# 2016 general budget: all sections

2015/2132(BUD) - 26/06/2015 - Document attached to the procedure

PURPOSE: presentation of amending letter No 1 to the draft general budget 2016 on the financing of the EFSI guarantee fund.

CONTENT: this Amending Letter No 1 (AL1) to the draft budget for the year 2016 reflects the budgetary impact of the political agreement on the financing of the EFSI Guarantee Fund reached between the European Parliament and the Council on 28 May 2015, which facilitated the adoption of the Regulation on the European Fund for Strategic Investments (EFSI) on 24 June 2015.

The adoption of the EFSI basic act means that the corresponding appropriations for the provisioning of the Guarantee Fund and the funding of the European Investment Advisory Hub (EIAH) and European Investment Project Portal (IPP) can be transferred from the reserve to the operational lines.

In addition, the Commission proposes to complete the **budget structure for the EFSI** by creating a new budget article 01 04 07, with a token entry (p.m.), in view of a possible contribution from the EU budget to supplement the fees covering the work carried out by the European Investment Fund (EIF) in the implementation of the new financial instruments under the EFSI.

Overall, **the political agreement reduced by EUR 1 billion** the redeployment of commitment appropriations from the Horizon 2020 and Connecting Europe Facility (CEF) programmes as initially proposed by the Commission as part of its legislative proposal for the creation of the EFSI, to be **compensated by a corresponding increase in the use of the unallocated margin under heading 1a and the Global Margin for Commitments**. As part of the political agreement, the Commission stated that it would analyse the potential impact of the contributions to the EFSI from the different budget lines of Horizon 2020 on the effective implementation of the respective programmes.

Consequently, in this Amending Letter the Commission proposes to reduce the 2016 redeployment from a number of budget lines under Horizon 2020 and the Connecting Europe Facility. This leads to an **increase of the commitment appropriations for Horizon 2020 by an amount of EUR 153 million and an increase of the commitment appropriations for the Connecting Europe Facility** (transport) **by an amount of EUR 150 million**.

This will be offset by a corresponding increase in the use of the available margins for the provisioning of the EFSI Guarantee Fund:

- a decrease of the 2016 unallocated margin under heading 1a by EUR 111.4 million;
- an increase in the use of the Global Margin for Commitments by EUR 191.6 million.

The net impact of these changes is an **increase of EUR 303 million in commitment appropriations compared to the draft budget 2016**. The overall level of payments remains unchanged.