

EU's long-term budget: Current MFF stretched to its limits, need to break 1%-ceiling

- Budget committee members point to “severe deficiencies” of current 2014-2020 Multiannual Financial Framework (MFF)
- A number of serious crises and new challenges have pushed it to its limits
- Post-2020 MFF should be set at the level of at least 1.23% of the EU's GNI instead of the current 1%-ceiling for expenditure

Budget MEPs on Tuesday set out first reform proposals for a post-2020 EU financial framework, demanding new sources of revenue and more flexibility.

Members of the Committee on Budgets on Tuesday voted on a draft motion for a resolution by co-rapporteurs [Jan Olbrycht](#) (EPP, PL) and [Isabelle Thomas](#) (S&D, FR), which represents a first political reaction to the Commission's [reflection paper on the future of EU finances](#). It wraps up the [debate held in plenary on 4 July](#).

The draft resolution was adopted by 27 votes to 6, with 3 abstentions.

Deficiencies of the current MFF

The current 2014-2020 long-term budget of the EU “was stretched to its limits in order to provide the necessary resources for the Union to confront a number of serious crises and new challenges (...)”, MEPs say, stressing their conviction “that the low level of the current MFF proved insufficient to match the actual needs and political ambitions of the Union.”

Recalling Article 311 TFEU (“The Union shall provide itself with the means necessary to attain its objectives and carry through its policies”), MEPs believe that “(...) the scale of the new priorities as well as the impact of the United Kingdom's withdrawal all point to the same conclusion: the need to break the ceiling for expenditure of 1% of the EU's Gross National Income (GNI) and, therefore, to significantly increase the Union's budget to respond to the challenges ahead.” The next MFF should be set at the level of at least 1.23% of the EU's GNI, they add.

Push for reform, new sources of revenue

MEPs regret “that the EU budget is predominantly financed from national contributions based on GNI instead of genuine own resources” and demand “a fully-fledged reform of the EU own resources system, with simplicity, fairness and transparency as guiding principles”, including “a balanced basket of new EU own resources.”

They furthermore demand that the future MFF should be

- based on the principles of EU added value;
- more readable and understandable to EU citizens;
- based on the principle of budgetary unity (the European Development Fund, alongside with other instruments outside the MFF, should be integrated in the Union budget);
- aligned with the political cycle of both the Parliament and the Commission.

Next steps

The full house will vote on the draft motion for resolution during the October II plenary session. The fully-fledged EP position on the next multiannual financial framework from 2021 onwards will be included in an [upcoming own-initiative report](#). The European Commission is expected to present the draft regulation for the post-2020 MFF in May 2018.

Contacts

Armin WISDORFF

Press Officer

☎ (+32) 2 28 40924 (BXL)

☎ (+33) 3 881 73780 (STR)

☎ +32 498 98 13 45

🐦 @EP_Budgets

✉ armin.wisdorff@europarl.europa.eu
