On 22 November, European Council President Herman Van Rompuy presented an updated proposal for the MFF in form of draft conclusions for the 22/23 November European Council. This briefing is intended to set out the main issues pertaining to Heading 4 and EDF within the overall MFF 2014-2020. In brief, cuts to external assistance represent more than 16% of all cuts\(^1\) – a hugely disproportionate cut for lifesaving aid for the world’s poorest. ONE wants to ensure that cuts to the EU budget do not cost lives, and that the EDF and Heading 4 will be protected as far as possible in the negotiations. **The disproportionate cuts made to both the EDF and Heading 4 must therefore be reversed without delay. The EDF in particular – with the main focus of its spending in sub-Saharan Africa – must be restored to €30bn, the level of the initial proposal.**

\(\text{\textbf{Table 1: Comparison between Commission and European Council proposed figures for 2014-2020 MFF}}\)

<table>
<thead>
<tr>
<th>All figures in €m, 2011</th>
<th>Heading 1</th>
<th>Heading 2</th>
<th>Heading 3</th>
<th>Heading 4</th>
<th>H 5</th>
<th>EDF(^\text{ii})</th>
<th>EAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commission proposal July 12</td>
<td>494 763</td>
<td>386 427</td>
<td>18 809</td>
<td>70 000</td>
<td>63 165</td>
<td>30 319</td>
<td>2 450</td>
</tr>
<tr>
<td>Van Rompuy proposal, 22 November</td>
<td>453 198</td>
<td>369 429</td>
<td>16 685</td>
<td>60 667</td>
<td>62 629</td>
<td>26 984</td>
<td>1 960</td>
</tr>
<tr>
<td>[459 691 proposed incl ITER and GMES(^\text{iii})]</td>
<td>[372 229 proposed incl agriculture reserve]</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Difference in €m</td>
<td>-41 565</td>
<td>-17 043</td>
<td>-2 124</td>
<td>-9 333</td>
<td>-536</td>
<td>-3 335</td>
<td>-490</td>
</tr>
<tr>
<td>Difference in %</td>
<td>-8.40%</td>
<td>-4.41%</td>
<td>-11.30%</td>
<td>-13.33%</td>
<td>-0.85%</td>
<td>-11.00%</td>
<td>-20.00%</td>
</tr>
</tbody>
</table>

European citizens support EU aid: [http://www.one.org/c/international/hottopic/4517/](http://www.one.org/c/international/hottopic/4517/)
MFF as a whole

- Main cuts of at least €81.85bn have been proposed to on- and off-budget spending compared to the Commission proposal of €1 091.55bn (€1 033.24bn on-budget and €58.32bn off-budget spend), with reductions being proposed to all budget headings.
- This represents a cut of 7.5% from the original Commission proposal.

External spending as a whole: EDF, Heading 4 and EAR

- External spending as a whole has been cut by 12.8% in the President’s proposal (compared to the original proposal) – higher than the overall cut of 7.5%, and including a 20% cut to the Emergency Aid Reserve which now stands at €1.96bn.
- €13.16bn represents more than 16% of the total cuts presented by the Presidency. Finding so much money for cuts from funds for external spending is disproportionate and must be reversed.

European Development Fund (EDF)

- President Van Rompuy’s proposal sets out that this fund, which is earmarked for development assistance for the world’s poorest countries, should be reduced by €3.34bn as compared to the Commission proposal of €30.32bn.
- The total amount available for the 11th EDF is proposed at €26.98bn which represents an 11% cut and almost four percentage points higher than average. This must be reversed without delay.

Heading 4

- The draft European Council conclusions set out that heading 4 should not exceed €60.67bn, compared to the original Commission proposal of €70.00bn.
- This represents a cut of more than 13% to heading 4 – over five percentage points higher than the average cut, and proportionally the highest cut to any heading.

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1 As well as adding the numbers included under ‘Difference in €m’ in the table above, cuts to the Solidarity Fund and the European Globalisation Fund are also included. Note that cuts to ITER, GMES and the reserve for crises in the agricultural sectors have been subtracted from the overall headings since they are now integrated into the proposal. The differences between the Commission proposal and the draft conclusions for spending levels for GMES and the agricultural reserve have also been included in calculating the cuts. This paper also does not take into account the ‘compensations’ needed for Member States which in the Commission proposal of July 2012 amounted to €27bn.

2 Commission proposal for off-budget spend dates back to June 2011

3 ITER = International Thermonuclear Experimental Reactor; GMES= Global Monitoring for Environment and Security

4 Figures on this page in € shortened to 2 decimal points. Calculations of percentages calculated on the basis of figures to 3 decimal points as per table on page 1.

5 See endnote i

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