2016 general budget: all sections

2015/2132(BUD) - 28/10/2015 - Budgetary text adopted by Parliament

The European Parliament adopted by 434 votes to 185 with 80 abstentions, a resolution on the Council position on the draft general budget of the European Union for the financial year 2016.

Section III – Commission: Parliament stressed that its reading of the 2016 budget fully reflected the **political priorities** adopted by an overwhelming majority in its resolutions of 11 March 2015 on general guidelines and of 8 July 2015 on a mandate for the trilogues.

These priorities were;

- internal and external solidarity, in particular an effective tackling of the migration and refugee crisis;
- boosting competitiveness through the creation of decent and quality employment and the development of enterprises and entrepreneurship across the Union (the “three Es”);

It highlighted that the Union was currently facing a number of **serious emergencies**, notably the **unprecedented migration and refugee crisis** to which was necessary to respond not only with financial resources but also with a **comprehensive approach to address both the internal and external dimension.**

Migration crisis: Parliament considered that **extraordinary times required extraordinary measures.** It asked the Commission to come up with a proposal on how the EU budget could prompt Member States towards a more balanced approach to solidarity.

Parliament recalled its earlier statements on the handling of migration flows. It decides, therefore, to immediately put forward a **comprehensive package of amendments increasing the Draft Budget (DB) by EUR 1 161 million both on Heading 3 (Security and Citizenship) and Heading 4 (Global Europe),** in order to provide an initial response to the migration crisis. Those amendments should be considered alongside the Commission’s Letter of amendment No 2/2016, which includes, in addition to the second relocation package, the additional measures set out in the abovementioned Commission communication of 23 September 2015. Members regretted that Parliament and the Council did not have more time to examine the suitability of that Letter but stressed that Parliament fully endorsed these new measures and intended to defend their financing through fresh appropriations. Members also decided to take action with regard to the ongoing crisis affecting European farmers, notably in the dairy sector, and to already integrate in its position on the 2016 budget the EUR 500 million support emergency measures announced by the Commission.

New measures on the European economy: Parliament considered that a lot more effort needed to be undertaken to address the shortcomings in the Union economy by boosting competitiveness, growth and quality jobs. It reinforced therefore the COSME programme by EUR 16.5 million. It decided also to propose new commitments in 2016 for the continuation of the Youth Employment Initiative (YEI), and adopted, therefore, a EUR 473.2 million increase for 2016.

Payments: Parliament stressed the importance of fully respecting the joint statement on a payment plan 2015-2016 agreed between Parliament, Council and Commission, following the shared commitment to **reduce the backlog of outstanding payment claims for the 2007-2013 cohesion programmes to around EUR 2 billion by the end of 2016.** It criticised, in this respect, the fact that the Council's

proposed cuts are in direct contradiction with this payment plan. It **restored all cuts proposed by Council to the Draft Budget** (EUR 563.6 million in commitments and EUR 1 421.8 million in payments) and stated that it failed to understand the reasoning behind the proposed cuts.

Parliament's position: Members concluded that, for the purpose of adequately financing these pressing needs, all means available in the MFF Regulation in terms of flexibility, including the full mobilisation of the Flexibility Instrument, would need to be deployed.

It set the **overall level of appropriations for 2016 at:**

- EUR 157 427,3 million in commitment appropriations and
- EUR 146 459,3 million in payment appropriations.

With regard to each sub-heading, Parliament stated as follows:

- **Sub-heading 1a:** Parliament criticised the fact that, again this year, sub-heading 1a is severely affected by the Council's cuts with a reduction of EUR 140.9 million in commitments and EUR 435.4 million in payments as compared to the Draft Budget; around half of these cuts are targeted at Horizon 2020, which results in a further reduction for this programme in 2016 after that part of its appropriations have been redeployed to EFSI. Accordingly, Parliament decided to propose some selective increases above the level of the DB for COSME, Horizon 2020, EaSI and Erasmus+ programmes. It increased the level of commitment and payments appropriations for sub-heading 1a above the DB by EUR 1 405.5 million and EUR 491.5 million respectively (including pilot projects and preparatory actions), thus exceeding the ceiling for commitments by EUR 1 316.9 million, to be financed by all means available as regards flexibility in the MFF Regulation after exhaustion of the available margins;

