2016 general budget: all sections

2015/2132(BUD) - 25/11/2015 - Final act

PURPOSE: definitive adoption of the European Union’s general budget for 2016.

LEGISLATIVE ACT: Definitive adoption (EU, Euratom) 2016/150 of the European Union’s general budget for the financial year 2016.

CONTENT: the European Parliament voted to adopt the 2016 EU budget, in accordance with the overall compromise reached in the Conciliation Committee under the budgetary procedure of 14 November 2015.

The 2016 budget is the 3rd annual budget under the multiannual financial framework (MFF) for the EU for 2014-2020. It provides the EU with the financial means to **boost growth, create jobs** and tackle the **migration crisis**.

Budget 2016:

- **commitment appropriations**: the overall level of commitment appropriations in the 2016 budget is set at **EUR 155 billion**, a reduction of 4.5% compared to 2015, leaving a margin below the MFF ceilings for 2016 of EUR 2.331 billion in commitment appropriations;
- **payment appropriations**: the overall level of payment appropriations in the 2016 budget is set at **EUR 143.885 billion, an increase of 1.8% compared to 2015**.

Some key features of the 2016 budget include:

- more than **EUR 4 billion to address the refugee crisis** both in the EU and in the countries where refugees are coming from;
- **EUR 69.8 billion in commitments will be to stimulate growth, employment and competitiveness** ;
- **EUR 2 billion** in commitments and EUR 500 million in payments for the guarantee fund of the European Fund for Strategic Investments (**EFSI**), to unlock EUR 315 billion in investment for Europe;
- increasing competitiveness through research and innovation with programmes like Horizon 2020 (EUR 10 billion in payments in 2016, up 11.6% from 2015);
- **EUR 1.8 billion** in payments (30% more than 2015) for Erasmus+, the European programme for education, training, youth and sport, which will help over 4 million people to work and study across the EU in 2014-2020.

Budget 2016 - amounts by headings:

Heading 1: Smart and inclusive growth: this heading is allocated EUR 69.841 billion in commitments and EUR 66.262 in payments. It comprises two specific sub-headings:

- **1a: Competitiveness for growth and jobs**: this sub-heading sees an increase of 8.3% compared to 2015 commitments. The commitments are set at EUR 19.01 billion for Horizon 2020, COSME and ERASMUS +. This sub-heading has been strengthened following the Parliament-Council budget negotiations. Payments were set at EUR 17.4 billion (nearly an 11% increase from 2015;

- **1b: Economic, social and territorial cohesion**: commitments decreased by 15.8% compared to 2015. Commitments have been set at EUR 50.8 billion. This amount corresponds to the amount proposed by the Commission in its draft budget as amended by letters of amendment Nos. 1/2016 and 2/2016. Payments amounted to EUR 48.85 billion.

Heading 2: Sustainable Growth: natural resources: this heading is characterised by commitments of set at EUR 62.5 billion, of which EUR 42.2 billion are available for market expenditure and direct aids to farmers. The Commission will update this section's amounts to reflect the latest needs for agricultural expenditure. The payments were set at EUR 42.2 billion. Overall commitments and payments decreased by 2.8% compared to 2015.

Heading 3: Security and citizens: this heading is the one that was most strongly enhanced with the amount raised by some 60.7% compared to 2015 with EUR 4.05 billion to address, inter alia, the migration crisis. Payments are recorded at EUR 3.02 billion showing an increase of 56.8%. The overall increase under this heading was made possible thanks to the mobilisation of the flexibility instrument for migration amounting to EUR 1.506 billion for the entire heading.

Heading 4: Global Europe: this heading amounted to EUR 9.16 billion in commitments and includes programmes such as Pre-Accession Instrument, the European Neighbourhood Instrument, the Instrument for Development Cooperation, the European Instrument for Democracy and Human Rights and the Stability Instrument. Commitments have also been strengthened to fund humanitarian aid to assist asylum seekers. The heading showed an increase of 5.2% compared to 2015 in terms of commitments. Payments amounted to EUR 10.15 billion, an increase of around **36%** compared to 2015. This heading also saw the mobilisation of EUR 24 million through the Flexibility Instrument.

Heading 5 and 6: Administration: the level of commitments and payment is set at EUR 8.9 billion. The aim to reduce staff by 5% between 2013 and 2017 has also been taking in consideration.

Special instruments: the 2016 budget is also characterised by a series of financial instruments such as the **emergency aid reserve, the European globalisation adjustment fund (EGF), the EU solidarity fund and the flexibility instrument** heavily mobilised this year to provide EUR 1.506 billion in commitment appropriations for heading 3 Security and Citizenship and EUR 24 million in commitment appropriations for heading 4 Global Europe.