2021 general budget: all sections

2020/1998(BUD) - 30/09/2020 - Council position on draft budget

The Council adopted its position on the draft general budget of the European Union for the financial year 2021 (DB 2021), which deviates from the Commission's proposal on a number of aspects taking into account, in particular, the conclusions of the European Council of 17-21 July 2020.

The Commission should present a letter of amendment to adapt the DB 2021 to the state of play concerning the Multiannual Financial Framework (MFF) before the end of October 2020. Thus, a reassessment of the Council's position on DB 2021 is envisaged as soon as the letter of amendment is available.

AMOUNT OF COMMITMENTS AND APPROACH TAKEN

The Council's position on PB 2021 would amount to:

- ***EUR 162 911.96 million in commitment appropriations*** (EUR 166 746.18 million in the Commission's DB 2021);

- ***EUR 164 827.02 million in payment appropriations*** (EUR 163 515.1 million in Commission DB 2021).

The total amount of payment appropriations foreseen in the Council's position on the DB 2021 corresponds to 1.18% of EU Gross National Income (GNI).

The Council's position is based on the following approach:

- an arithmetical correction of the amounts (in commitment and payment appropriations) proposed by the Commission for 2021 in respect of all programmes for which a different amount from that presented by the Commission in its MFF proposal of 27 May 2020 is retained;

- an increase in payment appropriations of EUR 3.6 billion to cover the budgetary consequences of an increase in the pre-financing rate of the programmes for the period 2014-2020 from 1% to 2% as of 1 January 2021;

- a reduction in payment appropriations of -EUR 0.7 billion foreseen for ReactEU and the Solvency Support Instrument following the decision not to change the MFF 2014-2020;

- the creation of a budget line for the Brexit Adjustment Reserve;

- reductions of the budgets of EU institutions, bodies and agencies, in particular the rejection of all increases to the staffing levels of the institutions in 2021.

EXPENDITURE BY MFF HEADINGS 2021-2027

The Council suggested adapting commitment appropriations (c/a) and updating the payment appropriations (p/a) as follows in relation to DB 2021:

(1) Single Market, Innovation and Digital (heading 1 of the MFF): EUR 20 691 823 712 in c/a and EUR 17 251 950 531 in p/a.

- The heading is characterised by an adjustment of commitment appropriations of EUR -668.15 million (of which EUR -758.01 million for Horizon Europe), and EUR -321.37 million for payment appropriations.

- The margin available under Heading 1 would amount to EUR 227.18 million.

(2) Cohesion and values (MFF heading 2): EUR 52 423 840 797 in c/a and EUR 66 008 897 578 in p/a.

Economic, social and territorial cohesion (MFF sub-heading 2a)

- The sub-heading is characterised by an adjustment of commitment appropriations of + EUR 1 041.53 million (of which + EUR 790.54 million for Regional Development and Cohesion), and + EUR 3 318.13 million for payment appropriations.

- There would be no margin available under sub-heading 2a.

Investment in competitiveness, people and values (MFF sub-heading 2b)

- The sub-heading is characterised by an adjustment in commitment appropriations of EUR -104.84 million (+EUR 268.68 million for recovery and resilience and -EUR 373.52 million for investment in people, social cohesion and values), and +EUR 65.59 million for payment appropriations.

- The margin available under sub-heading 2b would amount to EUR 362.16 million.

(3) Natural resources and environment (MFF heading 3): EUR 58 577 683 873 in c/a and EUR 56 879 737 700 in p/a.

- The heading is characterised by an adjustment in commitment appropriations of EUR +136.56 million (+EUR 164.32 million for market-related expenditure and direct payments, +EUR 351.24 million for agriculture and maritime policy, and -EUR 379 million for the Just Transition Fund), and -EUR 321.37 million for payment appropriations.

- The margin available under Heading 3 would amount to EUR 46.32 million.

(4) Migration and border management (MFF Heading 4): EUR 2 340 947 222 in c/a and EUR 2 583 803 611 in p/a.

- The heading is characterised by an adjustment in commitment appropriations of EUR -719.87 million (of which EUR -164.32 million for migration and EUR -489.64 million for border management), and EUR -139.68 million for payment appropriations.

- The margin available under Heading 4 would amount to EUR 126.05 million.

(5) Resilience, security and defence (MFF heading 5): EUR 1 681 907 319 in c/a and EUR 686 561 468 in p/a.

- The heading is characterised by an adjustment of commitment appropriations of EUR -507.12 million (of which EUR -129.1 million for the European Defence Fund), and EUR -1 123.9 million for payment appropriations.

- The margin available under heading 5 would amount to EUR 123.09 million.

(6) Neighbourhood and the world (MFF heading 6): EUR 15 318 190 665 in c/a and EUR 10 361 698 045 in p/a.

- The heading is characterised by an adjustment of commitment appropriations of EUR -795.43 million (of which EUR -749.94 million for the Neighbourhood, Development Cooperation and Cooperation Instrument), and EUR -57.11 million for payment appropriations.

- The margin available under Heading 6 would amount to EUR 928.81 million.

(7) European public administration (MFF heading 7): EUR 10 406 729 663 in c/a and EUR 10 408 004 752 in p/a.

In respect of the "Gentlemen's agreement", for the European Parliament it is suggested that the DB 2021 (Section I) be approved as it stands (EUR 2 060.62 million). An overall amount of EUR 595.09 million is suggested for the European Council and the Council. An overall amount of EUR 3 717.24 million is suggested for the administrative expenditure of the European Commission. An overall envelope of EUR 442.62 million is suggested for the Court of Justice’s budget.

The margin available under Heading 7 would amount to EUR 228.27 million.

Special instruments

It is suggested that the appropriations entered in the DB 2021 for special instruments be adjusted as follows: EUR -2 172.42 million in commitment appropriations and EUR -1 015.45 million in payment appropriations.

Revenue

In accordance with the Council's position on DB 2021, the total budget revenue of the Union amounts to EUR 164 827 015 797, corresponding to 1.18% of the EU's gross national income (GNI).