Multiannual financial framework for the years 2014-2020

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The Irish Presidency informed ministers on the state of play in the discussions with the European Parliament on the EU's multiannual financial framework (MFF) for 2014-2020.

At its meeting in April, the General Affairs Council held a discussion focussing on **four key issues** (the review of the MFF, own resources, unity of the budget and flexibility) and, further to that, COREPER examined these issues in more detail. During these discussions, **delegations expressed openness to consider the European Parliament's demands in a constructive spirit**, while respecting the principle that "nothing is agreed until everything is agreed".

Review of the MFF: delegations were prepared to consider a legally binding obligation on the Commission to present a review in 2017, to take account of the latest economic situation, accompanied, if appropriate, by relevant proposals.

Own resources: delegations were clear that the European Council agreement represented, in their view, the right balance. There was, however, readiness to consider a declaration setting out a political roadmap for work relating to the future.

Unity of the budget: delegations expressed some openness to considering Parliament's request to have a Commission document annexed to the annual draft budget setting out all expenditures covered by the EU budget, but called for more detailed information.

Flexibility: in this regard, more work is required. In the Council's view, a substantial degree of flexibility is already foreseen in the agreement reached by the February European Council (*inter alia* the contingency margin, Flexibility Instrument, Emergency Aid Reserve, Solidarity Fund, Globalisation Adjustment Fund, Reserve for crisis in the agricultural sector).

As regards the **legislative texts** (MFF Regulation and IIA), after a first discussion in COREPER on 10 April, it appeared that several **technical clarifications** were required. In the light of this, the Presidency is to soon present to COREPER revised texts.

On 6 May, the Presidents of the European Parliament, the Commission and the Council held a meeting which opened the way for the start of negotiations. A **first trilogue** was held on 13 May. The Presidency confirmed that negotiations with Parliament would continue, with a further political trilogue scheduled for 28 May. In addition to an agreement on the MFF, the Irish Presidency wishes also to reach agreement with Parliament on the approximately 70 pieces of sectoral legislation underpinning the EU's funding programmes. This would allow the new programmes to start on time in **January 2014**.