

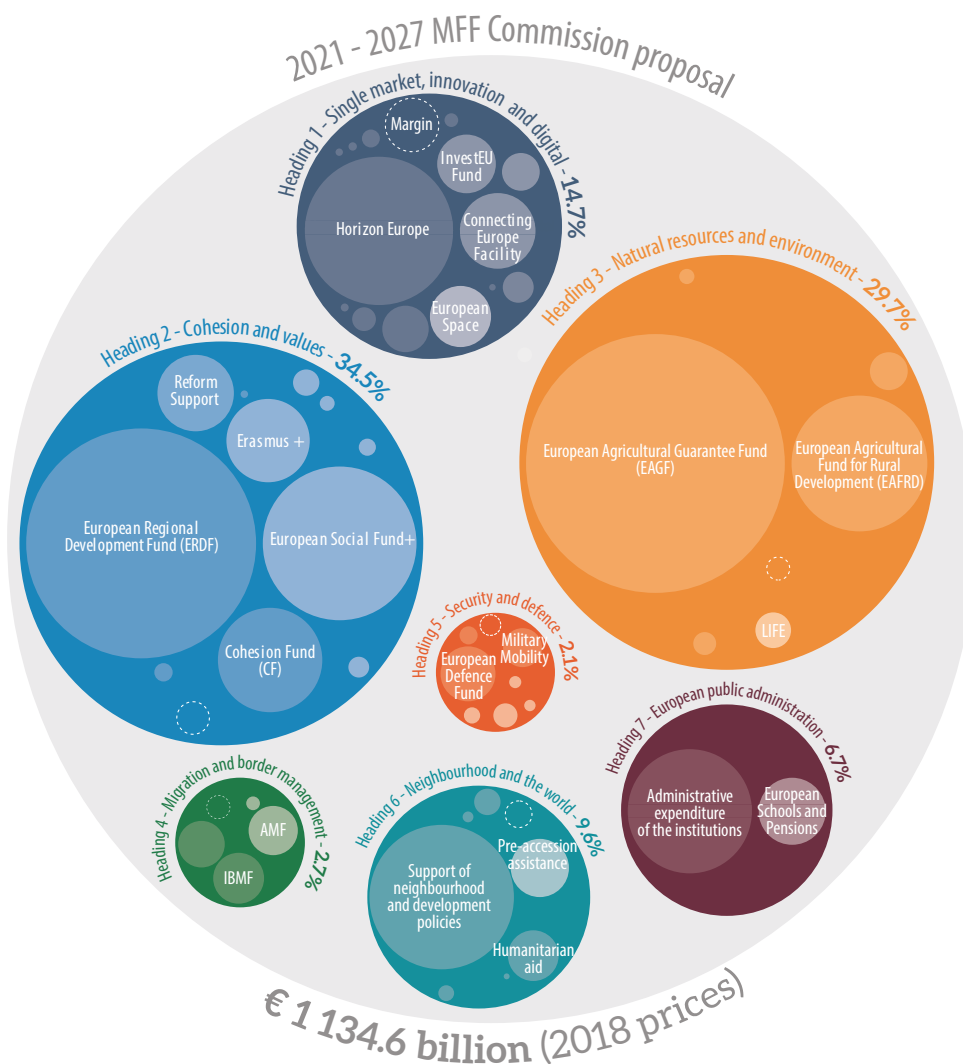
# The 2021-2027 Multiannual Financial Framework in figures

