New General Budget of the European Union for the financial year 2021

2020/0371(BUD) - 14/12/2020 - Council position on draft budget

The Council adopted its position on the second draft general budget of the European Union for the financial year 2021, taking due account of the common understanding on the content of the 2021 budget reached in the Conciliation Committee on 4 December 2020.

Considering the progress towards the formal adoption of the Multiannual Financial Framework (MFF) package, this second draft general budget is proposed with a view to its adoption together with the new Multiannual Financial Framework 2021-2027 before the end of the year.

In the MFF, the overall ceiling for commitment appropriations is set at ***EUR 163 483 million***, which represents 1.17% of EU Gross National Income (GNI). The ceiling for payment appropriations is ***EUR 166 140 million***, i.e. 1.19% of GNI.

Overview of the second draft budget for 2021

- The overall level of commitment appropriations in the 2021 budget is set at ***EUR 164 251.5 million***. Overall, this leaves a margin below the MFF ceilings for 2021 of EUR 778.8 million in commitment appropriations.

- The overall level of payment appropriations in the 2021 budget is set at EUR 166 060.5 million. Overall, this leaves a margin below the MFF ceilings for 2021 of EUR 2 001.4 million in payment appropriations.

- The Flexibility Instrument for 2021 is mobilised in commitment appropriations for an amount of EUR 76.4 million for heading 2b Resilience and Values. The 2021 payment appropriations related to the mobilisation of the Flexibility Instrument in 2018, 2019, 2020 and 2021 are estimated by the Commission at EUR 628.5 million.

Appropriations proposed by MFF heading

Heading 1: Single market, innovation and digital

Commitment appropriations are set at EUR 20 816.6 million, leaving a margin of EUR 102.4 million under the expenditure ceiling for the heading. Payment appropriations are set at EUR 17 191.6 million.

Heading 2a: Economic, social and territorial cohesion

Commitment appropriations are set at EUR 48 190.5 million, leaving a margin of EUR 0.5 million under the expenditure ceiling for the heading. Payment appropriations amount to EUR 48 190.5 million.

Heading 2b: Resilience and values

Commitment appropriations are set at EUR 4 671.4 million, with no margin left under the expenditure ceiling for this heading and taking into account the mobilisation of the Flexibility Instrument for EUR 76.4 million. Payment appropriations amount to EUR 4 285.9 million.

Heading 3: Natural resources and environment

The level of commitment appropriations is set at EUR 58,568.6 million, leaving a margin of EUR 55.4 million under the expenditure ceiling for this heading. Payment appropriations amount to EUR 56 804.2 million.

Heading 4: Migration and border management

The level of commitment appropriations is set at EUR 2 278,8 million, leaving a margin of EUR 188,2 million under the expenditure ceiling of heading.

Heading 5: Security and defence

Commitment appropriations are set at EUR 1 709.3 million, leaving a margin of EUR 95.7 million under the expenditure ceiling for this heading. Payment appropriations are set at EUR 670.6 million.

Heading 6: Neighbourhood and the world

Commitment appropriations are set at EUR 16 097.2 million, leaving a margin of EUR 149.8 million under the expenditure ceiling for the heading. Payment appropriations amount to EUR 10 811.0 million.

Heading 7: Administration

Taking all institutions together, and including pensions and the European Schools, commitment and payment appropriations are set at EUR 10 448.3 and EUR 10 449.6 million respectively. This results in an unallocated margin of EUR 186.7 million.

Joint statements of the institutions

The draft includes five joint statements on:

- payment appropriations and the close monitoring during the financial year 2021 the implementation of the programmes for the period 2014-2020;

- the fight against the consequences of the COVID-19 crisis, paying particular attention to the sectors of the economy most affected by the crisis, such as tourism and SMEs, and to the people most affected by the crisis, such as children and young people;

- the Brexit adjustment reserve;

- the fight against child poverty in the framework of the European Social Fund+;

- the governance of decentralised agencies.