Amending budget 4/2016: update of appropriations, reduction of payment and commitment appropriations, extension of EFSI, staff establishment plan of Frontex, update of revenue appropriations

2016/2257(BUD) - 08/11/2016 - Council position on draft budget

On 30 September 2016, the Commission submitted to the Council draft amending budget (DAB) No 4 /2016 requesting modifications on the expenditure and revenue side of the 2016 budget.

With regard to the **expenditure side**, the following modifications are proposed:

- to decrease payment appropriations (p/a) by -EUR 7 284.3 million mostly under sub-heading 1b, and to a lesser extent under headings 2 and 3 due to delays in the implementation of the 2014-2020 programmes;
- to decrease commitment appropriations (c/a) by -EUR 14.7 million under heading 2 as a result of the latest needs assessment;
- to frontload EUR 73.9 million in c/a from Financial Instruments under CEF Energy to the European Fund for Strategic Investments (EFSI), with a corresponding compensation in 2018;
- to increase c/a by +EUR 250 million and p/a by +EUR 10 million under heading 3, notably for the Emergency Support Instrument within the Union, the Asylum, Migration and Integration Fund (AMIF) and the Internal Security Fund (ISF). After taking into account a redeployment of EUR 9.9 million from the European Medicines Agency (EMA), due to the changes in the EUR/GBP exchange rate, the Commission proposes to finance the remaining additional c/a under heading 3 through a mobilisation of the Contingency Margin for an amount of EUR 240.1 million to be fully offset in the same year against the margin under heading 5;
- to frontload 50 posts for temporary agents out of the 130 posts requested for the year 2017 for FRONTEX due to the revised mandate of the agency.

As regards **revenue**, the main changes on the revenue side proposed in this DAB concern the revision of the forecast of Traditional Own Resources (i.e. customs duties and sugar levies), value added tax (VAT) and gross national income (GNI) bases, and the budgeting of the relevant UK corrections and their financing, which affects the distribution of own resources contributions from Member States to the EU budget.

The net impact of this DAB on the expenditure side of the 2016 budget is **an increase of +EUR 225.4 million in c/a and a decrease of -EUR 7 274.3 million in p/a**, thus lowering by the same amount Member States' contributions for the financial year 2016 (surplus).

On 8 November 2016, the Council adopted its position on DAB No 6 to the general budget for 2016 as set out in the annex to the DAB 6/2016 (*refer to the annex to the Council doc. 13583/2016*).