

Multiannual financial framework for the years 2014-2020

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The Council discussed the **main priorities and the budgetary framework** including the overall amounts presented in the Commission's proposals for the EU's multiannual financial framework (MFF) for the 2014-2020 period. The debate enabled a clearer picture to be obtained of the Member States' positions on the main issues and of the state of negotiations.

It also provided guidance to the presidency and notably indicated the areas where it could face difficulties in finding common ground.

- Several Member States underlined the need for the MFF to **reflect the current economic crisis and the efforts made at national level as regards fiscal consolidation**. These delegations called for significant reductions in the overall expenditure level compared to the Commission's proposals.
- Some delegations also asked for the issue of **unused commitments (RAL, "reste à liquider")** to be addressed in this context.
- Several delegations asked for all financial instruments to be included in the multiannual financial framework, for the sake of **transparency and veracity** of the EU budget.
- Several Member States stressed the importance of ensuring **an appropriate financing of EU policies** so that the MFF can contribute adequately to addressing common challenges. Some delegations said that they support the overall expenditure level proposed by the Commission and a number of them considered the Commission's proposals to be balanced.
- Several ministers identified cohesion policy or the **common agriculture policy (CAP)** as their main priorities. A number of member states considered both policies as priorities. They highlighted the contribution that cohesion policy makes for enhancing jobs and growth and stressed the added value the CAP makes in the form of safe food, security of supply and rural development.
- Another group of Member States emphasised the need for **strong support of research, innovation and the "green" agenda**. A considerable number underlined the need to direct EU spending towards jobs and growth, in line with the EU 2020 strategy.
- Several delegations highlighted a need for **reforming the EU's own resources system**.

The Danish presidency announced that the MFF would be on the agenda of each General Affairs Council meeting until the end of June, with the exception of February. It also expressed its intention to

organise a conference on the MFF, probably on 22 and 23 March in Brussels.

It is expected that as from May, work on the MFF proposals will have reached sufficient maturity for negotiations to be conducted through a "negotiating box", a draft structure of the conclusions of the European Council, setting out the main issues and options and reflecting the outcome of the orientation debates held in the General Affairs Council.

In line with a mandate of the European Council from 9 December, the intention of the Danish presidency is to produce a solid basis for a **substantial discussion on the MFF at the European Council meeting in June 2012**.

The European Council has called for the MFF to be **adopted by the end of this year**. This would allow a smooth transition to the next MFF from the one currently in force.