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INFORMATION

From:	General Secretariat of the Council
To:	Ad hoc Working Party on the Multiannual Financial Framework (MFF) 2021-2027
Subject:	Multiannual Financial Framework (MFF) 2021-2027 - Technical questions raised by delegations during the week of 2-6 July

On behalf of the Austrian Presidency, and in view of the ad hoc Working Party on MFF of 10 July, delegations will find attached the list of technical questions submitted by delegations and addressed to the Commission in the week of 2-6 July.

Bulgaria

2 July

Migration & Border Management

1. We would like the Commission to present the criteria for allocating funds for migration and border management, as well as individual packages for Member States.
2. Regarding the Commission's proposal funds from Cohesion Policy to provide support for the long term integration of migrants, we would like more information and clarification from the Commission on this proposal.
3. The availability of additional funds for the purchase of customs control equipment will significantly contribute to enhancing the opportunities for replacing outdated equipment and ensuring that new devices may be acquired. However, the information provided does not clarify what principles will govern the distribution of funds among Member States and how the needs and specificities of individual BCPs will be accounted for.
4. Regarding the proposal for the initial allocation to use as reference figures the latest annual statistical data produced by Eurostat covering the preceding three calendar years on the basis of data provided by MS on the date of the applicability of the AMF Regulation as well as IBMF Regulation set in Annex I to the proposals.
 - We would ask to consider whether the reference figures could cover the whole period 2014-2020 thus including the years with enhanced migration pressure to the EU external borders? In this way the migration and asylum situation in the EU MS will be better reflected. It is important to ensure adequate support to those EU MS that could be exposed at new mass influx of migrant flows in view of the future prospects for possible enhancement of migration pressure. Those MS need to maintain their capacity for border management, accommodation and processing of asylum seekers as well as for return of TCNs who do not qualify for asylum. In this way efficient management of migration flows towards the EU will be achieved.
 - In case as reference figures are used the 2017, 2018 and 2019 what will be the timing for announcing the MS allocations so as to provide enough time for programming? It should be noted that Eurostat data for 2019 will not be available before early 2020.
5. We need clarification what the possibilities are to enhance the support under IBMF to the EU MS located at the external land borders for the 2021-2027? The new MFF should envisage reinforced support to Member States with regard to the shared responsibility for securing the common external borders and tackling security threats to the European societies.

10 July

Internal Security Fund

1. We consider as positive development the inclusion of Operating support in ISF (Article 15 of Proposal for the Regulation) and in the AMF (Article 18 of the Proposal for the Regulation).
 - What is the possibility for increasing the maximum percent of the amount for Operating support that is envisaged to be allocated under the instrument for financial support for border management and visa and under AMF?
 - We would like to ask for more clarification on the scope of “maintenance of technical equipment or means of transport” as per Annex VII “Eligible actions for operating support” to the Proposal for the ISF Regulation.
 2. According to Article 12 (4) of the ISF Proposal a maximum of 15 % of the allocation of a Member State programme may be used for the purchase of equipment, means of transport or the construction of security relevant facilities. What are the possibilities that percent to be increased?
 3. Could you please provide a definition for “standard equipment, standard means of transport or standard facilities of the law-enforcement” as per Article 4 of the Proposal for the ISF Regulation as well as for “security-related incidents”?
 4. Following the CPR proposal the pre-financing for each Fund shall be paid in yearly instalments before 1 July of each year and will amount to 0,5 % of the total support from the Funds set out in the decision approving the national programme. This change in comparison with the pre-financing rules set in the 2014-2020 regulations, will make more difficult the implementation of the programmes. We would like to receive more clarification regarding this proposal and on the possibility to increase the level of pre-financing. Perhaps it would be better to decrease the number of interim annual payments in order to have possibility for increased pre-financing.
 5. According to Article 58 (1) c of the CPR proposal costs for VAT are not eligible, except for operations the total cost of which is below EUR 5 000 000. Could you please clarify further the above provision and in particular the eligibility of VAT applied to each of the definitions for “operation” as per Article 2 (3) a.
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GERMANY

Internal Security Fund

1. What are the preliminary calculations of the COM with respect to the distribution key among the member states? What was the prospect in this regard when preparing the proposal?
2. Art. 7 of the proposal for the ISF-directive regulates a de facto distribution of 60 % to 40 % of the resources (60 % directly managed by member states through national programs and 40 % for specific measures, union acts and emergency measures).

