Multiannual financial framework 2021-2027

State of play and the next steps

Europarc Seminar
7.12.2018
The size of the EU budget as a percentage of gross national income (GNI)

Commitments ceiling in % EU GNI

- Average 1993-1999: 1.25%
- Average 2000-2006: 1.09%
- Average 2007-2013: 1.12%
- Average 2014-2020: 1.00%
- Average 2014-2020 EU-27*: 1.13%
- 2021-2027**: 1.11%

Green bars indicate Commitments ceiling in % EU GNI, while blue bars indicate European Development Fund.
THE NEW MULTIANNUAL FINANCIAL FRAMEWORK 2021 - 2027
A BUDGET FOR A UNION THAT PROTECTS, EMPOWERS AND DEFENDS

In billion euro, current prices

1. SINGLE MARKET, INNOVATION AND DIGITAL
   - €187.4
     1. Research and Innovation
     2. European Strategic Investments
     3. Single Market
     4. Space

2. COHESION AND VALUES
   - €442.4
     5. Regional Development and Cohesion
     6. Economic and Monetary Union
     7. Investing in People, Social Cohesion and Values

3. NATURAL RESOURCES AND ENVIRONMENT
   - €378.9
     8. Agriculture and Maritime Policy
     9. Environment and Climate Action

4. SECURITY AND DEFENCE
   - €27.5
     12. Security
     13. Defence
     14. Crisis Response

5. NEIGHBOURHOOD AND THE WORLD
   - €123
     15. External Action
     16. Pre-Accession Assistance

6. MIGRATION AND BORDER MANAGEMENT
   - €34.9
     10. Migration
     11. Border Management

7. EUROPEAN PUBLIC ADMINISTRATION
   - €85.3
     17. European Public Administration
Evolution of main policy areas in the EU budget

- Common Agricultural Policy and Fisheries
- Economic, Social and Territorial Cohesion
- Other Programmes
- European Public Administration

Climate Mainstreaming contributing to climate objectives

- 20% of Multiannual Financial Framework 2014-2020, EU 28 = 206 billion
- 25% of the Multiannual Financial Framework 2021-2027, EU 27 = 320 billion
- Combined increase = + €114 billion
CAP 2021-2027 =

Pillar 1

265,2 BEUR

Pillar 2

78,8 BEUR
Budget: 5.45 billion EUR

**Climate** (1.95 billion EUR):
- Climate Adaptation and Mitigation
- Clean Energy Transition

**Environment** (3.5 billion EUR):
- Circular Economy and Quality of Life (1.35 billion EUR)
- Nature & Biodiversity (2.15 billion EUR).

**Types of project**
- Traditional
- Integrated – including strategic nature projects (SNPs)
- Technical assistance
Sets out enabling conditions for the funds (= ex-ante conditionalities)
- PAF condition:
  - Applies to specific objective on biodiversity
  - PAF has to be submitted in line with the format;
  - PAF has to present the priority conservation measures and financing needs

Programmes need to ensure complementarities with LIFE IPs and SNPs

Sets out financial indicators (categories of expenditure):
- No. 49: Protection, restoration and sustainable use of Natura 2000 sites
- No. 50: Nature and biodiversity protection, green infrastructure

Main thematic objectives:
1. Smarter Europe
2. Greener Europe
3. More connected Europe
4. More social Europe
5. Europe closer to citizens
Specific thematic objective:

2b(vii) enhancing biodiversity, green infrastructure in the urban environment, and reducing pollution;

Proposed amendment: “(vii) enhancing nature protection, biodiversity and green infrastructure, in particular in the urban environment, and reducing pollution”.

Output indicators:
RCO 37 - Surface of Natura 2000 sites covered by protection and restoration measures in accordance with the prioritised action framework
RCO 99 - Surface area outside Natura 2000 sites covered by protection and restoration measures
**Thematic concentration**

<table>
<thead>
<tr>
<th>For countries with:</th>
<th>minimum % PO1 (&quot;smarter Europe&quot;)</th>
<th>minimum % PO2 (&quot;greener, low carbon Europe&quot;)</th>
</tr>
</thead>
<tbody>
<tr>
<td>GNI below 75%</td>
<td>35%</td>
<td>30%</td>
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<tr>
<td>GNI 75-100%</td>
<td>45%</td>
<td>30%</td>
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<tr>
<td>GNI above 100%</td>
<td>60%</td>
<td>PO1 + PO2 min. 85%</td>
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</tbody>
</table>
Main objectives:

- Healthy seas, sustainable fisheries and aquaculture
- Promoting blue economy
- International governance, safety and security

- Budget: 6.14 billion EUR (Art.5) → 5.3 billion EUR under shared management (Art.6) and 829 million EUR under direct and indirect management (Art.8).
- Support for environment both under shared management (Article 22) and under direct and indirect management (Article 41).
- Under shared management, (Art. 22) the EMFF may support actions for the protection and restoration of marine and coastal biodiversity and ecosystems, including in inland waters:
  - the management, restoration and monitoring of Natura 2000 areas in accordance with the PAFs;
  - the protection of species pursuant to the Birds and Habitats Directives.
Two pillars, two funds:
- EAFG
- EAFRD

