

**Annex: Implications for the large EU spending areas according to the 5 scenarios**

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|  | **Scenario 1:**  **Carrying on** | **Scenario 2:**  **Doing less together** | **Scenario 3:**  **Some do more** | **Scenario 4:**  **Radical redesign** | **Scenario 5:**  **Doing much**  **more together** |
| **Policy priorities** | 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 |
| **Volume** | Broadly stable | Significantly lower | Somewhat higher | Lower | Significantly higher |
| **Competitiveness** | Slightly higher share | Same as in scenario 1 but significantly lower amount | Same as in scenario 1 | Higher share | Higher share |
| **Economic, social and territorial cohesion** | Lower share | Lower amount | Same as in scenario 1 | Lower share | Higher amount |
| **Agriculture** | Lower share | Lower amount | Same as in scenario 1 | Lower share | Higher amount |
| **Security , defence, migration** | Higher share | No funding | Higher share  partly covered by willing Member States | Significantly higher share | Significantly higher share |
| **External action** | Higher share | Lower amount | Higher share  partly covered by willing Member States | Significantly higher share | Significantly higher share |
| **Economic and Monetary Union Fiscal capacity** |  |  | Macro-economic stabilisation function for euro-zone Member States |  | Macro-economic stabilisation function and a European Monetary Fund |
| **Revenue** | 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 |