[Question regarding the 40 % financing part]: For a spending of the means in due form a certain degree of forward-looking planning is necessary. How is this proposal ensuring this timely planning necessary for the member states? (Background: There is a danger that EU funds will be distributed too late when member-states will have already allocated funding for the proposed measures preventing a proper absorption of the funds. There could be the additional danger that the Union level will provide funds for measures which individual member-states have already covered in their national programs.)

3. Art. 24 IV of the ISF-regulation states: “The performance reporting system shall ensure that data for monitoring programme implementation and results are collected efficiently, effectively, and in a timely manner. To that end, proportionate reporting requirements shall be imposed on recipients of Union funds and where relevant Member States.” Does the Commission plan to develop/provide a single, uniform performance reporting system which is connected to the relevant authorities in the MS as well as the potential project addressees and which could be the destination for the required parameters to be fed into ? (Background: Only in the latter way can the administrative burden of the competent authorities of the MS be as small as possible. A single, uniform system would also facilitate project monitoring on the side of the Commission in a significant way.)

Defence / Military Mobility

1. The Commission is working – together with NATO – including on a common catalogue on military requirements for traffic infrastructure, which should then be compared to the current state of the TEN-V-networks. To close this gap, the COM plans to allocate € 6,5 bn. in the MFF. In addition, the EDF will also foresee “Military Mobility”.

Question: How much funding is foreseen on military mobility in the European Defense Fund? Can this funding also be used to fund traffic infrastructure which is needed by the military ? Or is this funding foreseen only to create additional transport capacities?

2. Are there any specific activities/programmes planned to further facilitate military mobility?

Poland

Defence

1. Will the European Defence Fund be able to provide solutions that guarantee sustainable access to funds for the defense industries of all Member States? – bearing in mind inter alia significant disproportions in the level of development of defense industries in the countries of Western Europe and Central and Eastern Europe.
2. A new concept, which was not included in the pilot programs, is the proposal to allocate 5% of the Fund's resources to research on disruptive technologies (article 4), which in the long-term perspective enable the EU to build a leadership position in the field of technology. What in practice will qualify as disruptive technologies?

Slovenia

Crisis response

Why has the Commission in the area of civil protection (UCPM) decided to put such strong emphasis on the RescEU instrument – an instrument which is in principle more commercial in nature in comparison to other mechanisms in of civil protection co-operation?

EMU

Investment stabilisation function:

1. What is the EC estimation of current ratio of eligible public investment to GDP used in the formal for the calculation of the maximum level of eligible public investment that the EISF may support in a Member state.
2. Could the EC provide a theoretical example of the calculation of the possible support?

Reform support programme:

1. Could a MS qualify for the amount of maximum financial contribution indicated in Annex I in every call of the allocation process? Even in the third call provided that some funds remain unallocated/unused?
2. Will it be possible to transfer part of funds allocated to a MS from ERDF, ESF, CF or the EMFF to the Reform support programme to be used in the context of all three instruments or only the technical support instrument. What happens if a MS will not use up the funds transferred? Will those funds be later on made available to other MS?

Sweden

Defence

1. Before the Commission presented its MFF proposal the discussion regarding EDF where substantially lower (10,5 bn € for both parts vs 13 bn € in COM proposal) What are the motivations behind this increase?
2. The COM proposal indicates 8,9 bn euro for development activities in the EDF- considering the EDIDP is not even implemented, what are the reason/motivations behind this amount, for an action/proposal that has not been tested and proven as of yet?
3. The COM proposal indicate substantial rise towards the end of the period. What are motivations behind that? Does COM already foresee some larger projects?
4. The EDF proposal does not highlight excellence, simplification and a merit based evaluation-process as the HE program. How does COM plan to ensure value for money for EDF and transparency in the process?
5. Considering the time consuming process for materiel development, especially in international cooperation, how will the Commission ensure that the projects will be efficient, meet real operational needs and result in competitive projects, for the period 2017-27?
6. Is it feasible to exclude third parties, notably US/UK, if interoperability and industrial competitiveness are key factors for the EDF?