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# New Multiannual Financial Framework of the EU (2021- 2027)



# What is the Multiannual Financial Framework?

The **Multiannual Financial Framework (MFF)**, or the EU's long-term budget, lays down how much the **European Union** can invest over **7** years – on projects and programmes that strengthen Europe's future. Thus, above all, **it is an expression of the political priorities set**. It brings together:



The EU's long-term budget helps millions of students, thousands of researchers, cities, businesses, regions and NGOs. **The idea behind it is that pulling resources together makes Europe stronger and is key to boosting prosperity and peace**

# What is the MFF?

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❖ **Unlike national budgets, the EU budget is more of an investment budget:**

It does not fund social protection, primary education or national defence, but rather the key areas that provide European added value by boosting growth and competitiveness.

❖ **It is predictable:**

The MFF ensures a stable and predictable inflow of resources for the Union's long-term priorities. This predictability is crucial, for example, for researcher that work on scientific researches that take several years to complete.

❖ **It ensures Europe's role as a global actor**

The challenges we face are global. The EU budget provides the means for a global response to tackle transnational issues that affect all human beings.

# Peculiarities of the MFF 2021-2027

It is a budget both firmly oriented towards the **green and digital transition** and strongly focused on the reconstruction of post-COVID-19 Europe. Indeed:

- ❖ More than **50%** of EU funds will support **recovery** and **digitisation** in Europe
- ❖ **30 %** of the EU budget will be allocated to the **fight against climate change**, which is the highest share ever allocated in European history.
- ❖ **It is a record budget**  
With both its **EUR 1,074 billion** and the respective **EUR 750 billion** from the new recovery instrument (**Next Generation Eu**), the Union's multiannual budget amounts to **EUR 1. 824.3 billion**.

# MFF in a Nutshell

After months of intense negotiations, the **European Parliament** and the **Council** finally approved

- on 16 and 17 December 2020 respectively - the EU's long-term budget.

	MFF	NGEU	TOTAL
1. Single Market, Innovation and Digital	149.5	11.5	161.0
2. Cohesion, Resilience and Values	426.7	776.5	1 203.2
3. Natural Resources and Environment	401.0	18.9	419.9
4. Migration and Border Management	25.7	-	25.7
5. Security and Defence	14.9	-	14.9
6. Neighbourhood and the World	110.6	-	110.6
7. European Public Administration	82.5	-	82.5
<b>TOTAL</b>	<b>1 210.9</b>	<b>806.9</b>	<b>2 017.8</b>
<b>TOTAL expressed in 2018 prices</b>	<b>1 074.3</b>	<b>750.0</b>	<b>1 824.3</b>

(in commitments) - 2018 prices

<https://www.consilium.europa.eu/en/infographics/mff2021-2027-ngeu-final/>



# I. SINGLE MARKET, INNOVATION AND DIGITAL

## Research and Innovation:

- Horizon Europe
- Euratom Research and Training Programme
- International Thermonuclear Experimental Reactor (ITER)

## Single Market:

- Single Market Programme (inc. COSME)
- EU anti-fraud programme
- Cooperation in the field of taxation (FISCALIS)
- Cooperation in the field of customs (CUSTOMS)

## European strategic investments:

- InvestEU Programme
- Connecting Europe Facility – Transport, Energy, Digital
- Digital Europe Programme

## Space:

- European space programme



## II. COHESION, RESILIENCE AND VALUES

### Regional development and cohesion:

- European Regional Development Fund (FESR)
- REACT EU
- Cohesion Fund
- Support to the Turkish-Cypriot community

### Investing in people, social cohesion and values:

- Erasmus+
- European Solidarity Corps
- Justice, rights and values
- Creative Europe
- European Social Fund +

### Recovery and resilience:

- Recovery and Resilience Facility (incl. Technical Support Instrument)
- Protecting of the euro against counterfeiting
- Financial and repayment – Next Generation EU
- Union Civil Protection Mechanism (rescEU)
- EU4Health



