

























Procedure file

Basic information		
INI - Own-initiative procedure	2017/2052(INI)	Procedure completed
Next MFF: preparing the Parliament's position on the MFF post-2020		
Subject 8.70 Budget of the Union 8.70.01 Financing of the budget, own resources		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	BUDG Budgets		25/04/2017
		 OLBRYCHT Jan	25/04/2017
		 THOMAS Isabelle	
		Shadow rapporteur	
		 KÖLMEL Bernd	
		 DEPREZ Gérard	
		 NÍ RIADA Liadh	
		 OMARJEE Younous	
		 SOLÉ Jordi	
		 ZANNI Marco	
	Committee for opinion	Rapporteur for opinion	Appointed
	AFET Foreign Affairs		17/05/2017
		 PANZERI Pier Antonio	
	DEVE Development		03/07/2017
		 RÜBIG Paul	
	INTA International Trade	The committee decided not to give an opinion.	
	CONT Budgetary Control		18/04/2017
		 SARVAMAA Petri	
	EMPL Employment and Social Affairs		07/12/2017
		 ULVSKOG Marita	

European Commission	ENVI	Environment, Public Health and Food Safety	06/04/2017		JÄÄTTEENMÄKI Anneli
	ITRE	Industry, Research and Energy	19/05/2017		MARINESCU Marian-Jean
	TRAN	Transport and Tourism	25/04/2017		MARINESCU Marian-Jean
	REGI	Regional Development	21/03/2017		VAUGHAN Derek
	AGRI	Agriculture and Rural Development	05/04/2017		RIBEIRO Sofia
	PECH	Fisheries	22/03/2017		AGUILERA GARCÍA Clara Eugenia
	CULT	Culture and Education	28/03/2017		TRÜPEL Helga
	LIBE	Civil Liberties, Justice and Home Affairs	29/06/2017		MACOVEI Monica
	AFCO	Constitutional Affairs	20/03/2017		ANNEMANS Gerolf
	FEMM	Women's Rights and Gender Equality	04/04/2017		GARCÍA PÉREZ Iratxe
	Commission DG	Commissioner			
	Budget	OETTINGER Günther			

Key events

18/05/2017	Committee referral announced in Parliament, 1st reading/single reading		
22/02/2018	Vote in committee, 1st reading/single reading		
28/02/2018	Committee report tabled for plenary, single reading	A8-0048/2018	Summary
13/03/2018	Debate in Parliament		
14/03/2018	Results of vote in Parliament		
14/03/2018	Decision by Parliament, 1st reading/single reading	T8-0075/2018	Summary

14/03/2018

End of procedure in Parliament

Technical information

Procedure reference	2017/2052(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Strategic initiative
Legal basis	Rules of Procedure EP 52
Modified legal basis	Rules of Procedure EP 150
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/8/09701

Documentation gateway

Committee opinion	REGI	PE606.230	11/10/2017	EP	
Committee opinion	AFCO	PE606.254	12/10/2017	EP	
Committee opinion	CONT	PE606.021	23/11/2017	EP	
Committee opinion	PECH	PE610.677	23/11/2017	EP	
Committee opinion	LIBE	PE612.221	30/11/2017	EP	
Committee opinion	TRAN	PE610.555	01/12/2017	EP	
Committee opinion	CULT	PE610.693	06/12/2017	EP	
Committee opinion	FEMM	PE610.884	06/12/2017	EP	
Committee draft report		PE615.478	10/01/2018	EP	
Committee opinion	ITRE	PE609.632	15/01/2018	EP	
Committee opinion	AFET	PE610.546	25/01/2018	EP	
Committee opinion	ENVI	PE612.219	26/01/2018	EP	
Committee opinion	AGRI	PE612.377	26/01/2018	EP	
Committee opinion	DEVE	PE612.385	31/01/2018	EP	
Amendments tabled in committee		PE616.895	01/02/2018	EP	
Amendments tabled in committee		PE616.896	01/02/2018	EP	
Amendments tabled in committee		PE616.897	01/02/2018	EP	
Committee opinion	EMPL	PE618.338	28/02/2018	EP	
Committee report tabled for plenary, single reading		A8-0048/2018	28/02/2018	EP	Summary
Text adopted by Parliament, single reading		T8-0075/2018	14/03/2018	EP	Summary
Commission response to text adopted in plenary		SP(2018)366	30/08/2018		

The Committee on Budgets adopted an own-initiative report by Jan OLBRYCHT (EPP, PL) and Isabelle THOMAS (S&D, FR) on the next MFF: Preparing the Parliaments position on the MFF post-2020.

The report noted that the multi-annual financial framework (MFF) 2014-2020 quickly proved its inadequacy in meeting actual needs and political ambitions, as, from the outset, it was called upon to address a series of crises and new challenges in the areas of investment, migration and refugees, youth employment, security, the environment and climate change, which had not been anticipated at the time of its adoption.

