2014 general budget: all sections

2013/2145(BUD) - 20/11/2013 - Final act

CONTENT: definitive adoption of the general budget of the EU for the financial year 2014.

LEGISLATIVE ACT: 2014/67/EU, Euratom.

CONTENT: Parliament voted in the adoption of the EU budget for 2014 in accordance with the overall compromise reached through the budgetary conciliation committee on 12 November 2013.

The 2014 budget, the first of the new financial framework period 2014-2020: the 2014 Agreement is the first under the multiannual financial framework (MFF) for the period 2014-2020. Its objective is three-fold: (i) to preserve Member States' budgets from additional pressure which might force them to strengthen their consolidation efforts at national level by setting the level of funds significantly below the 2013 budget; (ii) to leaves sufficient margins under the MFF ceilings; (iii) to provide measures to boost growth and create jobs, in particular for young people.

Main figures and policy areas of the 2014 budget: the overall amount of the 2014 budget as follows:

- **commitment appropriations**: EUR 142.64 billion, which is 6.2% below the EU budget for 2013 and leaves a margin of EUR 445.4 million;

- **payment appropriations**: EUR 135.50 billion. This represents a decrease of 6.2% compared to 2013 (including all additional funds agreed through amending budget 9/2013) and leaves a margin of EUR 711.4 million under the MFF ceiling if the special instruments are put outside the multiannual financial framework.

The 2014 budget contains EUR 64 billion in commitments and EUR 62.4 billion in payments to support **smart and inclusive growth**. Further EUR 59.3 in commitments and

EUR 56.5 in payments will be available for measures aimed at **sustainable growth**.

As far as individual programmes are concerned, the 2014 EU budget includes:

- EUR 9.3 billion in commitments and EUR 6.3 billion in payments for the research framework programme **Horizon 2020**,

- EUR 3.6 billion in commitments and EUR 900 million in payments to kickstart the **Youth Employment Initiative**,

- EUR 920 million in commitments and EUR 785 million in payments for humanitarian aid including for victims of the **Syrian civil war and Lampedusa refugees**.

2014 budget – Amounts heading by heading:

Heading 1: SMART AND INCLUSIVE GROWTH: this heading is allocated EUR 63.986 billion in commitment appropriations and EUR 62.393 in payments. It comprises 2 specific sub-headings and covers 44.9% of the budget:

- **1a - Competitiveness for growth and jobs (11.6% of the budget)**: commitments have been set at EUR 16.5 billion, leaving a margin of EUR 76 million under the ceiling of the MFF. Commitments have been increased beyond the amounts proposed in the draft budget notably for – Horizon 2020, the framework programme for research and innovation (by EUR 212.2 million, bringing the total amount to EUR 9 billion), Erasmus (by EUR 137.5 million to EUR 1.6 billion) and COSME, the programme dedicated to competitiveness of enterprises and small and medium-sized enterprises (by EUR 31.7 million to EUR 275.3 million), the three European financial supervisory authorities (European Banking Authority, European Insurance and Occupational Pensions Authority and European Securities and Markets Authority) by an amount of EUR 2.1 million, EUR 1.2 million and EUR 2 million respectively. Payments have been set at EUR 11.4 billion (compared to EUR 11.7 billion proposed in the draft budget).

- **1b - Economic, social and territorial cohesion (33.3% of the budget)**: commitments have been set at EUR 47.5 billion (as proposed by the Commission in its draft budget). For the amount of EUR 89.3 million exceeding the MFF ceiling the flexibility instrument is mobilised. In order to address the particularly difficult situation in Cyprus an additional support of EUR 100 million in commitments has been agreed out of the European Regional Development Fund and the European Social Fund (see 2013/2223(BUD). For the aid to the most deprived an additional amount of EUR 134.9 million in commitments is financed from the European Social Fund. Furthermore, each of the two macroregional strategies on the Baltic Sea region and on the Danube region receive an amount of EUR 2.5 million in commitments beyond the draft budget of the Commission. Payments amount to EUR 51 billion.

Heading 2: SUSTAINABLE GROWTH : NATURAL RESOURCES: under this heading, commitments have been set at EUR 59.3 billion out of which EUR 43.8 billion are available for market related expenditure and direct payments, the so-called first pillar of the Common Agricultural Policy. The agreement reached incorporates the Commission update of the agricultural expenditure and international fisheries agreements. The LIFE programme shall benefit from a budget of EUR 405 million in commitments. In addition, the heading also finances all agricultural Funds (EAGF - EAFRD). The margin was EUR 35.8 million. Payments were set at EUR 56.5 billion.

Heading 3: SECURITY AND CITIZENSHIP: this heading is no longer divided into sub–headings as was the case in the previous programming period. Commitments have been set at EUR 2.2 billion, leaving a margin of EUR 7 million. The appropriations for FRONTEX, the European agency for the management of operational cooperation at the external borders, have been increased by EUR 2 million beyond the draft budget to reach an amount of EUR 490 million. This heading also finances two new Funds “Asylum and Migration” and “Internal Security” (EUR 403 million each in commitments) as well as for the future “Creative Europe” programme in the field of Culture (EUR 184 million). Payments amount to EUR 1.7 billion (as proposed in the draft budget).

Heading 4: GLOBAL EUROPE: commitments have been set at EUR 8.3 billion, leaving a margin of EUR 10 million. The Instrument for Pre-Accession Assistance (IPA, EUR 1.6 billion), the European Neighbourhood Instrument (ENI, EUR 2.2 billion), the Development Cooperation Instrument (DCI, EUR 2.3 billion), the European Instrument for democracy and human Rights (EIDHR EUR 184 million) and the Instrument for Stability (IfS, EUR 318 million). Commitments have also been strengthened for financial assistance to Palestine (EUR 300 million) and humanitarian aid (EUR 920 million). Payments amount to EUR 6.2 billion.

Heading 5 (Administration) and Heading 6 (Compensation): commitments and payments under the administration heading have been set at EUR 8.4 billion, leaving a margin of EUR 316 million. The number of staff in the EU institutions is reduced further, in line with the objective to reach a 5% cut between 2013 and 2017. Commitments and payments under Heading 6 have been set at EUR 28.6 million.

Special instruments: the 2014 budget is also characterised by a series of special instruments. The budgetary characteristics are as follows:

- **Emergency aid reserve**: commitments have been set at EUR 297 million and payments at EUR 150 million.

- **European Globalisation Adjustment Fund**: commitments have been set at EUR 159.2 million and payments at EUR 50 million.

- **EU Solidarity Fund**: payments have been set at EUR 150 million.

The Flexibility instrument is mobilised for an amount of EUR 89.3 million in commitments to assist Cyprus.