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The EU's next Multiannual Financial Framework (MFF) will run from 2014 to 2020 and will dictate much of what the EU does until the end of this decade. The Government oppose any increase in real terms, and this position has dominated their response to the Commission's proposals. This report considers the Commission's detailed proposals for this seven year budget in the context of the euro area crisis and uncertain growth figures for the start of the next MFF. It aims to take each of the key proposals on its own merit and makes recommendations for both budgetary restraint and budgetary increases where these are justified. The Committee are broadly supportive of the Commission's proposed budget and reforms for cohesion funding, including the Common Strategic Framework, which forms part of the Commission's simplification agenda. However they remain opposed to the proposal to introduce macroeconomic conditionality; withdrawing funds from an ailing economy only risks making matters worse.
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The 2014 EU budget was the first one to be implemented under the 2014-2020 multiannual financial framework (MFF). It was also the first budget in EU history that was lower than the previous year's. It amounted to EUR 143 billion in commitments, representing around 1 % of EU gross national income (GNI), and EUR 139 billion in payments. The 2014 budget had a transitional character as it was at the crossroads of two programming periods: the 2014-2020 programmes needed to start swiftly while the 2007-2013 programmes had to be finalised, thus leading to a record level of payment needs to honour past commitments. It was more than ever an 'investment tool'. In many EU Member States it was even the main source of investment. It focused primarily on boosting growth, jobs and investment, for example through the creation of the Youth Employment Initiative targeting young people who were not already working, studying or training. It also supported enhanced access of small and medium-sized enterprises (SMEs) to finance via a new programme, 'Competitiveness of enterprises and small and medium-sized enterprises' (COSME). Moreover, during this year all EU institutions continued to reduce their staff levels by 1 % so as to meet the 5 % staff reduction target over 5 years.

The Euro crisis has dragged on now in March 2012 for the best part of two years. The emphasis has been on imposing austerity in indebted countries in return for loans from the Eurozone member states and the IMF. A new treaty on fiscal rectitude has been negotiated outside the European Union between 25 EU member states. This emphasis on austerity is particularly interesting given that only in the case of Greece was fiscal irresponsibility the main cause of the crisis. It is quite obvious that fiscal responsibility must be an essential ingredient in each member state of the monetary union if future disasters are to be rendered less likely. The problem with austerity is that it is essential for the medium and longer term but it can kill you in the short term. Without economic growth the weaker indebted Eurozone members cannot get out of their current indebtedness. In the European Council the policy emphasis is therefore gradually turning towards ways of stimulating economic growth, although Germany, the Netherlands and Finland still put the greater emphasis on fiscal retrenchment. While there is general consensus on the importance of generating growth in the European Union, the levers which can be used are not numerous and not obvious. In this climate many member states have turned their attention to using the European Union's budget to support economic growth in spite of the fact that the total annual budget is only around 1% of EU GDP. Currently the member states are negotiating the multiannual financial framework which covers the seven years from 2014-2020 (MFF 2014-2020) and the search for both efficiency and for economic growth stimuli have figured in the discussions in the Council. This working paper considers the scope for making the EU budget more supportive of economic growth. It concludes that while this aim is totally feasible, the politics of the EU budget are liable to condemn the MFF 2014-2020 to being extremely similar to its predecessor.

The briefing provides preliminary information of the use of frontloading in 2014-2015 for the following programmes: Research and Innovation programme Horizon 2020, European Union programme for Education, Training, Youth, and Sport Erasmus+, Youth Employment Initiative (YEI), and EU programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises (SMEs) (COSME). The objective is to assess the implementation of the frontloading so far and possible implications for the second half of the Multiannual Financial Framework (MFF) period. The following issues will be covered: definition, background, level of implementation so far (full absorption), new developments after the MFF agreement, prospects for the coming years. There will be also separate externally produced briefings on Horizon 2020 and YEI, which will be available around mid-January.

Dated June 2015. The Agreement entered into force for the United Kingdom on 1 March 2015. The Agreement was previously published as European Union No. 1 (2014) Cm 8818. A TSO version of a title previously published by HM Government.

Building on the implementation experiences with financial instruments in current and past cohesion policy cycles and reflecting the importance attached to them in the multiannual financial framework 2014-2020, the European Commission proposes to further expand and strengthen the use of financial instruments in the next programming period as a more efficient and sustainable alternative to complement traditional grant-based financing. This factsheet is one in a series highlighting key elements of the future approach.

The paper assesses the first two years of Horizon 2020 programme, taking into account the initial frontloading for this programme, the evolution and the new priorities after the 2013 agreement on the Multiannual Financial Framework (MFF) 2014-2020. It includes a short description of the Horizon 2020 programme and its progress, discusses its budgetary implementation and performance to date and implications of EFSI-related cuts, as well as provides conclusions through an overall appraisal of the programme.

