

# 2022 general budget: all sections

2021/0227(BUD) - 24/08/2021 - Council position on draft budget

The Council adopted its position on the draft general budget of the European Union for the year 2022 (DB 2022). The 2022 budget will be complemented by Next Generation EU funds designed to help boost Europe's economic recovery.

## ***APPROPRIATIONS AND APPROACH***

The Council's position on the DB 2022 amounts to:

- **EUR 167 662 million in commitment appropriations** (EUR 167 793.3 million in the Commission's DB 2022);
- **EUR 169 966 million in payment appropriations** (EUR 169 391.9 million in the Commission's 2022 DB).

The total amount of payment appropriations foreseen in the Council's position corresponds to **1.14%** of the EU's Gross National Income (GNI) (based on the May 2021 GNI forecast).

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

- guiding principles of **prudent and realistic budgeting**, with adequate resources to support clearly defined priorities and to allow sufficient margins under the ceilings to deal with unforeseen circumstances;
- **back-loading part of the financing** of some budget lines to the second part of the Multiannual Financial Framework (MFF) 2021-2027 period, in order to ensure: (i) a realistic absorption capacity; (ii) an appropriate acceleration of the implementation of programmes by avoiding excessive increases compared to 2021;
- **adjustments of payment appropriations** mainly due to the proposed correction of repayment costs of the funds borrowed in the capitals market in the framework of the European Union Recovery Instrument, to take into account lower interest rates;
- the need for EU bodies and agencies to respect and implement all elements of the Multiannual Financial Framework (MFF) 2021-2027 when establishing and implementing the 2022 budget, in particular as regards the level of **staff resources**. The additional needs should primarily be covered by reprioritising expenditure.

Furthermore, the Council expressed reservations regarding the European Parliament's expenditure statement and establishment plan for 2022 and recalls its intention to examine these elements further in the context of the negotiations on the establishment of the Union's annual budget for 2022.

## ***EXPENDITURE BY HEADING IN THE 2021-2027 MFF***

The Council has changed the commitment appropriations (c/a) and updated the payment appropriations (p/a) as follows in relation to the DB 2022:

***(1) Single Market, Innovation and Digital (heading 1 of the MFF): EUR 21 219 091 840 in c/a and EUR 21 588 101 276 in p/a***

- the heading is characterised by an adjustment of commitment appropriations of EUR -425.05 million (of which EUR -316 million for Horizon Europe), and of EUR -141.20 million for payment appropriations;
- the margin available under heading 1 would be EUR 658.91 million.

***(2) Cohesion and Values (heading 2 of the MFF): EUR 56 072 406 716 in c/a and EUR 56 499 743 963 in p/a***

***Economic, Social and Territorial Cohesion (sub-heading 2a of the MFF)***

- the Council accepted the level of both commitment and payment appropriations as it stands (EUR 49 706 million and EUR 56 349 million, respectively) in the DB 2022, as proposed by the European Commission;
- the margin available under sub-heading 2a would be EUR 32.87 million, as proposed by the European Commission.

***Resilience and Values (sub-heading 2b of the MFF)***

- the sub-heading is characterised by a total reduction in commitment appropriations of EUR -391.44 million (EUR -373.00 million for Recovery and Resilience and EUR -18.44 million for Investing in People, Social Cohesion and Values), and of EUR -336.77 million for payment appropriations;
- the margin available under sub-heading 2b would amount to EUR 459.98 million.

***(3) Natural resources and environment (heading 3 of the MFF): EUR 56 072 406 716 in c/a and EUR 56 499 743 963 in p/a***

- the heading is characterised by a reduction in commitment appropriations of EUR -25 million for the Environment and Climate Action Programme (LIFE) and EUR -8.33 million for payment appropriations;
- the margin available under heading 3 would amount to EUR 446.59 million.

***(4) Migration and border management (heading 4 of the MFF): EUR 3 078 967 387 in c/a and EUR 3 075 985 566 in p/a***

- the heading is characterised by a reduction in commitment appropriations of EUR -45 million for the decentralised bodies, namely the European Border and Coast Guard Agency (Frontex) and EUR -45 million for payment appropriations. The amount of EUR 45 million allocated to Frontex would be carried over to the years 2023-2027;
- the margin available under heading 4 would amount to EUR 112.03 million.

***(5) Security and defence (heading 5 of the MFF): EUR 1 765 291 945 in c/a and EUR 1 231 194 518 in p/a***

- the heading is characterised by a reduction in commitment appropriations of - EUR 20 million for the Internal Security Fund (ISF) and - EUR 6.67 million for payment appropriations;
- the margin available under heading 5 would amount to EUR 102.71 million.

***(6) Neighbourhood and the World (heading 6 MFF): EUR 16 197 442 918 in c/a and EUR 12 243 385 271 in p/a***

- the heading is characterised by a reduction in commitment appropriations of EUR -501 million, of which EUR -500.00 million for the Neighbourhood, Development and International Cooperation Instrument (NDICI), and of EUR -163.67 million for payment appropriations;

- the margin available under heading 6 would amount to EUR 604.56 million.

***(7) European public administration (heading 7 of the MFF): EUR 10 822 495 097 in c/a and EUR 10 822 595 097 in p/a***

In line with the relevant European Council conclusions, the Council has decided to stabilise the staffing levels of all institutions, with the exception of the European Parliament, at those of 2021, thus refusing any additional posts requested by the institutions. If needs increase, they should be covered by redeployments within the institution concerned. Therefore, the following adjustments have been made to the establishment plans in the DB 2022.

For the European Parliament, it is suggested not to modify the Commission proposal at this stage and to provisionally foresee EUR 2 112.9 million, which represents an increase of + 2.4 % compared to the 2021 budget.

The margin available under heading 7 would amount to EUR 235.50 million.

***Special instruments: EUR 2 799 169 974 in c/a and EUR 2 622 837 592 in p/a***

It is suggested to maintain the appropriations entered in the DB 2022 for the Solidarity and Emergency Aid Reserve, the European Globalisation Adjustment Fund and the Flexibility Instrument. It is proposed to introduce the amount of EUR 1 298 918 592 for both commitment and payment appropriations to take account of the political agreement on the Brexit adjustment reserve regulation.

### ***Revenue***

In line with the Council's position on the DB 2022, the total budgetary revenue of the Union amounts to EUR 169 966 422 608, which corresponds to 1.14 % of the EU's gross national income (GNI).