### III. NATURAL RESOURCES AND ENVIRONMENT

#### **Agriculture and maritime policy:**

- Europe Agricultural Guarantee Fund (EAGF)
- European Agricultural Fund for Rural Development (EAFRD)
- European Maritime and Fisheries Fund

#### **Environment and climate action:**

- Programme for environment and climate action (LIFE)
- Just Transition Fund







## IV. MIGRATION AND BORDER MANAGEMENT

### 10. Migration:

- Asylum and Migration fund



This fund will help national authorities with receiving asylum seekers and migrants in the period immediately after their arrival on EU territory. Moreover, it will help develop a common asylum and migration policy, and ensure effective returns

### 11. Border Management:

- Integrated Border Management Fund



This fund will help ease the shared responsibility of securing the external borders by providing financial support to Member States. At the same time, it will safeguard the free movement of people within the EU



## V. SECURITY AND DEFENCE

### **Security:**

- Internal Security Fund
- Nuclear safety and decommissioning

### **Defense:**

- European Defence Fund
- Military mobility

# Heading 6: Neighborhood and the world

Thanks to this funding, the EU can keep and even strengthen its role as a global player, while remaining, together with its Member States, the world’s leading development and humanitarian aid donor.

With this instrument, the EU will focus on strategic priorities both geographically and thematically. The funding under NDICI will focus on the EU Neighborhood – EAP and Africa - as well as countries that are most in need. It will cover security, migration, climate change and human rights.

