

Multiannual financial framework for the years 2014-2020: special instruments

2016/0283(APP) - 14/09/2016 - Preparatory document

PURPOSE: to amend Regulation (EU, Euratom) No 1311/2013 laying down the multiannual financial framework for the years 2014-2020 in order to maintain a sufficient capacity for the Union to react to unforeseen circumstances.

PROPOSED ACT: Council Regulation.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: the special instruments have been extensively used in the first years of implementation of the 2014-2020 multiannual financial framework (MFF) set out in [Council Regulation \(EU, Euratom\) No 1311/2013](#) to address new challenges which arose in the European neighbourhood and called for swift and comprehensive Union action to deal with their far-reaching humanitarian and security implications.

In order to mobilise additional financial means for measures contributing to tackle the above mentioned challenges, wide use has been made of all budgetary availabilities, including redeployments, margins and special instruments, and new instruments such as European Union Trust Funds and the Facility for Refugees in Turkey were set up to draw additional funding whilst respecting the constraints set by the MFF.

In its Communication on the "[Mid-Term Review/Revision of the Multiannual Financial Framework 2014-2020 ? An EU Budget Focused on Results](#)", the Commission has assessed the functioning and use made of special instruments in the first two to three years of implementation of the MFF.

As these challenges persist, the Union's continued capacity to react swiftly in emergency situations is at stake. Against this background, the European Parliament called in its [resolution of 6 July 2016](#) for bold steps to enhance the Union budget's flexibility, whilst informal Council discussions also pointed at the need to enhance the ability of the current MFF to respond to unforeseen events.

CONTENT: taking into account the use made of special instruments since the beginning of the MFF period and the new challenges the Union has been and continues to be confronted with, the Commission proposes to amend the MFF Regulation to allow the Union to react rapidly to crises, such as the current migration crisis, as well as to events with serious humanitarian or security implications.

More specifically, it is proposed:

- to increase the annual maximum amounts set for the Emergency Aid Reserve and the Flexibility Instrument;
- to introduce a new special instrument for setting up a European Union Crisis Reserve financed from de-committed appropriations;
- to remove the limitations in time and scope of the global margin for commitments;
- to remove, concerning the global margin for payments, the annual caps set for 2018-2020 to allow for the full mobilisation, in the later years of the MFF, of the large margins in payments left unused in 2016 and 2017 should it prove necessary, and therefore ensure specific and maximum flexibility.

BUDGETARY IMPLICATIONS: this proposal has no immediate budgetary implications.