2019 general budget: all sections

2018/2046(BUD) - 07/09/2018 - Council position on draft budget

The Council adopted its **position on the draft budget (DB) for 2019**.

For the budget for the next financial year, the Council plans in total:

- **EUR 164 067.94 million in commitment appropriations** (c/a) and
- **EUR 148 169.63 million in payment appropriations** (c/p).

Compared to 2018, commitment appropriations increase by **+2.09%** and payment appropriations increase by **+2.34%.**

The total amount of payment appropriations provided for corresponds **to 0.90 % of the EU gross national income** (GNI).

A. Guiding principles: the Council's position on the DB 2019 has been defined according to the guiding principles of sound budgeting and sufficient resources to support clearly defined priorities, while leaving sufficient margins below the ceilings. The Budget Committee analysed the commitment appropriations for each programme and action, by budget line, based on three pillars:

- allowing for an **overall increase of the 2019 budget of no less than 2 %** compared to the 2018 budget;
- ensuring that no heading is reduced compared to 2018 and no programme is reduced compared to that year, unless objective reasons (such as the financial programming or a foreseeable reduction in needs or a decrease in the Commission proposal), in line with political priorities indicate a decrease; and
- establishing an expenditure level of no less than **1 % of the GNI** of all Member States.

As regards **administrative expenditure**, a similar albeit stricter approach was taken. All institutions benefit from an increase of their annual budget for 2019. An analysis by budget line conducted by the Budget Committee allowed a reduction, in particular, of expenditure for contractual staff by approximately -1 % based on the 2018 budget.

As regards **decentralised agencies**, it is suggested to reduce the overall level of contributions from the Union budget by -EUR 31.9 million in commitment and payment appropriations.

B. Expenditure by main MFF headings (2019):

Heading 1: Smart and inclusive growth: **EUR 79.139 billion in c/a and EUR 67.455 billion in c/a, an increase of 2.07% and 1.25%** respectively compared to 2018.

1a) Competitiveness for growth and employment: the amount is set at **EUR 22.065 billion** in c/a, an increase of 0.29% compared to 2018.

The subheading is characterised by the following elements:

- establish the level of commitment appropriations, targeting a total reduction of **-EUR 794 million** in the appropriations requested in the DB 2019;

- set the level of payment appropriations, reducing the appropriations requested in the DB 2019 by a total amount of **-EUR 44.95 million**.

The planned reductions would mainly concern:

- large infrastructure projects (-EUR 167.24 million in c/a and -EUR 0.74 million in c/a);
- the Common Strategic Framework for Research and Innovation (-EUR 313.65 million in c/a and -EUR 18.29 million in c/a);
- the Connecting Europe Facility (-EUR 274.33 million in c/e and -EUR 1.07 million in c/p).

The amounts take into account reductions in contributions to decentralised agencies for a total amount of -EUR 24.8 million in commitment and payment appropriations under this sub-heading.

The **margin available** under sub-heading 1a would be **EUR 1.016 billion**.

1b) Economic, social and territorial cohesion: **EUR 57.073 billion** in c/a, an increase of 2.78% compared to 2018.

The main features of this sub-heading include:

- commitment appropriations (-EUR 40 million) and payment appropriations (-EUR 17.2 million) requested in the DB 2019 for the revision proposal of the Structural Reforms Support Programme (SRSP) are transferred from sub-heading 1b to heading 2, and put into reserve pending the adoption of the reviewed legal basis;
- the proposed mobilisation of the Flexibility Instrument to provide financing of the extension of the SRSP for an amount of EUR 38.07 million in commitment appropriations is therefore restored.

The **Global Margin** for Commitments is used for an amount of EUR 231 403 236 under this sub-heading. The margin available under sub-heading 1b would be equal to zero.

Heading 2: Sustainable growth: natural resources: **EUR 59.689 billion** in c/a, an increase of 0.68% compared to 2018.

The main features of this section include:

- reduced level of commitment appropriations requested in the DB 2019 **by -EUR 310 million** on administrative support lines, on operational technical assistance lines and on operational lines under the European Agricultural Guarantee Fund (-EUR 340.4 million), the European Maritime and Fisheries Fund (EMFF) (-EUR 1.67 million) and the LIFE programme (-EUR 4.1 million);
- setting the level of payment appropriations, reducing the appropriations requested in the DB 2019 by a total amount of -EUR 328.13 million, of which -EUR 340.4 million on the European Agricultural Guarantee Fund and -EUR 1.1 million in the LIFE programme.

The amounts mentioned above also take into account reductions in contributions to decentralised agencies for an amount of -EUR 3.83 million in commitment and payment appropriations under this heading.

The **margin available** under heading 2 would be **EUR 654.92 million**.

Heading 3: Security and citizenship: **EUR 3.693 million** in commitments, an increase of 5.73% compared to the 2018 budget.

The heading is characterised by the following elements:

- establishing the level of commitment appropriations, targeting a total **reduction of -EUR 35.13 million** in the appropriations requested in the DB 2019 on a number of specific budget lines, including operational expenditure and support expenditure, namely related to Food and Feed, Creative Europe, Rights, Equality and Citizenship, Health, Consumer, actions financed under the prerogatives of the Commission, Europe for citizens, Justice and the Asylum, Migration and Integration Fund;
- setting the level of payment appropriations, reducing the appropriations requested in the DB 2019 by a total amount **of -EUR 3.97 million**
- commitment appropriations (EUR 501.11 million) and payment appropriations (EUR 140.92 million) requested in the DB 2019 for legislative proposals that are not adopted yet, are put into reserve. This concerns the legislative proposals for Dublin II (eu-LISA) and Dublin II (AMIF), EURODAC (eu-LISA), the SIS package, Interoperability (Europol), Interoperability (eu-LISA), ECRIS TCN and the European citizens' initiative;
- the margin available under heading 3 would be equal to zero;
- the **Flexibility Instrument** is mobilised for an amount of EUR 892.39 million (-EUR 35.13 million) in commitment appropriations.

***Heading 4: Global Europe*: EUR 11.077 billion** in c/a, an increase of 10.02% compared to 2018. The Council proposed to:

- establish the level of commitment appropriations, targeting **a total reduction by -EUR 306.28 million** in the appropriations requested in the DB 2019, namely related to: (i) the Instrument for Pre-accession assistance (IPA II) (-EUR 176.8 million), (ii) the Development Cooperation Instrument (DCI) (-EUR 55.4 million), (iii) the Common Foreign and Security Policy (-EUR 5 million), (iv) macro-financial Assistance (MFA) (-EUR 20 million) and (v) the Guarantee Fund for external actions (GF) (-EUR 41 million);
- set the level of payment appropriations, reducing the appropriations requested in the DB 2019 by a total amount of **-EUR 45.58 million** as a consequence of the reductions in commitment appropriations.

This includes the use of the Global Margin for Commitments for an amount of EUR 809.91 million under this heading. The margin available under heading 4 would be equal to zero.

Heading 5: Administration: administrative expenditure amounts to **EUR 9.890 billion, an increase of 2.33% compared to 2018**.

The **margin available** under this heading would be EUR 641.2 million.

Special instruments: the Council suggested maintaining the appropriations in the DB 2019 for the Emergency Aid Reserve, the European Globalisation Adjustment Fund and the European Union Solidarity Fund.