

EU revises its budget framework for 2014-2020 to meet new priorities

The European Union is devoting more resources to help boost jobs and growth and to address the migration crisis. It is also strengthening its capacity to react to unexpected events. These are the main purposes of a revised EU budgetary framework for 2014-2020 which was adopted by the Council on 20 June 2017.

"Today's decision adjusts the EU's budgetary framework to bring it in line with the challenges we face. It means that the EU budget will be an even more effective instrument to strengthen growth, create jobs and tackle the migration crisis. It also allows the EU to react more quickly and take the necessary decisions when faced with new challenges", said Dr Helena Dalli, Maltese Minister for European Affairs and Equality and President of the Council.

The revised multi-annual financial framework (MFF) increases **the resources earmarked for the EU's main priorities by €6.01 billion** for the years 2017-2020

- €2.08 billion will help stimulate growth and create jobs through a number of highly effective programmes such as the youth employment initiative (+€1.2 billion), Horizon 2020 (+€200 million), and Erasmus+ (+€100 million)
- €2.55 billion will be available to address migration, enhance security and strengthen external border control
- €1.39 billion will be available for tackling the root causes of migration

So that **the EU is better prepared to address unforeseen needs**, the revised MFF:

- increases the annual amounts that can be spent under the flexibility instrument and the emergency aid reserve by an average of €150 million and €23 million respectively in the years 2017 -2020
- allows unused amounts from the EU solidarity fund and the European globalisation adjustment fund to be used under the flexibility instrument; these amounts would otherwise have been lost; for 2017 this means that additional €646 million will be available under the flexibility instrument
- increases by a total of €5.9 billion the maximum amount by which the annual MFF payment ceiling can be raised in the years 2019 and 2020 to recycle unused payments; the overall ceiling will be kept unchanged in real terms through a corresponding decrease in the payment ceilings for the years in which they are not fully used

The increased scope for recycling unused payments will also **reduce the risk of an excessive backlog of unpaid bills**. In addition, the Council and the European Parliament undertook to take steps to avoid the excessive accumulation of unpaid bills.

Background

The MFF regulation sets out annual maximum amounts which the EU is allowed to spend on different policy areas over the period from 2014 to 2020. It translates political priorities into figures, ensures budgetary discipline for the EU and facilitates the adoption of the annual EU budget.

Next steps

The revised MFF regulation will now be published in the EU Official Journal and enters into force 20 days later.

- [MFF regulation for 2014-2020 following the mid-term review](#)
- [Statements on the MFF mid-term review](#)
- [Shaping the EU expenditure: multiannual financial framework](#)

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