








# REFLECTION PAPER ON THE FUTURE OF EU FINANCES

## FIVE SCENARIOS - IMPLICATIONS

SCENARIOS	 <b>1 Carrying on</b>	 <b>2 Doing less together</b>	 <b>3 Some do more</b>	 <b>4 Radical redesign</b>	 <b>5 Doing much more together</b>
<b>POLICY PRIORITIES</b>	Taking forward current reform agenda	Mainly financing of functions needed for the single market	As in Scenario 1; additional budgets are made available by some Member States for the areas where they decide to do more	Financing of priorities with very high EU value added	Doing much more across policy areas
<b>VOLUME</b>	Broadly stable	Significantly lower	Somewhat higher	Lower	Significantly higher
<b>COMPETITIVENESS</b>	Slightly higher share	Same as in scenario 1 but significantly lower amount	Same as in scenario 1	Higher share	Higher share
<b>ECONOMIC, SOCIAL AND TERRITORIAL COHESION</b>	Lower share	Lower amount	Same as in scenario 1	Lower share	Higher amount
<b>AGRICULTURE</b>	Lower share	Lower amount	Same as in scenario 1	Lower share	Higher amount
<b>SECURITY, DEFENCE, MIGRATION</b>	Higher share	No funding	Higher share partly covered by willing Member States	Significantly higher share	Significantly higher share
<b>EXTERNAL ACTION</b>	Higher share	Lower amount	Higher share partly covered by willing Member States	Significantly higher share	Significantly higher share
<b>ECONOMIC AND MONETARY UNION FISCAL CAPACITY</b>			Macro-economic stabilisation function for euro-zone Member States		Macro-economic stabilisation function and a European Monetary Fund
<b>REVENUE</b>	Current system without rebates; other sources of revenue or fees finance the EU budget	Current system without rebates	Same as scenario 1; plus new policies financed only by participating Member States	Scenario 1 further simplified; new own resources	In depth reform beyond scenario 4; new own resources finance significant share of the EU budget