New mechanism: CAP strategic plans (both pillars) – more flexibility for the MS

- More target oriented less compliance oriented
- Common indicators
- Direct payments to be reduced
- Shifts between pillars to be kept
- Greening to discontinue
- Synergies with LIFE to be ensured – cross-compliance, green direct payments and voluntary agro-env and climate measures to be ‘more targeted, more ambitious yet flexible’...
New Own Resources

- **Common Consolidated Corporate Tax Base**
  - 20% of revenues from emissions trading system
- **National contribution based on non-recycled plastic packaging waste**

0.80 € per kilo
Timeline

- **2 May 2018**
  Commissioners adopt EU budget for the future

- **9 May 2018**
  Europe Day - Commissioners visit European countries

- **14 May 2018**
  Future budget presented to the EU Council of Ministers

- **29 May 2018**
  European Commission’s legislative proposals for spending programmes (1 of 3)

- **6 June 2018**
  European Commission’s legislative proposals for spending programmes (2 of 3)

- **8 June 2018**
  High-level conference on Cohesion in Sofia, Bulgaria

- **12 June 2018**
  European Commission’s legislative proposals for spending programmes (3 of 3)

- **28-29 June 2018**
  European Council meeting, Brussels

- **2-5 July 2018**
  European Parliament plenary

- **10-13 September 2018**
  European Parliament plenary

- **20 September 2018**
  Informal European Council, Vienna, Austria

- **1-4 October 2018**
  European Parliament plenary

- **18-19 October 2018**
  European Council meeting, Brussels

- **22-25 October 2018**
  European Parliament plenary

- **13-14 December 2018**
  European Council meeting, Brussels

- **21-22 March 2019**
  European Council meeting, Brussels

- **9 May 2019**
  EU leaders’ summit, Sibiu, Romania

- **23-26 May 2019**
  European elections
**B. Summary of priority financing needs**

- Maintenance versus restoration (annual versus one-off)
- 3 main types of needs (horizontal, ecosystem-related, species-specific)
- Inside Natura 2000 (Art. 6.1) versus outside Natura 2000 (“green Infrastructure”)
- Ecosystem breakdown according to MAES categories
- No distinction between SCIs/SACs/SPAs

<table>
<thead>
<tr>
<th>Priority financing needs 2001-2027</th>
<th>Yearly running costs (Euros/year)</th>
<th>Annualised one-off / project costs (Euros)</th>
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<tbody>
<tr>
<td>1. Horizontal measures and administrative costs related to Natura 2000</td>
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<tr>
<td>1.1. Site designation and management planning</td>
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<td>1.2. Site administration and communication with stakeholders</td>
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<td>1.3. Monitoring and reporting for Natura 2000 and the EU Nature Directives</td>
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<td>1.4. Remaining knowledge gaps and research needs</td>
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<tr>
<td>1.5. Natura 2000-related infrastructures for communication and education, visitor access &amp; other socio-economic benefits</td>
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**Sub-total**

<table>
<thead>
<tr>
<th>2.a Natura 2000 site-related conservation and restoration measures for species and habitats</th>
<th>Yearly running costs (Euros/year)</th>
<th>Annualised one-off / project costs (Euros)</th>
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<td>2.2.a Heathlands and shrubs</td>
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<td>2.5.a Other agroecosystems (incl. croplands)</td>
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<td>2.6.a Woodlands and forests</td>
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<tr>
<td>2.7.a Rocky habitats, dunes &amp; sparsely vegetated lands</td>
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<tr>
<td>2.8.a Freshwater habitats (rivers and lakes)</td>
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<td>2.9.a Others</td>
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**Sub-total**

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<th>2.b Additional &quot;Green infrastructure&quot; measures beyond Natura 2000 (contributing to further coherence of the Natura 2000 network)</th>
<th>Yearly running costs (Euros/year)</th>
<th>Annualised one-off / project costs (Euros)</th>
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**Sub-total**

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<th>3. Additional species-specific conservation measures not related to specific ecosystems or habitats</th>
<th>Yearly running costs (Euros/year)</th>
<th>Annualised one-off / project costs (Euros)</th>
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<td>3.1. Species-specific measures and programmes not covered elsewhere</td>
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<td>3.2. Management of conflict species</td>
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**Sub-total**

**Grand total (annual)**
Contract "Strengthening investments in Natura 2000 and improving synergies with EU funding instruments"

- Contractor: N2K Group and Institute for European Environmental Policy (IEEP)
- Deliverables:
  - Workshops in the MS
  - Assessment of the draft PAFs
  - Aggregation and assessment (quantitative and qualitative) of data provided in the PAFs
  - New guidance on financing Natura 2000