

# Ten theses to a lively Europe

## MTK's European elections 2024 program

The elections to the European Parliament will be held at the beginning of June 2024. The new Parliament and Commission will define the Union's development over the next five years. It will not be an easy time. It is characterised by instability, the war in Europe, concerns about security, security of supply and the economy, and the undermining of the international law.

MTK considers it essential that Finland and the Members of Parliament elected from Finland build stability and predictability for the EU. Europe must strive towards a time when citizens and businesses can have confidence in the future and act accordingly. Politics must aim at better well-being for people, the economy and the environment.

Finland must continue to build strong membership in a strong European Union. During nearly 30 years of membership, Finland has become accustomed to thinking that a strong Commission is the security of a small Member State. Unfortunately, under the current Commission, this has not been the case. Especially in matters of agriculture and forestry, the Commission has advocated major reforms based on its ideological ideals but has yet to understand their practical effects in the Member States.

For the EU to be strong, adding excessively strict regulation must stop. The development of regional competitiveness and the operating environment create the best conditions for effective environmental and climate action. The future Parliament and the Commission must have the courage, if necessary, to recognise the mistakes of previous Commissions and to abandon the implementation of unworkable regulations. The subsidiarity principle in decision-making and the possibility for Member States to exercise their own discretion must be ensured.

MTK emphasises that sustainable solutions for a stable and safe Europe are based on the EU's rural areas and the responsible use of their renewable natural resources. The security issue is particularly emphasised in the EU's eastern border regions, where new regional development tools are needed.

These "Ten theses to a lively Europe" by MTK tell us what needs to be done in EU policy-making.

#### 1. Leave decision-making power to member states and regions

The subsidiarity principle brings decision-making closer to the citizen. The responsibility for achieving the objectives and implementing the policy must lie with the member states, where local conditions are best known. The EU needs to find a new balance in the legislative package. Excessive regulation does not promote regional competitiveness but threatens the operating conditions of the Union as a whole.

The Member States must be trusted. By increasing the regulations, the Commission lacks confidence in Member States' ability to solve problems. It makes sense to make EU legislation available to Member States in a way that allows flexibility. Equal compliance with the agreed rules ensures fair competition in the internal market and strengthens the EU as a global actor.

The success of the EU area is created by recognising the unique characteristics of the member states. EU legislation targeting different natural conditions must recognise differences between Member States and adapt measures to local needs.

## 2. Build the EU into a strong security community

Readiness must be emphasised in the EU decision-making. The EU must be more prepared to respond to unexpected crises. The Union must ensure economic growth and renewal so that its sparsely populated regions also have the opportunity for a good life and for developing business. In the EU, we contribute to global development, internal security, economic stability, combating climate change and other environmental risks and adaptation to them, and defence cooperation, which is of increasing importance. The EU must have adequate readiness and the necessary self-sufficiency in the most essential goods and defence equipment.

**Self-sufficiency in food and energy creates security and stability**. Europe has enough food, but even strong food security can deteriorate rapidly. Global demand for food is growing, and the EU must also respond to this growth. EU decisions must safeguard each Member State's ability to produce at least the amount of food it needs now and in the future. It is essential to ensure energy self-sufficiency based on renewable energy sources, the production of critical raw materials and the functioning of production chains.

A fund for the EU's eastern border must be set up. The equal development of the EU's different regions is also a crucial part of security. An inhabited and vibrant countryside and Eastern Finland, which attracts industrial investments, are important in securing the NATO's and EU's external borders. A new Recovery and Development Fund for the EU's eastern border is needed to guarantee its development and, at the same time, the security of the EU as a whole.

### 3. Strengthen the European community of values

The European community respects democracy, human rights, the rule of law and international treaties. The EU must focus on matters that contribute to European added value. An orderly enlargement of the EU is desirable, but the criteria for membership must not be compromised. The prospect of EU membership for Ukraine, Moldova and the Western Balkan countries would have a significant impact on the EU's food markets, agricultural policy and the decision-making system as a whole.

The common objectives of EU decision-making must be significant and feasible. EU decisions must be based on science and high-quality impact analyses. Decision-making must be carried out by listening to the stakeholders whose operations are affected by the decisions. More effort must be made to assess the impact of different kinds of legislation, both individually and collectively, on rural areas and their livelihoods.

