

Press release – Long-term EU budget: MEPs demand safety net for beneficiaries



On Monday, Members of the [Committee on Budgets](#) adopted a legislative initiative report by 37 votes in favour, 1 against and 3 abstentions, requesting that the European Commission submits a proposal for an MFF (Multiannual Financial Framework) contingency plan by 15 June 2020.

While current budgetary ceilings would be automatically extended if no new MFF is in place next year, nonetheless many programmes will expire at the end of 2020. The aim is to provide a safety net for beneficiaries of EU programmes such as citizens, regions, cities, farmers, universities or businesses, and rule out any risk of the current MFF and programmes being discontinued or extended in a disorderly way.

Focus on tackling COVID-19 consequences

MEPs say the plan should make it possible to refocus the budget temporarily on addressing and mitigating the immediate economic and social consequences of the COVID-19 outbreak and on helping in the recovery, including additional flexibility and funding to this end which would be based on [what was already done under this year's budget](#).

The EP has indeed called for a [massive recovery and reconstruction package](#) which involves an increased MFF. The newly adopted report states that such a contingency plan could provide a better basis than a late and inadequate MFF for the European Union's recovery and political priorities.

Quotes

[Jan Olbrycht](#) (EPP, PL), co-rapporteur: "The current situation needs

extraordinary solutions. We are afraid that the new MFF 2021-2027 will not be ready on time due to accumulated severe delays. Therefore, we urge the European Commission to propose a contingency plan for next year's budget. In times of crises and instability, beneficiaries of the EU budget should have a clear vision of the next year. Members of the European Parliament are searching for all possible solutions to secure the stability of the EU budget."

[Margarida Marques](#) (S&D, PT), co-rapporteur: "An agreement is urgently needed for the MFF to enter into force on 1 January 2021. But we don't want to take any risks. That is why we are insisting on asking the European Commission for a contingency plan that is not limited to extending the current programmes and amounts, but that is based on the imagination needed within the framework of the Treaties to not delay an effective European response to the crisis. Citizens, businesses, civil society organisations would not understand a gap in funding."

Background

As the current long-term EU budget runs out on 31 December 2020, the EU needs a new budgetary planning horizon for the next seven years. The EU Commission thus presented plans for the next multiannual financial framework for 2021-2027 in [May 2018](#), and announced a new proposal for May 2020 to take account of the health crisis and its consequences. The European Parliament adopted its position in [November 2018](#), and re-confirmed it in [October 2019](#). The Council has not yet been able to agree on a position.

Next steps

The report will be submitted to a plenary vote next week. If it is endorsed by a majority of Parliament's component members, the Commission has to either submit a relevant proposal, or else must inform Parliament of the reasons why it will not do so, according to [article 225](#) of the Treaty on the Functioning of the EU.

Upon her approval by Parliament last July, Commission President von der Leyen [pledged](#): "When this House, acting by majority of its Members, adopts Resolutions requesting the Commission to submit legislative proposals, I commit to responding with a legislative act in full respect of the proportionality, subsidiarity, and better law-making principles."