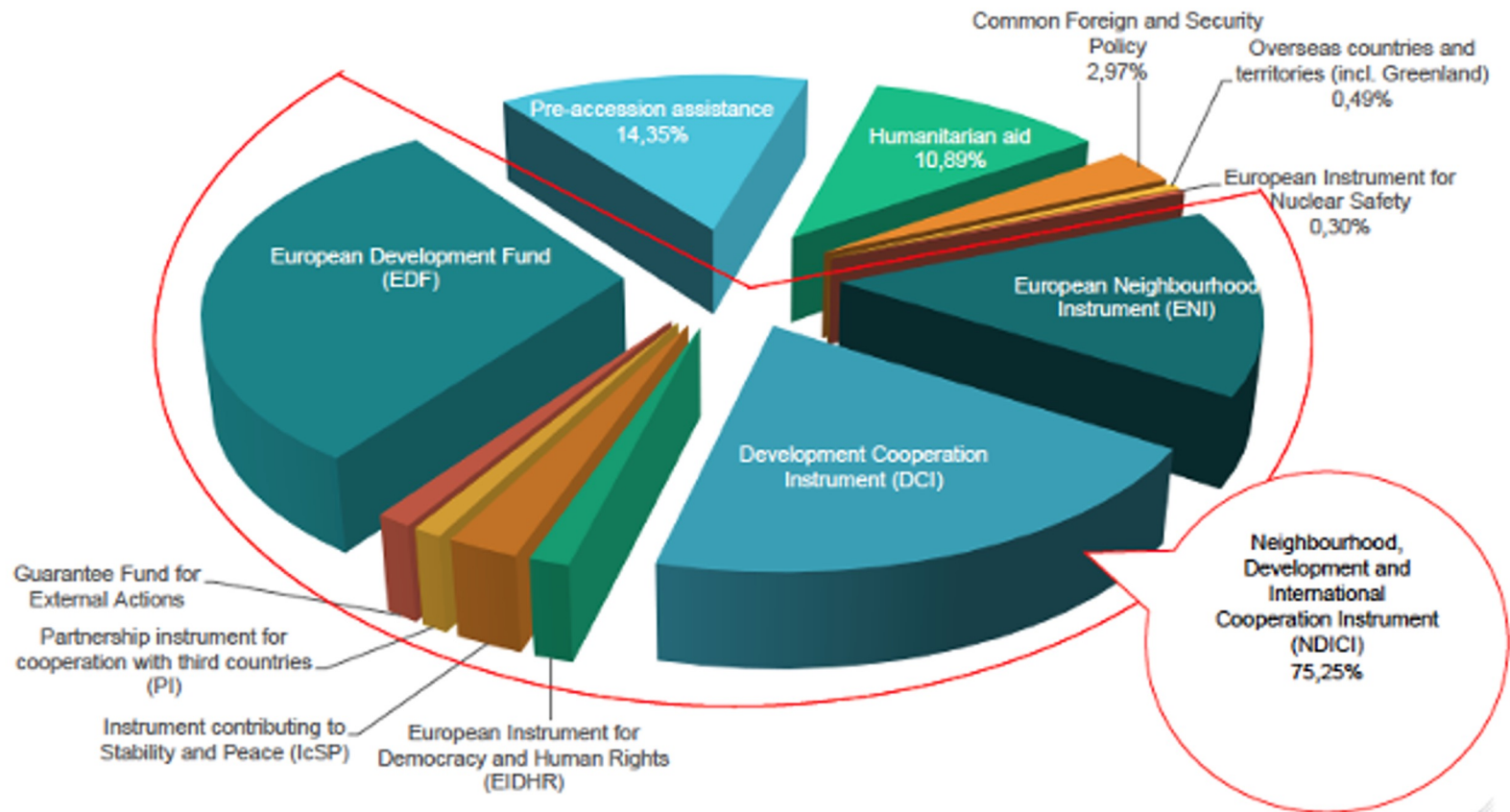
**MFF 2021-2027**

<b>6. NEIGHBOURHOOD AND THE WORLD</b>	<b>110.597</b>
<b>14. EXTERNAL ACTION</b>	<b>95.751</b>
<b>Neighborhood, Development and Int. Cooperation Instrum.</b>	<b>79.462</b>
In addition, indicative use of reflows from the European Development Fund	<b>1.127</b>
<b>Humanitarian Aid</b>	<b>11.569</b>
<b>Common Foreign and Security Policy (CFSP)</b>	<b>2.679</b>
<b>Overseas Countries and Territories (including Greenland)</b>	<b>500</b>
<b>15. PRE-ACCESION ASSISTANCE</b>	<b>14.162</b>
Pre-Accession Assistance	<b>14.162</b>





# VI. NEIGHBOURHOOD AND THE WORLD



# What is NDICI?

The **Neighborhood Development and International Cooperation Instrument - NDICI** is the EU's **main financial tool** to contribute to eradicating poverty and promoting sustainable development, prosperity, peace and stability.

In particular, the **NDICI** will support regions most in need to overcome their long-term challenges while contributing to achieving the international commitments and objectives that the EU has set, especially with regard to the **Sustainable Development Goals**, the **2030 Agenda** and the **Paris Agreement**.

## SUSTAINABLE DEVELOPMENT GOALS



# What is NDICI?

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The NDICI merges instruments from the 2014-2020 programming period into a single one, allowing for increased **flexibility** and **simplification**. It combines the:

European Development Fund (EDF);

European Neighborhood Instrument (ENI)

Development Cooperation Instrument (DCI, including CSOs & LAs)

European Instrument for Democracy and Human Rights (EIDHR)

Instrument contributing to Stability and Peace (IcSP)

Partnership instrument for cooperation with third countries (PI)

Guarantee Fund for External Actions

# NDICI 3 Pillars structure



## Geographic

- Neighbourhood
- Sub-Saharan Africa
- Asia and the Pacific
- Americas and the Caribbean



## Thematic

- Human Rights and Democracy
- Civil Society Organisations
- Peace, Stability and Conflict Prevention
- Global Challenges