## Commission proposal and the EP's position

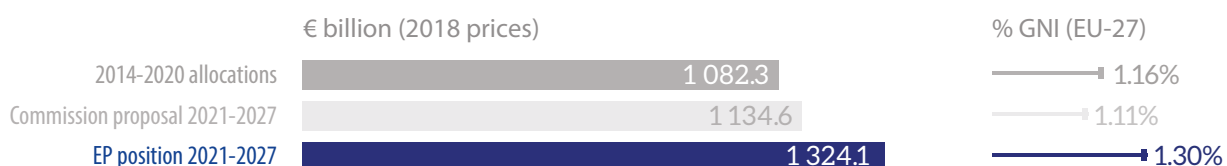
The Multiannual Financial Framework (MFF) sets the maximum level of resources ('ceiling') for each major category ('heading') of EU spending for a period of seven years. In addition to a financial plan, it sets the EU's long-term priorities. With the 2014-2020 MFF nearing its end, the EU is now in negotiations on the next long-term budget. In May 2018, the European Commission presented a package of legislative [proposals](#) for the 2021-2027 MFF. Equivalent to 1.11 % of EU-27 gross national income (GNI), it takes into account the initiatives to which the Member States

committed in the [Bratislava](#) and [Rome](#) declarations, as well as the loss of a major contributor due to the United Kingdom's withdrawal from the EU. The European Parliament [considers](#) the proposal insufficient, given all commitments and priorities, and estimates that the MFF ceiling should amount to 1.3 % of EU-27 GNI. The Member States' views on both the size and other aspects of the future MFF diverge, and the Council has not yet agreed its position. EU leaders are expected to take the next important decisions on the matter during the first half of 2020.

The resources proposed for the 2021-2027 MFF are distributed across seven headings, representing the EU's long-term priorities. They include spending programmes and funds that are the basis for the implementation of the EU budget.



