MULTIANNUAL FINANCIAL FRAMEWORK 2021-2027
AND THE REFORM OF THE EU’S OWN RESOURCES

THE POSITION OF THE EUROPEAN PARLIAMENT

WE STAND FOR

- a budget that ensures the continuity of our main policies and at the same time addresses our new challenges and matches the political commitments and ambitions of the EU with the necessary financial means
- new initiatives to be financed through fresh appropriations
- a reform of the EU’s own resources system, including the introduction of a basket of new own resources that are better aligned with and incentivise progress in major EU policy priorities
- a solid agreement in a timely manner — but consent is Parliament’s prerogatives
- a full observance of Parliament’s prerogatives as a co-legislator
- a new mechanism to protect the EU budget where the Rule of Law is not respected or where there is a systemic threat to the EU values
- UN sustainable development goals, climate and gender equality should be mainstreamed across all policies and initiatives in the next MFF

Time to meet citizens’ expectations

The next MFF should be set at EUR 1 324.1 billion in 2018 prices.

This represents 1.3% of the EU-27’s gross national income (GNI).

It should support a further step change towards climate transition.

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Average of the MFF + European Development Fund, as a percentage of the EU’s GNI

* 2014-2020 estimated commitments (UK expenditure excluded) in % of the EU-27’s GNI

Data: European Commission; European Parliament

Boosting our flagship programmes and financing new responsibilities

Upholding existing policies
The Parliament figures explained

Parliament’s position reflects the necessary level of funding to boost flagship programmes, uphold the financing of existing EU policies and match additional responsibilities with additional financial means.

**THE UNION BUDGET IS MORE THAN A MEMBERSHIP FEE. IT IS PART OF THE EU’S POLITICAL PROJECT AND A KEY SUCCESS FACTOR FOR ITS POLICIES.**

MFF policies distribution (M€)

* InvestEU, CEF, Single Market programmes, Space, European Solidarity Corps, Creative Europe, Justice, Rights and Values, LIFE.
** in the fields of EMU, Digital, Migration, External Action, Defense, etc.

Data: European Commission; European Parliament
A reform of the EU own resources system is needed

The European Parliament calls for the introduction of a basket of new own resources that are better aligned with and incentivise progress in major EU policy priorities.

Introducing new own resources will not only mitigate the predominance of GNI-based contributions, but also facilitate an appropriate level of financing of EU spending in the next MFF.

We support the abolition of all rebates and corrections, the simplification of the VAT-based own resource, the reduction of national ‘collection costs’ withheld on customs duties, and the inclusion of other revenue in the form of fines and fees in the EU budget.

**THE BENEFITS OF THE SINGLE MARKET LARGELY OUTWEIGHT THE COST OF CONTRIBUTING TO THE UNION BUDGET**

*Data: European Commission*
No meaningful talks have been started with Parliament yet, despite Treaty obligations and Parliament’s goodwill and proactive approach. The European Council’s predominant role puts Parliament’s consent and codecision prerogatives into question and pre-empts simultaneous progress on the sectoral files and on the rule of law.

Council’s delays - and the absence of preliminary talks with Parliament - bear a clear risk that such complex negotiations cannot be successfully finalised by the end of 2020.

Parliament is determined to play a constructive role in the process leading to the adoption of the MFF 2021-2027 and to the reform of the Union’s own resources. Parliament’s position is set out in detail and the EP negotiating team is fully available.

Parliament will not rubber-stamp a fait accompli from the European Council: we are prepared to withhold our consent until a satisfactory agreement is reached, and to make full use of our prerogatives under the ordinary legislative procedure.

No agreement will be reached on the MFF without an agreement on the reform of the Union’s own resources.

→ Immediate intensification of interinstitutional talks on the MFF and own resources: The Council should already take due account of Parliament’s views when deciding on its own position.

→ Genuine consent and codecision negotiations on the basis of our respective negotiating mandates: the European Council should refrain from adopting detailed and purportedly binding conclusions based on the MFF negotiating box.

→ A safety net to protect the beneficiaries of EU programmes - setting up an MFF contingency plan: in view of Council delays and the risk that the new MFF may not be adopted on time, a contingency plan should lift the time limits of the relevant programmes and set out concrete operational provisions, in line with Article 312(4) of the TFEU.