2020 general budget: all sections

2019/2028(BUD) - 05/09/2019 - Council position on draft budget

The Council adopted its position on the draft general budget of the European Union for the financial year 2020.

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

- **EUR 166 763.93 million** in commitment appropriations (c/a) and

- **EUR 153 111.91 million** in payment appropriations (c/p).

Compared to 2019, commitment appropriations increase by +0.58 % and payment appropriations increase by +3.32 %.

The total amount of payment appropriations foreseen corresponds to 0.90 % of the EU's gross national income (GNI).

GUIDING PRINCIPLES

The Council's position on the BP 2020 has been defined according to the guiding principles of prudent and realistic budgeting and sufficient resources to support clearly defined priorities. The application of these principles should make it possible to leave sufficient margins under the ceilings to be able to deal with unforeseen circumstances:

- These guiding principles led the Budget Committee to undertake a detailed analysis of the commitment appropriations for each programme and action by budget line, based on two concepts: (i) a well-founded absorption capacity shown by the real implementation of the programmes in previous years; (ii) a realistic acceleration of the implementation of programmes by avoiding excessive increases compared to 2019.

- Payment appropriations were not targeted during this year's budgetary analysis, given the already high margin. Most of the reductions of payment appropriations are a consequence of reductions of non-differentiated appropriations.

- As regards administrative expenditure, a stringent approach was taken. Yet, all institutions benefit from an increase of their annual budget for 2020. An analysis by budget line conducted by the Budget Committee allowed adjustments, in particular, in view of stabilising the staffing levels.

- As regards decentralised agencies, it is suggested to reduce the overall level of contributions from the Union budget by -EUR 36.99 million in commitment and payment appropriations.

EXPENDITURE BY HEADING OF THE MULTIANNUAL FINANCIAL FRAMEWORK

HEADING 1: Smart and inclusive growth: EUR 82.439 billion in commitment appropriations and EUR 72.011 billion in payment appropriations, an increase of 2.37% and 6.59% respectively compared to 2019.

1a) Competitiveness for growth and jobs: EUR 23.969 billion in commitments appropriations and EUR 22.004 billion in payment appropriations, an increase of 2.72% and 7.22% respectively compared to 2019.

The subheading focused on the following elements:

- establish the level of c/e by aiming for a total reduction of -EUR 747 million in the appropriations requested in the DB 2020;

- set the level of payment appropriations, reducing the appropriations requested in the DB 2020 by a total amount of - EUR 104.42 million.

The planned reductions mainly concern:

- the Common Strategic Framework for Research and Innovation (- EUR 424.90 million, of which - EUR 413 million for Horizon 2020;

- the Connecting Europe Facility (CEF) (- EUR 197 million, of which - EUR 169 million for transport and - EUR 28 million for information and communication technologies (ICT);

- the European Strategic Investment Fund (EFSI) (- EUR 90 million) and the Programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises (COSME) (- EUR 20 million).

The amounts take into account the reductions in contributions granted to the decentralised agencies, totalling -EUR 2.5 million in commitment and payment appropriations under this subheading.

The margin available under heading 1a would amount to EUR 1 221 million.

1b) Economic, social and territorial cohesion: EUR 58.470 billion in commitment appropriations and EUR 50.007 billion in payment appropriations, an increase of 2.23% and 6.32% respectively compared to 2019.

The sub-heading is characterised by the following elements:

- establish the level of commitment appropriations by targeting a total reduction of EUR -141.89 million in the appropriations requested in the DB 2020 for specific budget lines, namely for the Youth Employment Initiative (additional specific envelope) (-EUR 116.67 million) and for technical assistance and innovative actions (-EUR 25.22 million);

- set the level of payment appropriations by reducing the appropriations requested in the DB 2020 for the Youth Employment Initiative (specific top-up allocation) by an amount of -EUR 35.00 million.

The global margin for commitments would no longer be used. The margin available under subheading 1b would be zero.

HEADING 2: Sustainable growth - natural resources: EUR 59.751 billion in commitment appropriations and EUR 57.774 billion in payment appropriations, an increase of 0.18% and 0.65% respectively compared to 2019.

The main features of this section include:

- to reduce the level of commitment appropriations requested in the DB 2020 by -EUR 243.90 million on operational lines, namely under the European Agricultural Guarantee Fund -Market related expenditure and direct payments (-EUR 239.90 million) and the Sustainable Fisheries Partnership Agreements (SFPAs) (-EUR 4.00 million);

- to set the level of payment appropriations, reducing the appropriations requested in the DB 2020 by a total amount of -EUR 239.90 million as a consequence of the reduction in commitment appropriations on the European Agricultural Guarantee Fund where non-differentiated appropriations are concerned.

The margin available under this heading would be EUR 669.99 million.

HEADING 3: Security and citizenship: EUR 3.602 billion in commitment appropriations and EUR 3.689 billion in payment appropriations, a reduction of -4.86% and an increase of 4.59% respectively compared to 2019.

The heading is characterised by the following elements:

- to establish the level of commitment appropriations, targeting a total reduction of -EUR 126.34 million in the appropriations requested in the DB 2020 on a number of specific budget lines, namely related to Asylum, Migration and Integration Fund, Internal Security Fund, Food and feed, communication actions, Creative Europe, Rights, Equality and Citizenship, Health, Europe for Citizens, Justice and Consumer;

- set the level of payment appropriations by reducing the appropriations requested in the 2020 DB by a total amount of EUR -34.49 million;

- place in reserve an amount of EUR 400 million in commitment appropriations and EUR 115.4 million in payment appropriations in respect of the Asylum, Migration and Integration Fund.

The margin available under this heading would be zero. Given the absence of a margin, the flexibility instrument is in the amount of EUR 338.90 million and the Global Margin for Commitments is used in the amount of EUR 312.83 million.

HEADING 4: Global Europe: EUR 10.114 billion in commitment appropriations and EUR 8.946 billion in payment appropriations, a reduction of -10.64% and -4.41% respectively compared to 2019.

The Council proposed:

- to establish the level of commitment appropriations, targeting a total reduction by -EUR 193.24 million in the appropriations requested in the DB 2020 on a number of specific budget lines, including operational expenditure, namely related to the Development Cooperation Instrument (DCI), Humanitarian aid (HUMA), the Instrument for Pre-accession assistance (IPA II), the European Neighbourhood Instrument (ENI), the Partnership instrument for cooperation with third countries (PI), the European Instrument for Democracy and Human Rights (EIDHR), the EU Aid Volunteers initiative (EUAV);

- to set the level of payment appropriations, reducing the appropriations requested in the DB 2020 by a total amount of -EUR 40.00 million as a consequence of the reductions in commitment appropriations where non-differentiated appropriations are concerned, of which -EUR 20.00 million in the Development Cooperation Instrument (DCI), -EUR 10.00 million in the Instrument for Preaccession assistance (IPA II) and -EUR 10.00 million in the European Neighbourhood Instrument (ENI).

The margin available under heading 4 would be EUR 395.67 million.

HEADING 5: Administration: Administrative expenditure would amount to EUR 10.269 billion, an increase of 3.28% compared to 2019.

The margin available under this heading would amount to EUR 732.94 million.

Special instruments

The Council suggested maintaining the appropriations entered in the DB 2020 for the Emergency Aid Reserve, the European Globalisation Adjustment Fund and the European Union Solidarity Fund. It

proposed to mobilise the Global Margin for Commitments in the amount of EUR 312.83 million in commitment appropriations and the Flexibility Instrument in the amount of EUR 338.90 million in commitment appropriations.