2019 general budget: all sections

2018/2046(BUD) - 24/10/2018 - Budgetary text adopted by Parliament

The European Parliament adopted by 389 votes to 158, with 123 abstentions, a resolution on the Council position on the draft general budget of the European Union for the financial year 2019.

Parliament set the overall level of appropriations for 2019 at EUR 166 340 415 936 in commitment appropriations and EUR 149 349 039 470 in payment appropriations which represents an **increase of EUR 721 061 034 in commitment appropriations** compared to the draft budget for 2019.

In its resolution, Parliament reaffirmed its **political priorities** adopted in its resolutions of 15 March 2018 on the general guidelines and of 5 July 2018 on the mandate for the trialogue, namely sustainable growth, innovation, competitiveness, security, tackling the root causes of refugees and migration flows, managing refugee and migration flows, combating climate change and the transition to sustainable energy, with particular attention to young people.

Members stressed that ahead of the United Kingdom's withdrawal from the Union, the Union needed the necessary financial resources to effectively address the many challenges and priorities mentioned above.

Cuts proposed by the Council

Members **restored all cuts proposed** by Council to the Draft Budget 2019 across all headings, with limited exceptions in Heading 4 (Global Europe) and subheading 1b (Economic, social and territorial cohesion) of the Multiannual Financial Framework (MFF). In order to be able to finance all urgent needs, and given the very limited or non-existent margins under some headings of the MFF in 2019, all means available in the MFF Regulation on **flexibility** should be deployed.

Competitiveness for growth and employment

Members rejected Council’s unjustified EUR 794 million cuts to subheading 1a, which represent just over half of the overall Council cuts in commitments in MFF headings. Such cuts run counter to Council’s stated political priorities.

They increased **the level of commitment appropriations for subheading 1a by EUR 566 773 112**, which will be financed within the margin available and by a further mobilisation of the global margin for commitments.

Parliament refused to accept the proposed cuts to programmes with the highest European added value, for example those to **Horizon 2020 and Connecting Europe Facility (CEF),** two programmes already affected by redeployments to EFSI, or majority of cuts to external policies.

It therefore decided to **further reinforce those programmes that are key** to boosting growth and jobs and tackling climate change and that reflect widely agreed Union priorities, namely Erasmus+, Horizon 2020, COSME, CEF and EaSI.

Economic, social and territorial cohesion

Given the challenges posed by youth unemployment, Members decided to increase appropriations (**EUR 580 million in 2019) for the Youth Employment Initiative (YEI).** They called on Member States to accelerate the implementation of cohesion policy programmes to catch up with the delays. In addition, they proposed to increase funding for disaster preparedness in the Union.

Sustainable growth: natural resources

Parliament noted the Council's cuts of EUR 310 million in commitment appropriations and EUR 328.13 million in payment appropriations, while considering that the Commission's Amending Letter should remain the basis for any reliable revision of EAGF appropriations. It has therefore restored the amounts in the 2019 draft budget pending an examination of that Amending Letter in conciliation.

Parliament also decided to: (i) increase **emergency aid** appropriations, in particular to support pigmeat in the fight against African swine fever; (ii) increase by EUR 20 million for the **European Agricultural Fund for Rural Development** (EAFRD) to promote innovation in the agricultural and forestry sectors; (iii) increase by EUR 15.6 million in appropriations for **climate actions**.

Security and citizenship

Parliament considered that additional funding is needed in the field of **refugees and migration**, taking into account unpredictable needs that may arise in the future. It has therefore provided the Asylum, Migration and Integration Fund with **additional funds** to support legal migration to the Union, to facilitate the effective integration of third-country nationals and to strengthen fair and effective return strategies.

Members also proposed: (i) increasing the budget appropriations of the Internal Security Fund (ISF), in order to further support border management and provide assistance to victims of terrorist acts, and (ii) increasing the budget and staffing of Europol, the European Police Training Agency (CEPOL), the European Union Agency for the Operational Management of Large-Scale IT Systems (eu-LISA), Eurojust and the European Prosecutor's Office.

Parliament deplored the Council's arbitrary cuts of more than EUR 35 million in commitment appropriations in numerous programmes in the areas of **culture, citizenship, justice and public health** despite the excellent implementation rates of these programmes. It has restored all lines at least to the level of the draft budget while proposing additional increases to relevant lines.

Global Europe

Parliament has decided to restore almost all of the Council's cuts to **strengthen heading 4 by EUR 425.4 million above the 2019 draft budget**, while reducing the lines related to the **Refugee Facility for Turkey** (FRT) and Turkey and not restoring some of the Council's cuts, resulting in a total reduction of appropriations of EUR 1.24 billion, and therefore a net difference of EUR -819.1 million compared to the 2019 draft budget for heading 4.

Members have:

- strengthened certain budget lines related to the **root causes of migration** and the resulting humanitarian challenges in the Southern Neighbourhood, notably in Libya. They therefore decided to allocate more resources to the Development Cooperation Instrument (**DCI**) and the Southern Dimension of the European Neighbourhood Instrument (**ENI**) in order to also anticipate the continued pressure on the ENI in 2019;

- reaffirmed that the current ratio of contribution to the FRT from the Union budget (EUR 1 billion) and Member States (EUR 2 billion) should be maintained for the financing of the second tranche of the FRT. Parliament decided therefore to **reduce the contributions of the Union budget from EUR 1.45 billion to EUR 450 million**. The difference should be instead financed by the bilateral contributions of Member States;

- decided to increase the allocation of the **Instrument for Pre-Accession Assistance** (IPA II) for the Western Balkans.

Administration

Parliament considered that Council's cuts are unjustified and do not reflect the real needs. It suggested restoring the 2019 DB for all Commission administrative expenditure, including administrative and research support expenditure in Headings 1 to 4.