## Comparison of 2014-2020 MFF allocations with the Commission's 2021-2027 proposal and the EP position

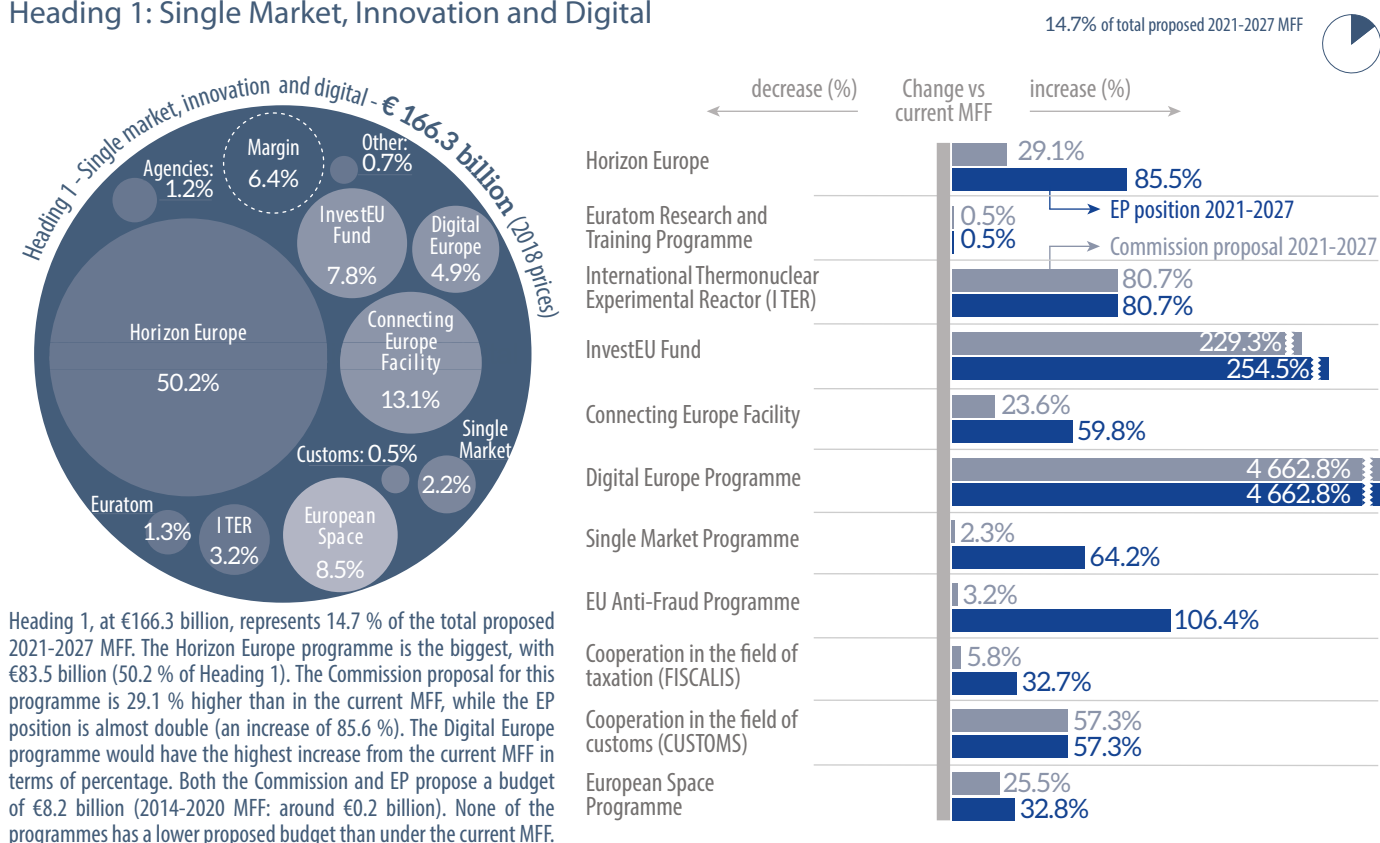


NB Throughout this paper, 2014-2020 MFF figures for comparison are EU-27 estimates, excluding the UK but including the currently off-budget European Development Fund.

## 2021-2027 MFF – Commission proposals by heading

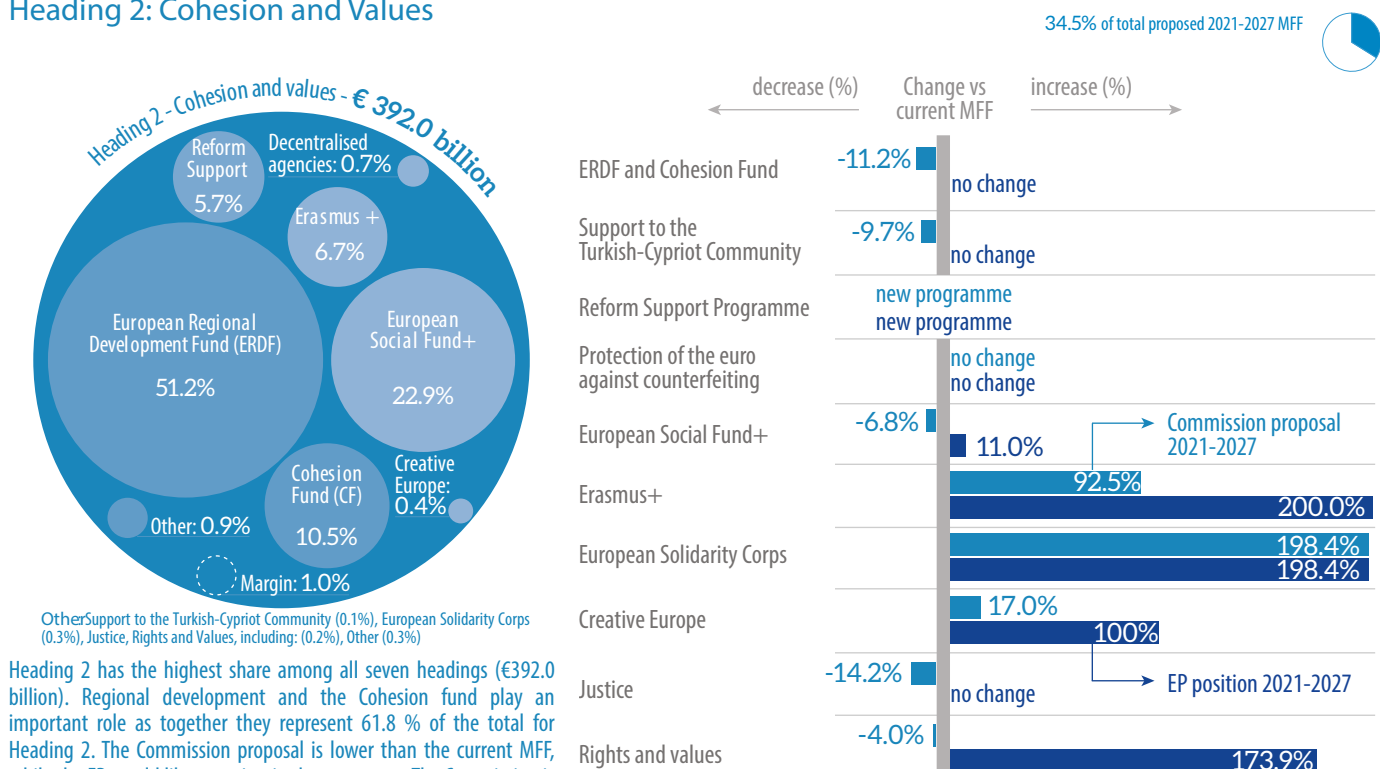
The following graphs show the Commission proposal for each of the seven headings together with their component programmes, as well as the remaining unallocated ‘margin’ under each heading. The bar charts on the right highlight the differences, expressed as a percentage, between the current MFF (2014-2020) and, first, the Commission proposals for 2021-2027 – shown in bars in the same colour as the bubbles – and, second, the EP position – in dark blue bars. The vertical grey line at the centre indicates the current MFF. The small pie charts to the right show the percentage share of each heading within the total MFF as proposed by the Commission.

