European Green Deal proposed by the Commission. In 2020, Europe will have to lead the way to Glasgow COP26, increasing European emission reduction targets for 2030. The transition to a green Europe must certainly be a fair one, which leaves no one behind and that considers the efforts already made by the States committed to the ecological transition. We will also have to be consistent and ensure that our external partners comply with the high standards, namely by respecting the Paris Agreement in trade agreements and continuing the preparatory work on a WTO-compatible full border carbon adjustment.

Achieving a more efficient energy market is also essential for the success of the ecological transition. France, Spain and Portugal restate the strategic role of interconnections to improve the functioning of an internal energy market, which is secure, competitive and free of carbon emissions, in accordance with the European objectives on interconnections, with the European Green Deal and new innovative options. We also renew our commitment to advance ongoing projects of electrical interconnections. The use of the most environmentally friendly and cost-saving technologies will be essential in order to increase the support of local populations and to respect cost-benefit criteria.

The time has come to extend the Economic and Monetary Union. We further advocate the creation of a budgetary capacity for the euro zone with necessary resources and a governance model adapted to the promotion of convergence and competitiveness in the euro area. We also want to create a stabilisation instrument that will protect European citizens from future crises and improve the shock-absorbing capacity in the euro zone. Given this situation, an unemployment reinsurance mechanism would be a path to explore. In addition, we are convinced of the need to give impetus to the start of the first phase of a European deposit guarantee system, as part of the efforts to complete the Banking Union.

We are convinced that only a strong EU, which guarantees freedom and security, can face future challenges. We are also committed to the principle of free movement, which is a valuable acquis of European construction, and to restoring the proper functioning of the Schengen area. We will work to ensure that the new Pact on Migration and Asylum, which the Commission will shortly present, provides a common, wide-ranging and effective response to migration challenges, based on an effective application of the principle of solidarity and fair sharing of responsibility between Member States.

We would also like to underline the strategic importance of relations with our partners in the Southern Neighbourhood and the need for the European Union to strengthen the dialogue with the southern shore of the Mediterranean, within the framework of a reflection on the future of the European Neighbourhood Policy that matches the geopolitical issues of the region.

Finally, we discussed the Spanish proposal for an Atlantic macro-region.

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On all these issues, we will maintain our trilateral dialogue in order to translate common European priorities into tangible results that meet citizens' expectations. In this regard, we are ready to work with all the Member States that share our priorities, in order to build majorities around common issues and to make concrete progress on the European agenda.