The EU Multiannual Financial Framework (MFF) will shape what the EU achieves in the second half of this decade. This report is set against the themes of the EU's "Europe 2020 strategy": smart, sustainable and inclusive growth. The report includes three principal recommendations: Common Agricultural Policy must be reformed; the EU's budget must not grow in real terms; the EU must spend its money more carefully. The Common Agricultural Policy must be reformed to release resources for other priorities, including research. One third of the EU's budget still goes on agricultural subsidies. Overall funding must be reduced. And the CAP must shift resources behind rural development (pillar two) from production (pillar one). The Committee calls for an end to trade-distorting subsidies, and a focus on today's challenges: global food security, biodiversity and climate change. The Committee found proposals for new EU revenue streams or taxes (own resources) to be an 'unfortunate distraction' on which it will be impossible to reach agreement. It also recommends that the Financial Framework be for five years, not seven as at present, so that it has more flexibility to respond to changing events - such as recent events in North Africa - and economic circumstances, like the financial crisis. EU mismanagement of large scale projects is unacceptable. And the EU's regional development funds should go to where they are most needed: the EU's poorest countries. And the EU should not spend at all where EU spending adds no value compared with spending at national or regional level.

This briefing has been prepared in view of the European Parliamentary Week's Interparliamentary committee meeting on 16 February organised by the Committee on Budgets (BUDG): EU and national expectations, and how to increase the democratic accountability of the next MFF negotiations. The note gives background information on the Multiannual Financial Framework (MFF) and presents the state of play of the preparations in the European Parliament's (EP) Committee on Budgets and the planned actions for the coming months in relation to the Mid-term Review/Revision of the MFF 2014-2020. The aim of the note is to briefly present the state of play with the MFF Review/Revision and the key issues being discussed in the EP Committee on Budgets, and to highlight questions, which could be of interest for the national parliamentarians and subject to debate also in the Member States.

The multiannual financial framework (MFF, formely 'financial perspectives') is not the budget of the EU for seven years. It is a mechanism for ensuring that EU spending is predictable and at the same time subject to strict budgetary discipline. It defines the maximum amounts ('ceilings') available for each major spending area ('heading') of the Union's budget. Within that framework, the European Parliament and the Council, which are the 'budgetary authority' of the

Union, have to agree each year on the budget for the subsequent year. In reality, the annual budget adopted always remains below the overall ceiling of the MFF -- EU Bookshop.

This is the third working paper written by Policy Department B on Common Agricultural Policy Reform. The purpose of this document is to provide an analysis of the Commission{OCLCbr#D0}'s Communication on "A Budget for Europe 2020", with the aim of facilitating the legislative work of the MEPs relating to the next reform of the CAP. After a description of the historical evolution of the European budget and spending on the Common Agricultural Policy, the paper explores the new proposed Multiannual Financial Framework for the 2014{OCLCbr#D0}–2020 period, with particular reference to the CAP budget and its various components.

As well as a presentation of the new 2014-2020 multiannual financial framework, this book covers the full history of the EU budget from 1953 on. It also offers an in-depth explanation of the legal framework governing the adoption and management of the EU budget as well as an overview of its structure. Last but not least, it features a detailed overview of the control mechanisms which apply to the EU budget so that it respects sound financial management principles. This publication provides expert readers with the information needed to gain a more detailed understanding of how the EU budget can contribute to building a competitive and more prosperous Europe. It can also serve as a solid reference work for all those interested in

EU budgetary matters.

As a consequence of the 2008 - 2009 international financial crisis the European Union is undergoing per-haps its most difficult period since the beginnings of the European integration. The response to this challenge includes decisions and planned steps to strengthen fiscal discipline in the member states, safeguard measures against a falling-apart of the eurozone and the introduction of a Union-wide super-vision of the European banking sector. A new fiscal capacity (budget) for the eurozone is under consid-eration. It seems that the extraordinary situation has triggered a wave of extraordinary reforms throughout the EU. In one area, the Community Budget, however, time seems to have stopped temporarily. The European Council of 22-23 November 2012 was unable to arrive at a compromise on the terms of the Multi-annual Financial Framework (MFF or the EU budget) and postponed the decision to 7-8 February. The contradiction between the decades-old unsolved budgetary problems and the rapidly changing environment cannot be greater as it is now.