### Heading 1: Single Market, Innovation and Digital



Heading 1, at €166.3 billion, represents 14.7 % of the total proposed 2021-2027 MFF. The Horizon Europe programme is the biggest, with €83.5 billion (50.2 % of Heading 1). The Commission proposal for this programme is 29.1 % higher than in the current MFF, while the EP position is almost double (an increase of 85.6 %). The Digital Europe programme would have the highest increase from the current MFF in terms of percentage. Both the Commission and EP propose a budget of €8.2 billion (2014-2020 MFF: around €0.2 billion). None of the programmes has a lower proposed budget than under the current MFF.

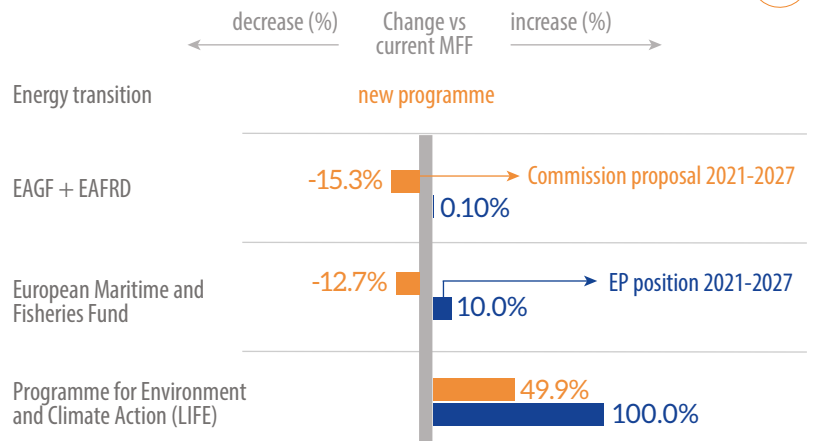
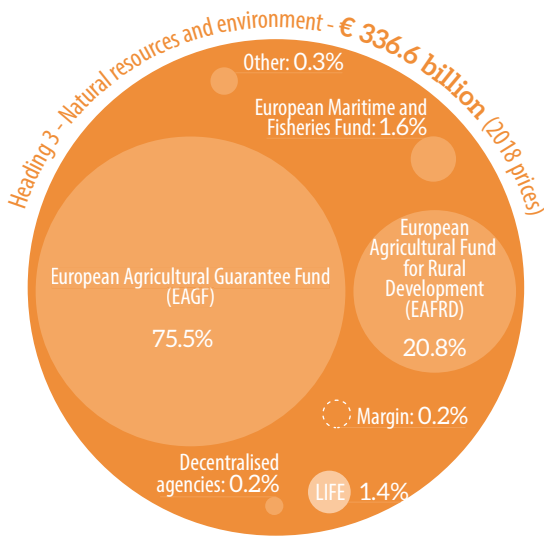
### Heading 2: Cohesion and Values