- **Sub-heading 1b**: Parliament disapproved of Council's proposed cuts of EUR 3.1 million in commitments and, more importantly, EUR 220.1 million in payments under sub-heading 1b, including on completion lines. Taking account of pilot projects and preparatory actions, it increased commitment appropriations for sub-heading 1b by EUR 482.7 million and payment appropriations by EUR 1 164 million above the Draft Budget, thus exceeding the ceiling for commitments by EUR 467.3 million to be financed by any means available as regards flexibility;
- **Heading 2:** Parliament welcomed the presentation by the Commission of a EUR 500 million comprehensive package of emergency measures to support European farmers, notably in the dairy sector amid falling commodity prices and greater milk production. It stressed the increasing tasks assigned to the Union as part of the European Maritime and Fisheries Fund, and therefore restored the level of appropriations of the 2015 budget for scientific advice in fisheries. Parliament increased therefore commitment appropriations by EUR 510.4 million and payment appropriations by EUR 520.6 million leaving a margin of EUR 647.2 million below the ceiling for commitments in Heading 2;
- **Heading 3:** in light of the current exceptional flows of migrants and refugees, Parliament decided to concentrate its reinforcements on strengthening the Asylum, Migration and Integration Fund (AMIF), to incorporate the necessary funds in its reading, and to align the first relocation package with the second one by **adding EUR 20 million** to finance transport costs (EUR 500 per migrant to Italy and Greece). It approved an additional increase of EUR 79 million for general reinforcement of the AMIF and recalled that point 17 of IIA allows for an increase of more than 10 % in the amount envisaged for the entire duration of a programme when the new, objective, long-term circumstances arise. Parliament noted that its reading exceeded the ceiling of Heading 3 by EUR 1 055.1 million in commitments, with EUR 931.1 million above the Draft Budget. It proposed, therefore, to mobilise any means available in the MFF to finance the package of reinforcements linked to migration.

- **Heading 4**: Parliament pointed out that, of all headings, Heading 4 bears the biggest cuts by the Council both in commitments (- EUR 163,4 million) and in payments (- EUR 450,4 million). It decided to **restore the level of appropriations provided for by the Draft Budget**, reaffirming that the increases in payment appropriations proposed by the Commission were **merely necessary**, notwithstanding the unprecedented migration and refugee crisis. It complemented the package of amendments on migration and the refugee crisis by adopting targeted reinforcements in commitment appropriations first and foremost within the European Neighbourhood Instrument (+ EUR 178,1 million) and also in the Development Cooperation Instrument (+ EUR 26,6 million), Humanitarian aid (+ EUR 26 million), the Instrument for Pre-accession Assistance (+ EUR 11,2 million), the Instrument contributing to Stability and Peace (+ EUR 12,6 million) and the European Instrument for Democracy and Human Rights (+ EUR 1 million). It stressed, however, that this ceiling might be insufficient given that it has been set well before major developments in Ukraine, Syria, Tunisia and more generally throughout the neighbouring countries, the Middle East and Africa.
- **Heading 5**: noting the Council cuts in this heading, Parliament decided to restore the Draft Budget on all the lines of administrative and research support expenditure in policy areas and on all the lines in Heading 5 decreased by the Council, as well as to approve a limited number of small reinforcements.

Agencies: Parliament decided to increase, within the overall package on migration, the appropriations for the main agencies working in this field: the European Asylum Support Office, Frontex, Europol, Eurojust, eu.LISA, Cepol and the Fundamental Rights Agency for a total of EUR 26 million.

Other sections: with regard to **its own budget**, Parliament recalled that EUR 15 million has been earmarked for urgent investments in security and cybersecurity, setting the overall level of its 2016 budget at EUR 1 838 648 600 as adopted in Plenary on 29 April 2015. In an oral amendments adopted in Plenary, Parliament stated that, in order to ensure adequate support to Members for the accomplishment of their parliamentary activities, a new balance is necessary between accredited parliamentary assistants and local assistants, and it welcomed the agreement reached in the Bureau.

It should be noted that a replacement resolution presented by the ECR group was rejected in plenary by 65 votes to 580 with 49 abstentions.