

MFF State of Play





European
Commission

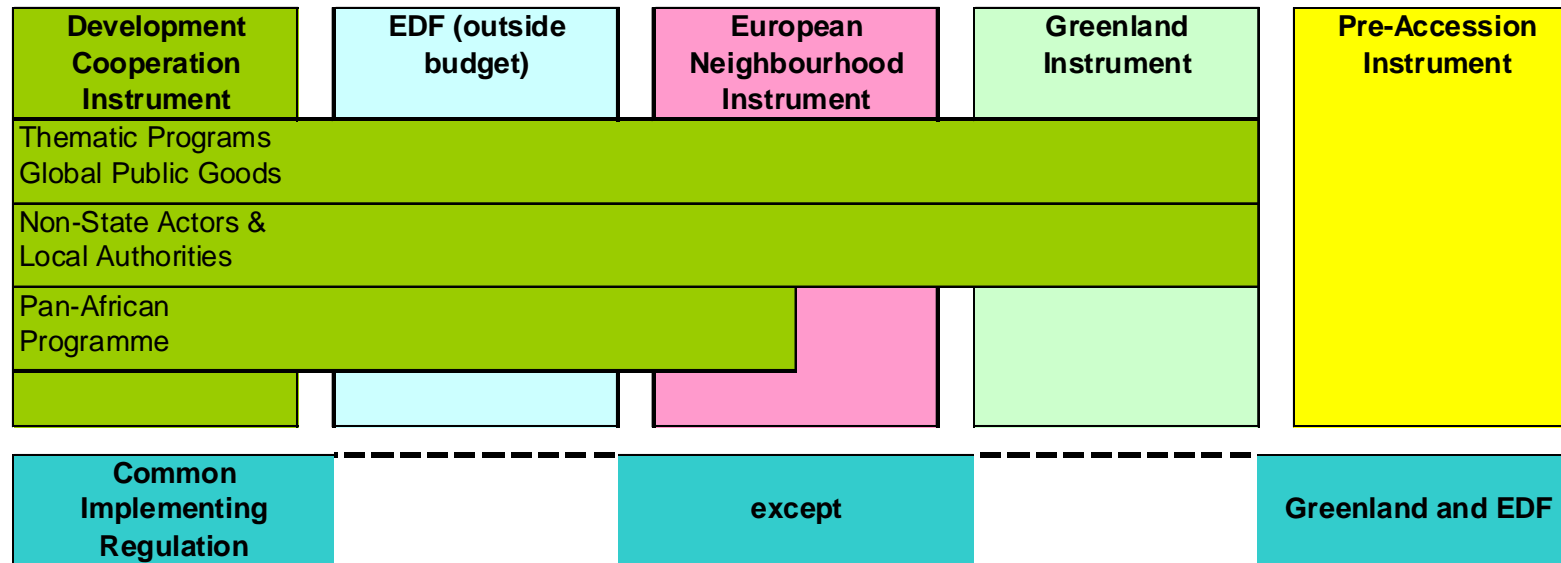
Package adopted on 7/12/11 (€85,2bn - 85%)

Partnership Instrument

European Instrument for Democracy & Human Rights

Instrument for Stability

Instrument for Nuclear Safety Cooperation



Other MFF Instruments NOT in the Package 7/12/11 (€15,1bn - 15%)

HUMA, CFSP, MACRO, EVHAC, CPFI, GUARANTEE FUND, AGENCIES, MARGIN.