Heading 2 has the highest share among all seven headings (€392.0 billion). Regional development and the Cohesion fund play an important role as together they represent 61.8 % of the total for Heading 2. The Commission proposal is lower than the current MFF, while the EP would like to maintain the status quo. The Commission is proposing to reduce the budget for five programmes and funds under this heading.

### Heading 3: Natural Resources and Environment

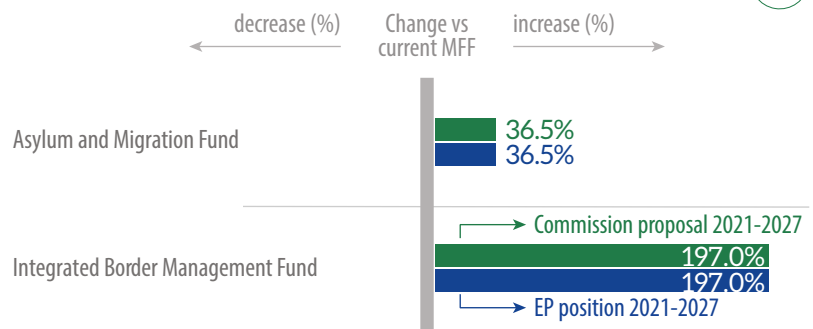
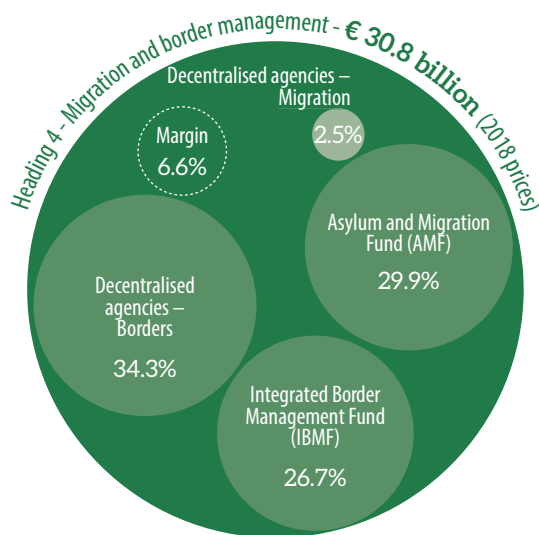
29.7% of total proposed 2021-2027 MFF



Heading 3 is the second biggest in terms of resources, represents 29.7 % of the proposed total budget. It includes the agricultural funds (EAGF + EAFRD) which together represent 96 % of Heading 3. In the EP position, the LIFE programme allocation would be doubled, increasing from €3.2 billion to €6.4 billion.