## Rapid Response

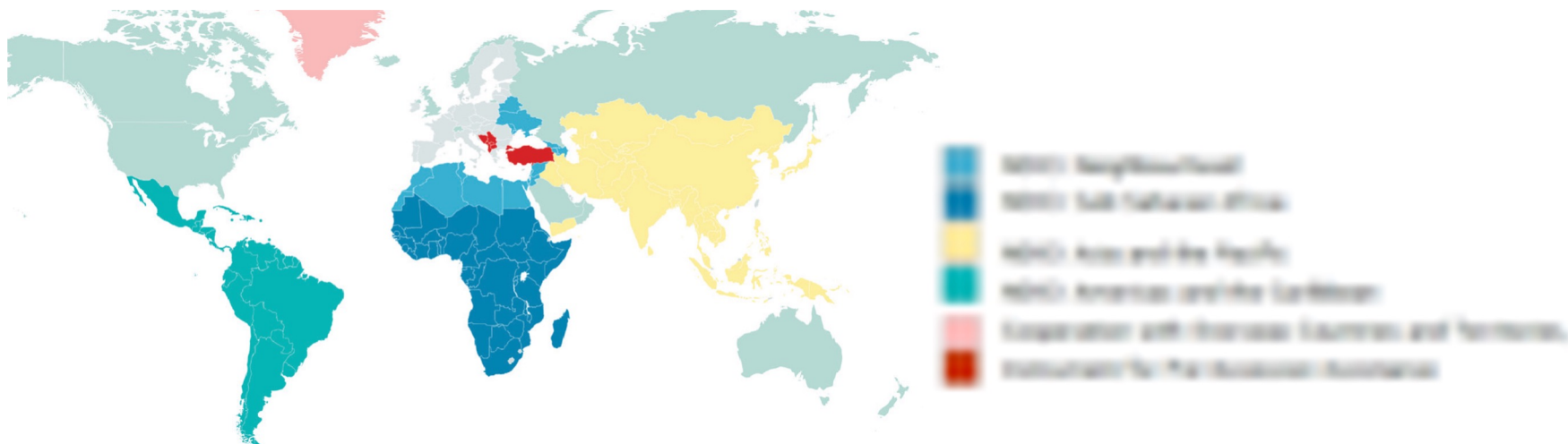
- Crisis response
- Conflict prevention
- Resilience
- Linking humanitarian and development actions
- Foreign policy needs and priorities

# Pillar 1



## Geographic Pillar

It will foster dialogue and cooperation with third countries. Each regional envelope will be adapted to the needs and priorities of the respective countries and region, which will reflect the EU's strategic priorities. It will also help our partners to cope with the medium-term socio-economic impact of COVID-19.



**BUDGET ALLOCATION: €60.38 bln**

**Neighbourhood €19.32 bln, Sub-Saharan Africa €29.18 bln,  
Asia and the Pacific €8.48 bln, Americas and the Caribbean €3.39 bln;**





### Thematic Pillar

It will fund support to human rights and democracy, civil society, stability and peace. It will complement activities in the geographic pillar, in as much as they have to be addressed at global level.

- ❑ Human Rights and Democracy;
- ❑ Civil Society Organizations;
- ❑ Stability and Peace;
- ❑ Global Challenges e.g.: health, education, empowering women and children, role of LAs as actors in development;

**BUDGET ALLOCATION: €6.36 bln**



### Rapid Response

It will allow the EU to rapidly and effectively intervene for conflict prevention and to respond to situations of crisis or instability. It will help increase partner countries' resilience, as well as take early action to address the EU's foreign policy needs and priorities. It will:

- ❑ Provide stability and conflict prevention in situations of crisis;
- ❑ Strengthen resilience and better link humanitarian and development action;
- ❑ Address the EU's foreign policy needs and priorities;

**BUDGET ALLOCATION: €3.18 bln**



# NDICI overall budget:



Geographic



€ 60.38



Thematic



€ 6.36



Rapid Response



€ 3.18

+

+

Flexibility!

A “**cushion**” of unallocated funds of **€9.53 bln** could top-up any of the above-mentioned programmes and rapid response mechanism, to address unforeseen circumstances, new needs or emerging challenges and promote new priorities.

Total NDICI budget allocation  
**€79.46 bln**

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# Thank you for your attention!

For more information:

[anna.ditta@aldaintranet.org](mailto:anna.ditta@aldaintranet.org)



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<https://www.alda-europe.eu/>