- **H4 funding: a growth close to zero**
- **On-going negotiations: a varying pace**
- **Delegated acts: towards a compromise**
- **Timing (tentative)**





Heading IV and EDF funding 2014-2020

- **Commission proposal** (Heading IV, EDF, EAR): +19%
- **European Council of 8/02:**

	2014 - 2020 MFF: COM proposal	2014 - 2020 MFF: European Council agreement		Legal Basis 2007 (2011 prices)		Final budgets including voted budget 2013 (2011 prices)	
Total Heading IV	70,000,124,000	58,704,000,000	-16.14%	56,604,500,620	3.7%	58,785,376,884	-0.1%
Emergency Aid Reserve	2,450,000,000	1,960,000,000	-20.00%	2,031,665,020	-3.5%		
European Development Fund	30,319,000,000	26,984,000,000	-11.00%	26,930,000,000	0.2%		
Grand Total	102,769,124,000	87,648,000,000	-14.71%	85,566,165,640	2.4%		

- **EDF:** stability (+0.2% for Croatia)
- **Heading IV:** + 3.7% but same amount if compared to amount budgeted over the period 2007-2013





- Key priority for MS: respect the EU's formal undertaking to **commit 0.7% of GNI** to ODA by 2015
 - **EC** = around **12%** of EU ODA
 - **88%** to be implemented by **MS**
- At least **90% of EU external assistance** should be counted as ODA (according to the present definition)





- **European Parliament:** accepts the **overall MFF-ceiling** but request for: flexibility, review clause, own resources, unity of the budget (+ payment credit for 2013) => **compromise by the end of June?**
- **Commission:** proposal for a **split of Heading IV** on 27/03 (use of part of the margin to reduce the cuts):
 - **DCI:** 17,390.4 M€ (2011 prices) or +/- 19,661.4 M€ (current prices)
 - **EDF:** 26,984 M€ (2011 prices) or 30,505 M€ (current prices)





- **Council & EP:** should normally have a **coordinated approach** on the amounts per instruments for all headings:
 - Council & Parliament **may revise** COM breakdown
 - At COREPER of 24/04 some MS expressed concerns:
 - ⇒ disproportionate decrease of margins (H4 margin by 33%)
 - ⇒ significant decrease of **ENI** and **INSC**





State of Play of negotiations

- **9 instruments (+ CIR) well received by Council and EP** but progress made vary depending to the instruments
- Main horizontal issues at stake concern the use of **delegated acts (DA)** in programming & **flexibility**
- EP reluctance to discuss other issues until the DA issue is solved has an **impact mainly on DCI negotiations**
- Vital to conclude the negotiations on the Relex package (including the future DCI) by **autumn 2013**





DCI: Only issues not linked to differentiation & programming

ENI & IPA: Most of the provisions already discussed

PI: Provisional agreement on key articles

EIDHR: Agreement on principle on all elements except horizontal issues

EDF: Internal Agreement signed by MS and adoption of the new financial protocol





Delegated acts in programming

- **EP negotiating position:** to adopt programming documents through delegated act procedure
- **Central since the first trilogue:** EP considers that this issue should be solved before other substantial discussions take place
- **RED LINE** for Commission: doing so would transfer the competence of the Commission over programming to the co-legislators (contrary to the Treaty)





- **Commission "area of compromise"** (presented on 26/02). Based on **two pillars**:
 - use of **delegated acts for non-essential elements of general application**, i.e. objectives & priorities per regions & themes
 - **strategic dialogue** with the EP before programming takes place
- **Council** has agreed to depart from its position to consider the COM's proposal as the basis for negotiation (but DA may not be applicable to all instruments)
- **EP** has requested further information on how these delegated acts may look like per instrument





Timing DCI - Tentative

- o **Entry into force** of the instruments **at stake**
- o **Implementation** of the instruments may be **delayed**
- o Need to speed up **institutional negotiations**
& to discuss new **instrument issues** in parallel

October 2013 – Adoption of basic acts

November 2013 – Antry into force of basic acts

December 2013 – Adoption of delegated acts
– Start of non-objection period
(2 months)





February 2014 – Entry into force of delegated acts

March/April 2014 – Strategic dialogue with EP
– Re-consult Partner Countries
– Final drafting of MIPs
– Inter Services Consultation

May 2014 – Comitology
– Adoption of first MIPs

