2018 general budget: all sections

2017/2044(BUD) - 30/11/2017 - Final act

PURPOSE: definitive adoption of the European Union's general budget for 2018.

LEGISLATIVE ACT: Definitive adoption (EU, Euratom) 2018/251 of the European Union's general budget for the financial year 2018.

CONTENT: on 30 November 2017, the Council and the European Parliament separately approved the deal reached in the conciliation committee on the 2018 budget. **The EU budget for 2018 is therefore adopted**.

- The 2018 EU budget is set at **EUR 160.1 billion in commitments**. This is an **increase of 0.2%** compared to the 2017 EU budget as amended over the past months. A margin of **EUR 1.6 billion** is left under the expenditure ceilings of the multiannual financial framework for 2014-2020, allowing the EU to react to unforeseen needs.
- **Total payments amount to EUR 144.7 billion**, rising 14.1% from 2017. Payments increase significantly because the implementation of the 2014-2020 programmes is expected to reach full speed in 2018.

Policy areas of the 2018 budget: the budget responds to the main priorities shared by the European Parliament and the Council for the financial year 2018, namely:

1) Stimulate investment in competitiveness, employment and growth by strengthening several programmes under heading 1 (Smart and Inclusive Growth). The budget for 2018 includes:

- an allocation of EUR 11.2 billion to the EU's **Horizon 2020** research and innovation programme, an increase of 8.4% compared to the EU budget for 2017;
- an allocation EUR 2.7 billion to the **Connecting Europe Facility**, an increase of 7.9% compared 2017 to finance projects in the fields of transport, energy and information and communication technology;
- additional funds for the **COSME programme** in support of SMEs (total EUR 354 million, an increase of 1.4%).

2) Support for young people:

- allocations for the **Erasmus+** programme are increased by 12.1% to EUR 2.3 billion;
- the **Youth Employment Initiative** (YEI) has received EUR 350 million to help improve the possibilities for young people of getting a job. The need to speed up the implementation of YEI was stressed;
- the creation of the new **European Solidarity Corps**, which provides opportunities for young people to volunteer or work in projects that benefit communities across Europe, is also reflected in the budget.

3) To better tackle migration and security related challenges: agencies in the field of security and citizenship will receive EUR 940 million, 8.9% more than in 2017. The additional support is mainly aimed at strengthening Europol, Eurojust and the European Asylum Support Office.

4) Environment and climate: additional funds are made available for environmental and climate action under the LIFE programme, which receives EUR 523 million, 5**.9% more than in 2017**.

Turkey: in view of the situation in Turkey as regards democracy, rule of law, human rights and press freedom, **its pre-accession funds have been cut by EUR 105 million** compared to the Commission's initial proposal, with a further EUR 70 million held in reserve until the country makes "measurable sufficient improvements" in these fields.

BUDGET 2018 (by budget headings):

Heading 1 – Smart and inclusive growth: the level of appropriations is fixed at **EUR 77.53 billion in commitments and EUR 66.62 billion in payments**. This section includes 2 specific subheadings of the budget:

- **1a - Competitiveness for growth and jobs**: commitments have been set at EUR 22 billion. This sub-heading includes in particular: (i) the Horizon 2020 Framework Programme for Research and Innovation; (ii) Erasmus+, (iii) the Connecting Europe Facility (CEF) and (iv) COSME, competitiveness of enterprises and small and medium-sized enterprises (SMEs);
- **1b - Economic, social and territorial cohesion**: the level of commitment appropriations is set at **EUR 55.53 billion**. This sub-heading includes the Youth Employment Initiative (YEI).

Heading 2 – Sustainable growth: **natural resources**: the level of commitment appropriations is set at **EUR 59.28 billion**. The decrease in commitment appropriations is entirely due to the increase in available assigned revenue from the surplus of the EAGF as at 31 October 2017, which will cover all the needs of the sector as updated in the letter of amendment n ° 1/2018.

Heading 3 – Security and citizenship: the level of commitment appropriations is fixed at **EUR 3.49 billion**, with no margin under the expenditure ceiling of heading 3, and with mobilisation of the flexibility instrument for a total of EUR 837.2 million.

Heading 4 – Global Europe: the level of commitment appropriations is fixed at **EUR 9.56 billion**, leaving a margin of EUR 256.2 million below the expenditure ceiling of heading 4. This heading includes programmes such as the Instrument for Pre-Accession Assistance, the European Neighbourhood Instrument, the Development Cooperation Instrument, the European Instrument for Democracy and Human Rights and the Stability Instrument.

Headings 5 – Administration: commitments and payments under this heading have been set at **EUR 9.66 billion**. The EU budget for 2018 strengthens the strategic communication capacity of the European External Action Service, which receives **EUR 0.8 million** to intensify the fight against misinformation in the Member States and neighbouring countries.

Special instruments: commitments are set at **EUR 567 million**. The commitment appropriations for the European Globalisation Adjustment Fund (EGF) and the Emergency Aid Reserve are set at the level proposed by the Commission in the draft budget, as amended by Amending Letter No 1/2018. The reserve for the European Union Solidarity Fund (EUSF) is deleted.