2020 general budget: all sections

2019/2028(BUD) - 15/10/2019 - Document attached to the procedure

The European Commission presents to the European Parliament and to the Council Amending Letter No 1 to the draft general budget of the European Union for the financial year 2020.

Overall, the net impact of AL 1/2020 on expenditure in the draft budget 2020 is an increase of EUR 16.4 million in commitment appropriations and a decrease of EUR 5.4 million in payment appropriations.

European agricultural guarantee fund

AL 1/2020 updates estimates for agricultural expenditure based on the most up-to-date economic data and legislative framework. Apart from taking into account market factors, this AL 1/2020 also incorporates the impact of legislative decisions in the agricultural sector since the DB 2020 was drawn up in June 2019, as well as for some that are still under preparation, soon to be adopted.

Overall, 2020 EAGF needs (after taking into account EAGF provisions related to 'financial discipline') are now estimated at EUR 44 481.1 million, which is an increase by EUR 304.3 million compared to the DB 2020. This increase is mostly due to additional needs for:

- chapter 05 07 Audit of agricultural expenditure financed by the European Agricultural Guarantee Fund (EAGF) (+EUR 174.3 million);

- chapter 05 03 Direct payments aimed at contributing to farm incomes, limiting farm incomes variability and meeting environment and climate objectives (+EUR 94 million);

- chapter 05 02 Improving the competitiveness of the agricultural sector through interventions in agricultural markets for +EUR 36 million.

The amount of assigned revenue estimated to be available in 2020 increases from EUR 645 million in DB 2020 to EUR 999 million (+EUR 354 million), more than compensating the additional needs.

As a result of these updates, the Commission proposes to reduce the expenditure estimates for agriculture by –EUR 49.7 million compared to DB 2020. Commitment appropriations of EUR 43 482.1 million, which include EUR 478 million for the Reserve for crises in the agricultural sector, are required to cover EAGF needs for 2020.

Adjustments related to the legislative proposals included in the Brexit preparedness package

European Union Solidarity Fund

The Commission proposal for a Regulation of the European Parliament and of the Council amending Council Regulation (EC) No 2012/2002 in order to provide financial assistance to Member States to cover serious financial burden inflicted on them following a withdrawal of the United Kingdom from the Union without an agreement introduces a new Article with a higher maximum amount of EUR 100 million for advances (compared to EUR 50 million in the initial regulation).

Therefore the Commission proposes to increase of the level of advance payments under the European Union Solidarity Fund by EUR 50 million, and to put that additional amount under reserve pending the adoption of the amendment to the legal base by the European Parliament and the Council.

Creation of a new budget line in the General Statement of Revenue

In order to allow the Commission to implement the proposal, in particular to enable it to enter the contribution of the United Kingdom in the general budget, the necessary budgetary structure needs to be created for the 2020 budget. The Commission therefore proposes to create a new budget line in part B of the General Statement of revenue: new Article 3 8 0 intended to receive the UK contribution in relation to the application of the contingency framework.

Adjustments concerning the administrative budgets of the European Parliament and the European External Action Service, and partnership agreements in the field of sustainable fisheries

European Parliament

The Commission proposes to include in the 2020 DB the following elements: (i) 89 additional posts for the 2020 establishment plan and (ii) EUR 13.3 million of appropriations for external staff, corresponding to 155 contract agent posts, as well as the increase in appropriations necessary to cover salary updates and career progression.

European External Action Service

Since the presentation of the DB 2020, two items in the section of the European External Action Service (EEAS) have evolved, and require updating, namely:

- the NEO building: the reprioritisation and planned redeployment, the additional amount requested for 2020 (EUR 5 million) can be reduced to EUR 2.8 million;

- adaptation of the staffing of the EU Office in Kosovo: additional budget to finance three further posts was made available to the EEAS as from January 2019, bringing the total number of posts for transition tasks to 15.

Update of the Sustainable Fisheries Partnership Agreements

The Commission proposes to move commitment appropriations for an amount of EUR 16.9 million and payment appropriations for an amount of EUR 14.9 million from the reserve (40 02 41) to the operational line (11 03 01 Establishing a governance framework for fishing activities carried out by Union fishing vessels in third country waters). This budgetary-neutral transfer relates to the Fisheries Agreements with the Republic of Cape Verde, the Republic of the Gambia and the Republic of Guinea-Bissau.

Technical adjustments and corrections

The Commission proposes:

- to put in place the necessary budgetary structure in the 2020 budget to enable the Commission to start implementing the Innovation Fund created by Directive (EU) 2018/410 of the European Parliament and of the Council, in particular with a view to launching, by mid-2020, a first call for project proposals;

- to reduce payment appropriations for the European Union Agency for the operational management of large-scale IT systems in the area of freedom, security and justice (eu-LISA) by EUR 21.8 million, giving a total of EUR 196 million, which represents the actual needs of the agency for 2020.