As a result, the current MFF had already been pushed to its limits after only two years of implementation as available margins had been exhausted, flexibility provisions and special instruments had been mobilised to a substantial extent, existing policies and programmes had been put under pressure or even reduced, and some off-budget mechanisms had been created as a way of compensating for the insufficient level and flexibility of the EU budget.

The Commission will present its package of proposals on the post-2020 MFF, including future own resources, in May 2018.

Members adopted the present report in order to outline Parliaments position on the post-2020 MFF. They expect the Commission to present the legislative proposal for the next MFF together with a new draft interinstitutional agreement that takes into account Parliaments positions and suggestions. They aim to adopt, in parallel, a separate report to set out its position on the [reform of the EUs own-resources](#) system in line with the recommendations of the High Level Group on Own Resources.

Members called on the Commission to take due account of Parliaments position in preparing the legislative proposals on the EUs own resources, which should be ambitious in scope and presented together with the MFF proposals.

Priorities and challenges of the next MFF: Members stressed that the next MFF should be embedded in a broader strategy and narrative for the future of Europe and should enable the Union to provide solutions and emerge strengthened from the crises of the decade. Europe should offer prospects to the younger generation and is determined to substantially scale up two of its flagship programmes, namely the Research Framework Programme and Erasmus+, which cannot satisfy the very high demand involving top quality applications with their current means. Members stand firm in their support for a substantial increase in resources for the fight against youth unemployment and in support for small and medium-sized enterprises through the successor programmes of the Youth Employment Initiative and the programme for the Competitiveness of Enterprises and Small and medium-sized enterprises (COSME); also supports reinforcing the Connecting Europe Facility (CEF) 2.0. They also called on the EU to assume its role in three emerging policy areas with internal and external dimensions.

The report stated that a stronger and a more ambitious Europe can only be achieved if it is provided with reinforced financial means. It called in the light of the above mentioned challenges and priorities, and taking into account the UKs withdrawal from the Union, for a significant increase in the Unions budget. Members estimate the required MFF expenditure ceilings at 1.3 % of the GNI of the EU-27, notwithstanding the range of instruments to be counted over and above the ceilings.

They are convinced that, unless the Council agrees to significantly increase the level of its national contributions to the EU budget, the introduction of new genuine EU own resources remains the only option for adequately financing the next MFF. Members stated that in this respect no agreement will be reached on the MFF without corresponding headway being made on own resources.

Alignment of the duration of the MFF: Members stated that the decision on the duration of the MFF should strike the right balance between two conflicting requirements, namely, on the one hand, the need for several EU policies especially those under shared management, such as agriculture and cohesion to operate on the basis of the stability and predictability that is ensured through a commitment of at least seven years, and, on the other hand, the need for democratic legitimacy and accountability that results from the synchronisation of each financial framework with the five-year political cycle of the European Parliament and the Commission.

They underlined the need for the MFFs duration to move progressively towards a 5+5 period with a mandatory mid-term revision. However, due to the timing of the next European Parliament elections in spring 2019 the 5+5 period may not apply, therefore it is proposed that the next MFF should be set for a period of seven years (2021-2027), including a mandatory mid-term revision, by way of a transitional solution to be applied for one last time.

Flexibility: the report underlined that, during the current MFF, the budgetary authority approved a substantial mobilisation of the flexibility mechanisms and special instruments included in the MFF Regulation, in order to secure the additional appropriations needed to respond to serious crises or finance new political priorities. These provisions have worked well but a further reinforcement of these provisions is still necessary in order to better cope with new challenges, unforeseen events and the evolving political priorities that arise during the implementation of a long-term plan, such as the MFF.

Members reiterated their long-standing position that the European Development Fund, alongside other instruments outside the MFF, should be integrated into the Union budget in order to increase its legitimacy as well as the efficiency and effectiveness of the Unions development policy.

Procedure and decision-making process: Members called for a decision-making procedure on the next MFF that safeguards Parliaments role and prerogatives as set out in the Treaties. They insisted that the MFF Regulation is not the appropriate place for changes to the EU Financial Regulation and urged the Commission to put forward a separate proposal for a revision of the EU Financial Regulation if need be. They also stressed that a shift towards qualified majority voting for the adoption of the MFF Regulation would be in line with the decision-making process for the adoption of virtually all EU multiannual programmes, as well as for the annual procedure for adopting the EU budget.

Lastly, the Commission is called on to propose a mechanism whereby Member States that do not respect the values enshrined in Article 2 of the Treaty on European Union (TEU) can be subject to financial consequences but not through the European Union budget, so that beneficiaries such as regions, organisations or citizens are not harmed financially.

2017/2052(INI) - 14/03/2018 Text adopted by Parliament, single reading

The European Parliament adopted by 458 votes to 177, with 62 abstentions, a resolution on the next multiannual financial framework (MFF): Preparing Parliament's position on the MFF post-2020.