Abstract: The High Level Group on Own Resources (HLGOR) chaired by Mario Monti presented its final report on 17 January 2017. It contains recommendations for reform of the European Union's own resources system. In October 2016, as part of its mid-term review of the EU's Multiannual Financial Framework (MFF 2014-2020), the European Commission marked starting points for reforms on the expenditure side of the EU budget. Now, the EU is turning its attention to the revenue side. The European Commission must draw up its proposals for the next MFF, applicable after 2020, by the end of 2017. The debate on a comprehensive reorganisation of European budget policy will then begin to gather speed. (author's abstract)

For the enclosed five briefing notes, a gender budgeting methodology has been developed on purpose to analyze in a gender perspective the MFF proposal for 2014-2020. The MFF 2014-2020 assumes a very high relevance in the context of the financial and economic crisis as the EU Budget will finance the EU 2020 Strategy that is conceived as a pivotal tool for recovery. Despite the official declarations according to which: the EU 2020 Strategy was conceived as an opportunity to reform the economy in order to achieve more gender equality, and the intention to make gender mainstreaming the pivotal strategy for gender equality, the gender budgeting exercise has revealed that the gender perspective is far from being assumed in all policies, at all levels and at every stage of the policy making process. More precisely the analysis has been conducted the following five gender relevant policy issues: Economic Independence, Education and Training, Health/Wellbeing/Environment, Fundamental Rights, External Relations showing that the attention to gender is not evenly given by issue and that evaluation/monitoring in a gender perspective is still not as widespread as it should be to ensure an actual implementation of gender mainstreaming. The study has also revealed that it is possible to design and apply a gender budgeting methodology to the EU Budget. This is a very relevant result in view of a future introduction of gender budgeting in the EU budget procedure.

In December 2016, the European Commission launched the mid-term review/revision (MTR) of the EU budget, which resulted in a large number of proposed amendments to the Regulation on the financial rules applicable to the general budget of the Union and other related EU regulations. These aimed to improve the implementation of the EU budget during the current Multiannual Financial Framework (MFF) period (2014-2020), in response to the numerous extraordinary challenges that had emerged since the latest budget was adopted. Contrary to expectations, however, the proposals did not present fundamental changes to the current budget structure. The proposals have placed considerable pressure on lawmakers given the sheer number of reforms called for, many of which attempt to improve delivery through a process of simplification. It is difficult to understand the implications of the proposals for local and regional authorities (LRAs), because many authorities have not yet been able to adopt and/or adapt all of the existing rules. This report first explores the causes that have undermined the ability of the EU budget to address modern challenges. It then attempts to identify the main impact of the proposals on LRAs, through an in-depth review and analysis of the latest documentation, supplemented by personal interviews with key local, national and regional authorities. A main finding is that past reforms have made the implementation of programmes and the achievement of goals excessively complex for managing authorities (MAs) and beneficiaries.

The 1988 introduction of multiannual financial frameworks (MFF) in the European Union (EU) budgetary system has improved financial predictability and facilitated the development of multiannual spending programmes, but has had to be balanced by measures that provided some flexibility and ability to react to unexpected situations. Over the years, these flexibility instruments and mechanisms have developed and proved to be useful. Occasions to use them were frequent, as the crises and challenges faced by the EU required actions that could not be financed under the tight expenditure ceilings of the agreed MFFs. Experience of implementation of the 2014-2020 MFF demonstrated that, with neither relevant flexibility mechanisms nor the possibility to revise the MFF in the mid-term, achieving policy goals and reacting adequately to unexpected events and crises, especially in the area of migration and security, would be impossible. The flexibility of the EU budgets has already featured as an important issue in the negotiations of the 2021-2027 MFF. The views of the main actors - the European Commission, the Parliament and the Council -on enhancing and designing such flexibility instruments diverge. It has yet to be seen if the issue,following the pattern of the 2014-2020 MFF negotiations, will play a key role in reaching anagreement.

The 2006 Interinstitutional Agreement (IIA) called for greater use of financial instruments in the European Union (EU) budget for the period of the multiannual financial framework (MFF) 2007-2013. The EU seeks to extend its budget funds through, for instance, actions financed by loans, risk-bearing or equity investment instruments, by pooling through EU Trust funds from multiple sources, through creating synergies with European Investment Bank (EIB) funds in mixed instruments for risk capital, guarantee funds, long terms loans, and with private funds and public-private partnerships (PPPs). Regular use of such instruments is innovative in the context of the EU budget, even though they have been used occasionally with EU budget funding over the past ten years. The study analyses current instruments and concludes with a brief review of expectations for the forthcoming multi-annual financial framework period, 2014 to 2020.

The paper assesses the first two years of Connecting Europe Facility (CEF), taking into account its initial backloading in 2014-2015 as per 2013 agreement on the Multiannual Financial Framework (MFF) 2014-2020, as well as the evolution and the new priorities since the MFF agreement. It provides key information on the CEF, summarises the programme's performance to date, discusses the budget cuts, and presents conclusions on the basis of the assessment.