

A safety net to protect the beneficiaries of EU programmes: setting up an MFF contingency plan

2020/2051(INL) - 13/05/2020 - Text adopted by Parliament, single reading

The European Parliament adopted by 616 votes to 29, with 46 abstentions, a resolution containing recommendations to the Commission on a safety net to protect the beneficiaries of EU programmes: setting up a Multiannual financial framework (MFF) contingency plan.

Parliament noted that there was now a tangible risk that the agreement on the next MFF would not be adopted in time to enter into force on 1 January 2021, given the successive delays, the risk of a very sharp divergence between the positions of Parliament and the Council and the need for intense interinstitutional negotiations under the consent procedure and the ordinary legislative procedure.

According to Members, the health crisis resulting from the COVID-19 outbreak and its unprecedented socio-economic impact on citizens' lives make an even more compelling case to eliminate any risk of discontinuity or disorderly extension of the current MFF and programmes.

Multiannual financial framework (MFF) contingency plan

Parliament requested that the Commission should present, by 15 June 2020, a proposal for a contingency plan for the MFF to create a safety net to protect beneficiaries of EU programmes in the event that the MFF 2021-2027 may not be adopted in time to enter into force on 1 January 2021. In doing so, the Commission should rely on the relevant legal bases for each expenditure programme and on Article 312 (4) of the Treaty on the Functioning of the European Union.

The MFF contingency plan aims at providing a safety net to protect the beneficiaries of the Union programmes in the event that the 2021-2027 MFF could not be agreed in time to enter into force on 1 January 2021. The MFF contingency plan should ensure a satisfactory degree of predictability and continuity in Union budget implementation. Furthermore, it should enable the Union to provide a response to the immediate social and economic consequences of the Covid-19 outbreak and to work on the recovery.

Aim of the measures and timeframe

The contingency plan should include one or more legislative proposals which aim to:

lift or extend the time limits laid down in the basic acts of all relevant MFF expenditure programmes;

where legally necessary, notably under shared management programmes, update the relevant financial amounts on the basis of a technical prolongation of the 2020 levels;

revise the rules and objectives governing the relevant expenditure programmes so that they can be temporarily refocused on addressing and mitigating the immediate economic and social consequences of the Covid-19 outbreak and on

helping in the recovery;

allow for targeted reinforcements to this end, building on the positive measures already taken under the 2020 budget and for the setting-up of the most urgent new instruments and initiatives as part of the post-Covid-19 reconstruction and

recovery package.

As regards the timeframe for tabling the contingency plan, Parliament recommended that it should address a double necessity: (i) to ensure that the budgetary procedure for the year 2021 starts with all the necessary information as regards contingency planning; (ii) to ensure that the relevant legislative proposals can be adopted by the co-legislators before the conciliation on the 2021 budget.

The measures necessary for the implementation of the contingency plan should be financed through the annual budget, within the limits of the MFF ceilings for 2020 and of the flexibility provisions of the 2014-2020 MFF, on the basis of a technical prolongation of the amounts already agreed by the budgetary authority in 2020, increased by the 2% deflator and by the additional amounts necessary for the implementation of the post-Covid-19 reconstruction and recovery package.