## 4. Demand efficiency and effectiveness from the use of EU money

The EU budget funds must be used effectively. As a result of the pandemic, the EU made a decision on a new large-scale recovery and recovery instrument (RRF) based on collective debt. Finland's line must be that it was an exceptional and a one-time solution, and similar financing decisions based on collective debt will no longer be made. EU funding must be implemented on the basis of a multi-year financial framework, which the member states decide on together. Each member state is responsible for its public finances, and the EU should not be developed in the direction of an asymmetric income transfer union.

The costs of EU enlargement cannot be left to the farmers to pay. Adequate financing of agricultural policy will continue to be an important strategic issue for the EU. Taking care of food security and responding to a plurality of challenges requires sufficient agricultural policy funding. EU funding for rural development will remain an important issue for Finland in the EU's multi-annual financial framework. In the future, the enlargement of the EU may lead to a situation where the EU budget and the financing of agricultural policy will have to be re-examined. Market functionality and sufficiently long transition times are essential in this situation.

The need for regional funding for Finland will continue. Finland aims to maintain a strong, program-based EU regional and structural policy. Funding should be linked to activities that promote the competitiveness and economic growth of the member states and renew the economic structure. National co-financing should be mandatory in the financing of EU programs. It is essential for Finland that the EU regional policy funds are used to develop the entire country. Special funding for sparsely populated areas in the north will continue to be important for Finland. Taking care of the viability of the EU's eastern border with Russia is a special issue for the security of the EU as a whole.

### 5. Ensure the green transition with a strong economy, competitiveness and trade policy

The operation of the internal market must be secured. The EU's internal market guarantees that trading partners can treat Europe as a single economic area. Only an economically strong Europe can act as a trendsetter globally. Cooperation and opening new export markets are needed instead of curling up inward and building border walls.

**Economic growth requires innovations and investments**. Under the EU's Green Deal program, competitiveness is based on sustainable production, work and economic growth. A sustainable economy relies on low-carbon technology and solutions that promote the circular economy and biodiversity. The competitiveness of the European bioeconomy is built through processed value-added foods. The EU must dare to introduce innovations in the food sector as well.

**Digitalisation** as a success factor. Digitalisation must ease the administrative burden on both farmers and forest owners. As data use increases in all business areas, it is necessary to take care of fair ownership of data and the fair distribution of the added value produced by the data. The EU must ensure that the information generated in different contexts in agriculture and forestry is controlled by the primary producers.

Competitiveness in international markets comes from the EU's Farm-to-Fork strategy. The ambitious climate and environmental goals of the EU's food sector must increase competitiveness in the global market, which requires impressive promotional work from the EU. Sustainability and responsibility requirements are important to the EU's pursuit of an equal competitive position in trade policy. The expansion of corporate sustainability reporting causes a growing administrative burden on primary producers and SMEs, which must be lightened with the help of legislative simplifications and digitalisation. Reporting requirements must not have a detrimental effect on farmers' negotiating position in the food market.

**Financing opportunities for agriculture and forestry must be secured**. The financial sector's responsibility requirements must be based on up-to-date and forward-looking research. The environmental and climate requirements of the financing taxonomy must recognise the commitment of businesses to the sectors' environmental programs and requirements. The taxonomy of financing must not increase the administrative burden on primary producers.

#### 6. Guarantee secure and profitable food production in all regions of the EU

The most important function of agriculture is to produce food. EU decision-makers must secure this function. The basis of the common agricultural policy must continue to be that profitable agricultural production can be practiced in all regions of the union. In return for a successful policy, EU citizens will be assured of a sufficient supply of high-quality, safe and reasonably priced food. The common agricultural policy must make it possible to support the EU's weaker production areas in a production-related and nationally supplemented manner. The two-pillar model of agricultural policy has worked well here.

**Agriculture also produces nature values**. In the northern parts of the EU, agriculture and livestock production play a major role in producing biodiversity. The preservation of traditional biotopes requires active agricultural activities and grazing animals.

**Food production requires constant availability of plant nutrients.** Manufacturing of chemical fertilisers consumes a lot of energy and raw materials, which is not sustainable. In addition, their production is sensitive to various crises. The EU needs to promote nutrient recycling as part of the circular economy. Legislation should enable various recycling solutions but, at the same time, ensure that recycled nutrients do not harm users, the environment or food safety.