This resolution outlined the Parliaments position on the post-2020 MFF and the specific budgetary orientations for the respective EU policies

covered by the next financial framework. It called on the Commission to present the legislative proposal for the next MFF together with a new draft interinstitutional agreement that takes into account Parliaments positions and suggestions.

In parallel, it adopted a [separate resolution](#) to set out its position on the reform of the EU's own-resources system. It stressed that both the expenditure and the revenue side of the next MFF will be treated as a single package in the upcoming negotiations, and that no agreement will be reached on the MFF without corresponding headway being made on own resources.

Priorities and challenges of the next MFF: Members felt that the next MFF should be embedded in a broader strategy for the future of Europe and should build on the Union's well-established policies and priorities and address challenges such as youth unemployment, persistent poverty and social exclusion, the phenomenon of migration and refugees, climate change and natural disasters, environmental degradation, terrorism and instability.

Parliament called for continued support for the Union's existing policies, in particular the long-standing EU policies enshrined in the Treaties, namely the common agricultural and fisheries policies, and cohesion policy, whilst rejecting any attempt to renationalise these policies.

Europe should offer prospects to the younger generation and is determined to substantially scale up two of its flagship programmes, namely the Research Framework Programme and Erasmus+, which cannot satisfy the very high demand involving top quality applications with their current means.

Members stand firm in their support for a substantial increase in resources for the fight against youth unemployment and in support for small and medium-sized enterprises through the successor programmes of the Youth Employment Initiative and the programme for the Competitiveness of Enterprises and Small and medium-sized enterprises (COSME); also supports reinforcing the Connecting Europe Facility (CEF) 2.0. They also called on the EU to assume its role in three emerging policy areas with internal and external dimensions, namely asylum, migration and integration policy, protection of external borders and common internal security and defence.

It called in the light of the above mentioned challenges and priorities, and taking into account the UK's withdrawal from the Union, for a significant increase in the Union's budget. Members estimate the required MFF expenditure ceilings at 1.3 % of the GNI of the EU-27, notwithstanding the range of instruments to be counted over and above the ceilings.

They are convinced that, unless the Council agrees to significantly increase the level of its national contributions to the EU budget, the introduction of new genuine EU own resources remains the only option for adequately financing the next MFF. Members stated that in this respect no agreement will be reached on the MFF.

Alignment of the duration of the MFF: Parliament stated that the decision on the duration of the MFF should strike the right balance between two conflicting requirements, namely, on the one hand, the need for several EU policies especially those under shared management, such as agriculture and cohesion to operate on the basis of the stability and predictability that is ensured through a commitment of at least seven years, and, on the other hand, the need for democratic legitimacy and accountability that results from the synchronisation of each financial framework with the five-year political cycle of the European Parliament and the Commission.

It underlined the need for the MFF's duration to move progressively towards a 5+5 period with a mandatory mid-term revision. However, due to the timing of the next European Parliament elections in spring 2019 the 5+5 period may not apply, therefore it is proposed that the next MFF should be set for a period of seven years (2021-2027), including a mandatory mid-term revision, by way of a transitional solution to be applied for one last time.

Flexibility: Members recalled that, during the current MFF, the budgetary authority approved a substantial mobilisation of the flexibility mechanisms and special instruments included in the MFF Regulation, in order to secure the additional appropriations needed to respond to serious crises or finance new political priorities.

Although these provisions have worked well, in particular to face the challenges of migration and to bridge the investment deficit, a further reinforcement of these provisions is still necessary in order to better cope with new challenges, unforeseen events and the evolving political priorities that arise during the implementation of a long-term plan, such as the MFF.

Parliament reiterated its long-standing position that the European Development Fund, alongside other instruments outside the MFF, should be integrated into the Union budget in order to increase its legitimacy as well as the efficiency and effectiveness of the Union's development policy.

Level of payments: Members called for the future payment ceilings to be set at an appropriate level, leaving only a limited and realistic gap between commitments and payments. They warned against a repetition of such a payment crisis in the transition to the next MFF, as this would have serious consequences for beneficiaries such as students, universities, SMEs and researchers.

Procedure and decision-making process: Members called for a decision-making procedure on the next MFF that safeguards Parliament's role and prerogatives as set out in the Treaties. They insisted that the MFF Regulation is not the appropriate place for changes to the EU Financial Regulation and urged the Commission to put forward a separate proposal for a revision of the EU Financial Regulation if need be. They also stressed that a shift towards qualified majority voting for the adoption of the MFF Regulation would be in line with the decision-making process for the adoption of virtually all EU multiannual programmes, as well as for the annual procedure for adopting the EU budget.

Lastly, the Commission is called on to propose a mechanism whereby Member States that do not respect the values enshrined in Article 2 of the Treaty on European Union (TEU) can be subject to financial consequences but not through the European Union budget, so that beneficiaries such as regions, organisations or citizens are not harmed financially.