Multiannual financial framework for the years 2014-2020

2011/0177(APP) - 22/05/2015 - Follow-up document

According to Council Regulation (EU, Euratom) No 1311/2013 laying down the multiannual financial framework for the years 2014-20201 (MFF Regulation) as amended by Council Regulation (EU, Euratom) No 2015/623 of 21 April 2015, **the Commission makes each year, ahead of the budgetary procedure for year n+1, a technical adjustment to the multiannual financial framework (MFF)** in line with movements in the EU's gross national income (GNI) and prices and communicates the results to the two arms of the budgetary authority.

As far as prices are concerned, expenditure ceilings at current prices are established using the **fixed 2% deflator** as provided for in Article 6(2) of the MFF Regulation. As far as movements in GNI are concerned, the present Communication includes the latest economic forecasts available.

At the same time the Commission calculates:

- the margin available under the own resources ceiling set in accordance with Decision 2007/436/EC, Euratom,
- the absolute amount of the Contingency Margin provided for in Article 13,
- **the global margin for payments** provided for in Article 5,
- and the global margin for commitments provided for in Article 14 of the MFF Regulation.

The various margins are calculated and presented in the Commission communication in numerical form.

As regards more specifically the issue of payments, the Commission shall **adjust the payment ceiling for the years 2015-2020 upwards** by an amount equivalent to the difference between the executed payments and the MFF payment ceiling of the year n-1.

The 2014 payment ceiling was EUR 135 866 million in current prices. The Contingency Margin was mobilised to provide the sum of EUR 3 168 233 715 in payment appropriations over and above the payment ceiling of the multiannual financial framework (MFF). The amount of EUR 350 million was included in the mobilisation of the Contingency Margin pending an agreement on payments for other special instruments. Pending that agreement the sum of EUR 2 818 233 715 was identified as an amount mobilised from Contingency Margin to be offset against the ceilings in years 2018-2020.

According to Article 3(1) of the MFF Regulation, the sub-ceiling for heading 2 for market related expenditure and direct payments in the period 2014 to 2020 shall be adjusted following the transfers between pillar I and rural development in accordance with the legal act establishing these transfers. The amounts are shown in this Communication.

The purpose of this communication is to present to the budgetary authority the result of the technical adjustments (EU-28) for 2016 according to Article 6 of the MFF Regulation.