### Heading 4: Migration and Border Management

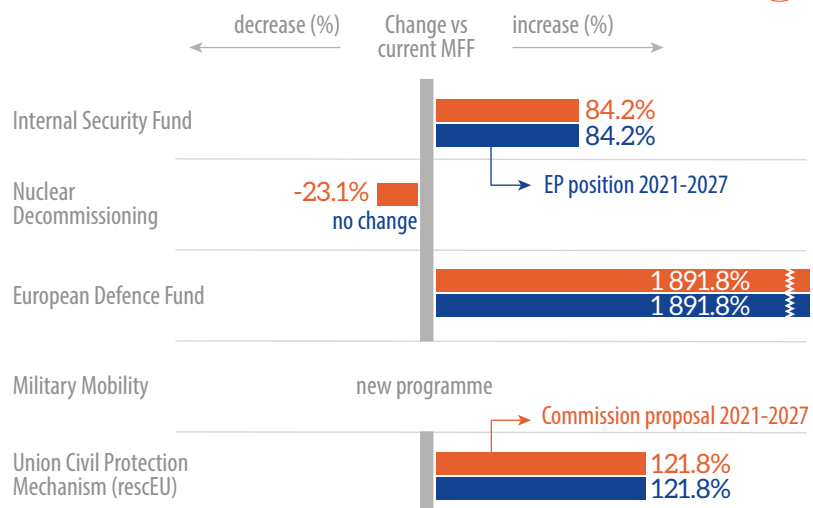
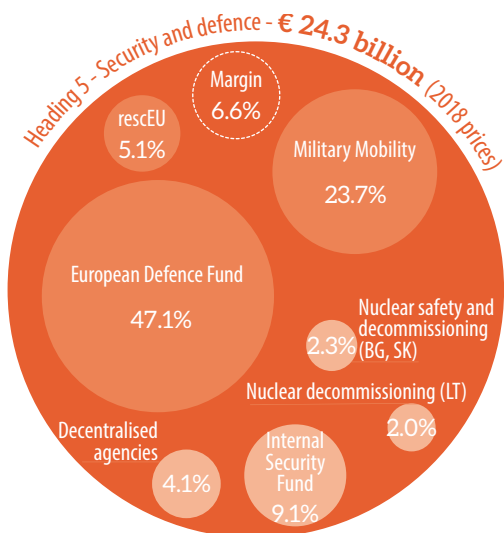
2.7% of total proposed 2021-2027 MFF



The Commission and EP both agree on a threefold increase from the current budget on spending on migration and border management, from €10 billion to more than €30 billion. The decentralised agencies related to the Border Management Fund, with 34.3 % of this budget, would be reinforced by this increase – from €2.7 billion to €10.6 billion (Commission proposal) or to €11.6 billion (EP position).

### Heading 5: Security and Defence

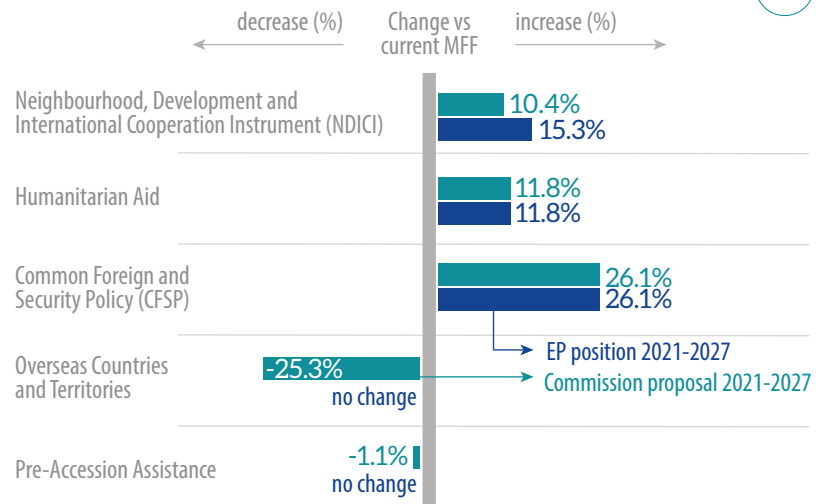
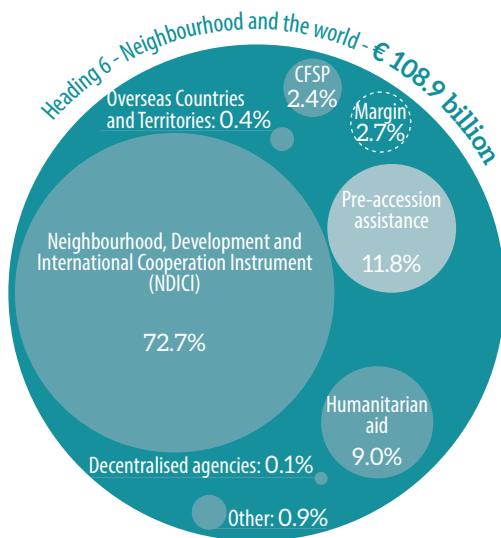
2.1% of total proposed 2021-2027 MFF



The largest item in the new separate heading for security and defence is the European Defence Fund (47.1 %). Its allocation would increase from €0.6 billion to €11.5 billion.

