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This briefing follows up the commitments made by the commissioner since 2019.

Commitment	State of play
2021-2027 multiannual financial framework and own resources	
Support an overall amount of minimum 1,1% Member states GNI	While the overall agreement including NGEU reaches 1,8% GNI ¹ , it challenges the coherence of the EU financial architecture and the role of the EP.
Support flexibility (same or increased)	<i>"The maximum total amount that can be used for special instruments in 2021–2027 is approximately EUR 16 billion against the Commission's May 2020 proposal of EUR 38 billion."</i> ¹
Support an own resources reform	The Interinstitutional Agreement of 16.12.2020 on Budgetary Matters (IIA, Annex II) introduced the principles and criteria for new own resources and established a roadmap with regular dialogue. A new Own Resources Decision , including a new own resource based on plastic waste and new ceiling of 1,40% (+0,60%) of GNI, entered into force in June 2021. On 22.12.2021, Commission proposed three new own resources based on a carbon border adjustment mechanism, revised emissions trading revenue, and a share of the residual profits of the largest and most profitable multinational enterprises (COM(2021)0570).
Support adjustments needed at mid-term review or before	A targeted amendment of the MFF regulation was proposed to accommodate the new Social Climate

¹ Source: [EU budget policy brief - The evolving nature of the EU budget](#), European Commission, October 2021.



Track and adjust climate relevant spending, ensure coherence

Fund ([COM\(2021\)0569](#)). Commission proposed to finance the Health Emergency Preparedness and Response Authority (HERA), the Secure connectivity programme and the Chips Act within existing MFF ceilings. Commission stated in November 2020 that it will present a review of the functioning of the MFF by 1.1.2024, and, as appropriate, proposals for a revision. In the light of the war in Ukraine, the Commission announced that this review/revision may be presented at the beginning of the second semester of 2023. In its May 2022 Communication², the Commission acknowledges that the “unforeseen needs created by war in Europe are well beyond the means available in the current multiannual financial framework” and could entail a “targeted revision” of the latter.

The spending target was raised to 30% overall for the MFF 2021-2027 and NGEU. A ‘climate adjustment mechanism’ foresees actions in case it risks not being reached. Commission communicated on 8.6.2021³ its intention to extend the RRF climate tracking methodology across the EU budget, reflecting new policy developments, in particular the European Green Deal and the new “Taxonomy of Sustainable Finance”⁴. The Do No Significant Harm principle has been included in the legal bases for the 2021-2027 programmes, with some exceptions. The role of the revenue side of the EU budget is also growing. The [Climate Mainstreaming Architecture in the 2021-2027 Multiannual Financial Framework](#) was published on 20.6.2022.

Set up a Just Transition Fund (JTF).

A JTF proposal was made in January, updated in May and agreed in December 2020.

■ Help improve absorption: *“We have to help some countries to improve their take-up rate so that the money available is actually used”.*

In its resolution of 4.5.2022 concerning discharge of the EU budget 2020⁵, the EP insists that more needs to be done.

Contribute to the achievement of the Sustainable Development Goals and improve relevant reporting.

Reporting is foreseen under the new IIA point 16 (g) and has begun in Programme statements of operational expenditure accompanying the Draft EU budget.

² “Ukraine relief and reconstruction” (COM (2022)0233).

³ [COM\(2021\)0366 on the performance framework for the EU budget under the 2021-2027 MFF.](#)

⁴ [Regulation \(EU\) No 2020/852 on the establishment of a framework to facilitate sustainable investment](#) and [Commission Delegated Regulation \(EU\) 2021/2139.](#)

⁵ [2021/2106\(DEC\).](#)

Modernisation and digitalisation of the Commission

"I will also work towards ensuring a more comprehensive overview of expenditure and key data". "One major task for the future [...] is to try and harmonise all of the different systems out there [...] it is not just a question of [...] digitalization within the Commission, it's a question of interoperability with the systems that our Member states have"

"I will [...] ensure that the European Commission has the right tools and capabilities to achieve its digital transformation without exposing itself to new risks".

"I have every interest in [...] a better survey about where we are in terms of implementing gender equality, via our budget.[...] I will come to you, [...] to work together [...] to now really achieve our goals"

Propose a Human Resources strategy.

"[The] staff strategy [...] will also look at management positions and how they are filled, [...] there's always room for improvement".

Under the IIA⁶ "the Commission will make available an integrated and interoperable information and monitoring system [...] to access and analyse the data [...] with a view to a generalised application by Member States". On 23.11.2021⁷ the EP requested specific changes to the Financial Regulation to this end. On [16.5.2022](#), Commission proposed to recast this act, including a "Single integrated IT system for data-mining and risk-scoring".

On 22.3.2022, Commission proposed [new rules](#) to establish common cybersecurity and information security measures across the EU institutions, bodies, offices and agencies.

On 21.1.2021⁸, the EP called on the Commission to step up its efforts as part of the Gender Equality Strategy 2020-2025⁹. The Commission must implement a methodology to mainstream gender in the EU budget by 1.1.2023¹⁰.

A [Human Resources Strategy](#) was adopted in 2022, emphasising inter alia gender equality in management posts. An Office for Diversity and Inclusion was created in DG HR in 2021. In December 2019, the Ombudsman [welcomed](#) the Commission's new specific procedure for appointing its new Secretary-General.

Protection of the financial interests of the EU

"It is imperative to put into place the Rule of Law mechanism ensuring the protection of the Union's budget in case of generalised deficiencies in Member States."

The Rule of Law Conditionality Regulation¹¹ is applicable since 1.1.2021. The European Court of Justice upheld on 16 February 2022 its validity, dismissing the requests by Hungary and Poland to annul it. On 10.3.2022¹², the EP insisted that application should be immediate, not subject to guidelines¹³ and should cover both the Union budget and NGEU. The Commission's [2021 Rule of Law report](#) shows a deterioration in several Member states. The

⁶ Part IV "Protection of the Union's budget: quality and comparability of data on beneficiaries".

⁷ [European Parliament resolution of 23 November 2021 with recommendations to the Commission on digitalisation of the European reporting, monitoring and audit.](#)

⁸ [European Parliament resolution of 21 January 2021 on the EU Strategy for Gender Equality.](#)

⁹ [COM\(2020\)0152.](#)

¹⁰ Budgetary IIA of 16.12.2020, point (16)(f).

¹¹ [Regulation \(EU, Euratom\) 2020/2092 of the European Parliament and of the Council of 16 December 2020 on a general regime of conditionality for the protection of the Union budget.](#)

¹² [European Parliament resolution of 10 March 2022 on the rule of law and the consequences of the ECJ ruling.](#)

¹³ [Guidelines on the application of the Regulation \(EU, EURATOM\) 2020/2092 on a general regime of conditionality for the protection of the Union budget \(C\(2022\)1382\).](#)

European Public Prosecutor's Office (EPPO)
"It's important that it starts to become operative. [...] Concerning [...] those who are not yet members [...] I will not miss any opportunity to urge them to follow."

■ The absence of Council discharge: *"I will address that."*

Commission sent a notification letter to Hungary on 27 April 2022 pursuant to Article 6(1) of the Conditionality Regulation.

The Council appointed 22 European Prosecutors, one for each of the participating EU Member States, on 27 July 2020. The EPPO started operations on 1 June 2021.

No progress.

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