Amending budget 4/2019: reduction of commitment and payment appropriations in line with updated needs of expenditure and update of revenue (own resources)

2019/2037(BUD) - 10/10/2019 - Budgetary text adopted by Parliament

The European Parliament adopted by 538 votes to 113, with 9 abstentions, a resolution on the Council position on draft amending budget No 4/2019 of the European Union for the financial year 2019: Reduction of commitment and payment appropriations in line with updated needs of expenditure and update of revenue (own resources).

Draft amending budget No 4/2019

On the expenditure side, draft amending budget No 4/2019 has two objectives:

- to decrease commitment and payment appropriations of budget lines by EUR 112 million and EUR 67.5 million respectively, in heading 1a "Competitiveness for growth and jobs", heading 1b "Economic, Social and Territorial Cohesion", and heading 2 "Sustainable growth – natural resources";

- to increase by EUR 11.9 million commitment and payment appropriations in Heading 5, to adjust the budget 2019 of some institutions as a result of the postponement of the withdrawal of the United Kingdom from the European Union to 31 October 2019.

On the revenue side, draft amending budget No 4/2019 concerns a revision of the forecast of Traditional Own Resources (i.e. customs duties and sugar sector levies), value-added tax (VAT) and gross national income (GNI) bases, and to budget the relevant UK corrections and their financing, which all affect the distribution of own resources contributions from Member States to the Union budget.

Parliament's position

Taking note of the Commission's proposal, Parliament reiterated their position considering that the Union budget is too small to respond to pressing needs and challenges it faces as well as its citizens. It considered that a draft amending budget should follow one purpose only. However, the Draft amending budget No 4/2019 has two purposes. Members stated that the most urgent purpose of Draft amending budget No 4/2019 is to adjust the budget 2019 of some institutions as a result of the postponement of the withdrawal of the United Kingdom from the European Union to 31 October 2019. Parliament therefore approved these adjustments but rejects the proposed release of commitment appropriations concerning budget lines for headings 1a, 1b, 3 and as well as for the European Union Solidarity Fund.

On revenue, Parliament took note of the rebalancing of own resources made necessary by the revision of the forecast of Traditional Own Resources and VAT and by updates to the UK correction.

The European Parliament decided to amend the Council position on Draft amending budget No 4/2019.

It was in favour of restoring previous budget 2019 figures in the context of an ongoing financial year, with a view to eventual adjustments through a comprehensive draft amending budget closer to year end, and when other factors that may arise in the coming weeks can be taken into account.

Lastly, the European Commission is invited to present a new proposal, the objective of which would be to reallocate the potential savings identified both in its proposal on ACB 4/2019 and among the newly identified appropriations that would not be used, in order to finance key EU programmes that do not have sufficient funds.