# 7. Promote circular economy and energy security with sustainable forestry

**Forests offer solutions to global challenges**. The future Parliament and the Commission must secure the active use of forests for many different purposes. The differences between forests and forestry in different parts of Europe must be understood better.

**Mistakes in the legislation of recent years can be corrected**. In recent years, the Commission has showered the forest sector with much legislation that endangers the Nordic model of sustainable forestry. Part of the regulation threatens to make it challenging to curb climate change and limit the possibilities of using renewable materials, causing the continuation of the fossil economy simultaneously. In the future, EU legislation must also always respect the property protection of forest owners.

The circular bioeconomy knocks out the fossil economy. Europe can afford to increase the sustainable use of forests to replace fossil raw materials and to produce high-quality wood products. The future is secured with active forest management. The whole circular bioeconomy needs strengthening from the future Parliament and the Commission.

## 8. Take care of the equality of the regions - you create stability and growth

The economic and social development of rural areas must be taken care of. The vitality of the EU's rural areas must be improved to get new young farmers and ensure the continuity of food production. Without sufficient social safety, the attractiveness of rural areas decreases. Rural telecommunication and transport networks must be put in order, and the workforce availability for rural companies must be improved.

**Assessment of rural impacts must be done in all legal preparation**. The impacts of the Commission's policy initiatives on, among other things, rural employment, growth, economic activity and sustainable development must be assessed better than at present.

The eastern border regions of the EU need special attention. The political and economic consequences of the Russian war of aggression hit especially the eastern border regions of the Union - in Finland, especially Eastern Finland. Keeping these areas vibrant and populated is also a security issue for the EU. Crucial here is the EU's Eastern Border Program, which strengthens the economic development of the regions, encourages investments and takes

care of the functionality of the infrastructure, such as road and information networks and goods transport.

# 9. Enhance solutions to climate and environmental challenges in agriculture and forestry

The facts must be recognized and acknowledged. Carbon sinks in forests play an important role in climate policy. However, it must be recognised that continuously increasing the carbon sinks of forests is impossible. The climate goals must be reconciled with the economic use of the forest, i.e. forest management and felling.

**Usage of markets.** Building a functioning carbon sequestration market enhances climate action and, if implemented correctly, brings incentives and additional income to landowners. Carbon market models must offer farmers and forest owners a genuine opportunity to participate in the market with their carbon sequestration.

Agriculture and forestry play a crucial role in safeguarding biodiversity. Responsible farming methods and good forest management can avoid and reduce damage to nature and strengthen natural diversity. Biodiversity is local, so the most effective and cost-effective measures must be chosen based on local conditions, emphasizing incentives rather than restrictions.

### 10. Create stability and curb migration with business-oriented development cooperation

The EU is the world's largest development cooperation actor. In developing countries, the key is to support strengthening sustainable food systems and forestry. Young people in developing countries need a view of the future to develop the local economy. Food, clean water and employment opportunities are key.

Business-oriented solutions and impact with Finnish know-how. A reasonable income from sustainable livelihoods creates stability and curbs migration, which causes problems both in the migrants' countries of origin and in the EU. The focus of population growth in the coming years will be in Africa, and measures must be directed there. Finnish organizations and cooperatives offer ways to increase competence, democratic decision-making and building significant value chains. Business-oriented development cooperation and especially Finnish know-how can improve food security and the supply of clean water and renewable energy. At the same time, we can strengthen climate adaptation, curb deforestation, improve crisis resilience and the status of women and create a vision of the future for young people locally.

## MTK's ten theses to a lively Europe:

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- 2. Build the EU into a strong security community
- 3. Strengthen the European community of values
- 4. Demand efficiency and effectiveness from the use of EU money
- 5. Ensure the green transition with a strong economy, competitiveness and trade policy
- 6. Guarantee secure and profitable food production in all regions of the EU
- 7. Promote circular economy and energy security with sustainable forestry
- 8. Take care of the equality of the regions you create stability and growth
- 9. Enhance solutions to climate and environmental challenges in agriculture and forestry
- 10. Create stability and curb migration with business-oriented development cooperation

#### **Further information:**

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