## Heading 6: Neighbourhood and the World

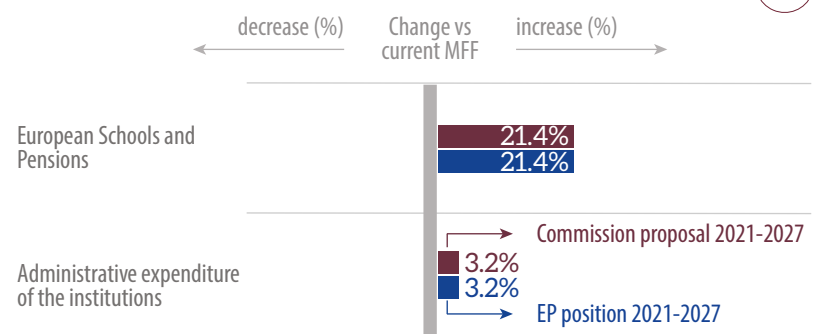
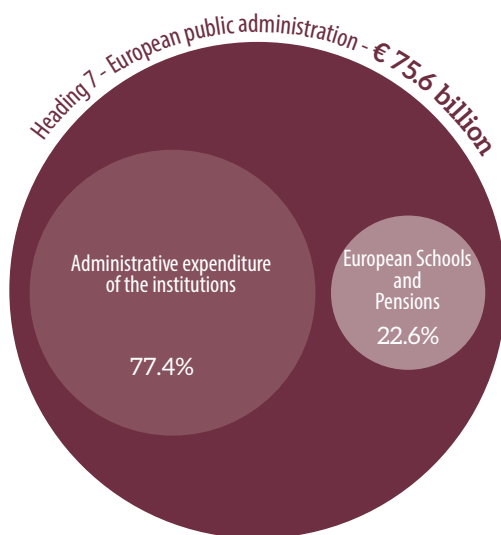
9.6% of total proposed 2021-2027 MFF



The Commission proposal for Heading 6 is €12.6 billion higher than the current MFF; the EP position €17.1 billion higher. These represent respectively an increase of 13.1% and 17.7%.

## Heading 7: European Public Administration

6.7% of total proposed 2021-2027 MFF



The biggest part of Heading 7 is administrative expenditure of the institutions with a budget of €58.5 billion. This comprises allocations for the European Commission, European Parliament, Council, Court of Justice, Court of Auditors, European Economic and Social Committee, Committee of Regions, Ombudsman, European Data Protection Supervisor and European External Action Service.

### Notes

All figures are in constant 2018 prices.

Throughout this paper, 2014-2020 MFF reference figures are EU-27 estimates, adjusted to exclude the UK and to include the European Development Fund (situation as at April 2018), in view of the UK withdrawal from the EU and the proposed 'budgetisation' of the EDF. For detailed assumptions see: M. Parry, M. Sapała, 2021-2027 multiannual financial framework and own resources: Analysis of the Commission's proposal, [EPRS](#), European Parliament, July 2018, p. 28.

**Acronyms:** Multiannual Financial Framework (MFF), European Parliament (EP), gross national income (GNI)

**Data source:** European Commission, A Modern budget for a Union that protects, empowers and defends. The Multiannual Financial Framework for 2021-2027, [COM\(2018\) 321 final](#), 2 May, 2018, Brussels. European Parliament resolution of [14 November 2018](#) on the Multiannual Financial Framework 2021-2027 – Parliament's position with a view to an agreement.

This Briefing is part of a set related to the MFF. Others cover '[Single Market, Innovation and Digital](#)', '[Cohesion funds, values and economic and monetary union](#)', '[Natural Resources and Environment](#)', '[Migration and Border Management](#)', '[Security and Defence](#)', '[Neighbourhood and the World](#)' and '[European Public Administration](#)'.

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