2024 general budget: all sections

2023/0264(BUD) - 05/07/2023 - Commission draft budget

PURPOSE: presentation by the Commission of the EU's annual draft budget for the year 2024.

CONTENT: the EU faced **exceptional challenges** in the last years, including the COVID-19 pandemic, dramatic natural disasters and migration issues. In addition, rapidly rising inflation has put considerable pressure on the budget's ability to respond to new developments. Russia's war of aggression against Ukraine and the accompanying weaponisation of energy supplies have had serious economic and financial repercussions in Europe, its neighbourhood and the rest of the world.

Addressing these challenges considerably constrains the ability of the budget to further respond to new developments, but the draft budget for 2024 again provides key funding to the Union’s shared priorities, including the **green and digital transitions**.

NextGenerationEU, the European Union Recovery Instrument, continues to provide extraordinary support to investments and reforms across the Union, notably through the Recovery and Resilience Facility (RRF). With REPowerEU, the financial means of the RRF have been strengthened to respond to the energy challenges emerging from Russia’s war of aggression.

The budget remains on track to **dedicate 30% of the long-term budget** and the NextGenerationEU recovery instrument on combatting climate change. The budget will keep driving Europe's ongoing economic recovery and create jobs, while strengthening Europe's strategic autonomy.

DRAFT BUDGET 2024

The draft budget 2024 sets appropriations of **EUR 189.3 billion in commitments, and EUR 143.1 billion in payments**, including special instruments, leaving EUR 30.6 billion of margin below the payment ceiling for 2024. The budget will be complemented by an estimated EUR 113 billion in payments for grants under **NextGenerationEU**, the EU's post-pandemic recovery instrument. In total, commitment appropriations increase by **1.4%** compared to the commitment appropriations entered in the 2023 budget.

This proposal is fully in line with the current regulation setting the Multiannual Financial Framework (MFF), reflecting its limits after three years of unprecedented crises, in a geopolitical and economic context totally different from the one prevailing in December 2020.

The draft 2024 budget is the halfway point in the current 2021-2027 MFF. The Commission will shortly present a mid-term review of the MFF to the European Parliament and the Council.

APPROPRIATIONS BY HEADING OF THE MFF 2021-2027

To meet the EU's various priorities, the Commission proposes to allocate the following amounts (in commitment appropriations):

Heading 1 - Single Market, Innovation and Digital: EUR 21.4 billion

- EUR 13.6 billion for research and innovation, including EUR 12.8 billion for Horizon Europe, the Union's flagship research programme. The Draft Budget also includes the financing of the European Chips Act under Horizon Europe and through redeployment from other programmes;

- EUR 4.6 billion for European strategic investments, including EUR 2.7 billion for the Connecting Europe Facility to improve cross-border infrastructure, EUR 1.3 billion for the Digital Europe Programme to shape the Union's digital future, and EUR 348 million for InvestEU for key priorities (research and innovation, twin green and digital transition, the health sector, and strategic technologies);

- EUR 947 million to ensure the functioning of the Single Market, including EUR 602 million for the Single Market Programme, and EUR 200 million for work on anti-fraud, taxation, and customs;

- EUR 2.1 billion for spending dedicated to space, mainly for the European Space Programme, which will bring together the Union's action in this strategic field.

- EUR 213 million for secure satellite connections under the new Union Secure Connectivity Programme.

Sub-heading 2a - Economic, social and territorial cohesion: EUR 64.6 billion

- EUR 47.9 billion for regional development and cohesion to support economic, social and territorial cohesion, as well as infrastructure supporting the green transition and the Union's priority projects;

- EUR 16.7 billion for the European Social Fund Plus (ESF+) to help Member States achieve high levels of employment, fair social protection and a skilled and resilient workforce ready for the transition to a green and digital economy.

Sub-heading 2b - Resilience and values: EUR 10.3 billion

- EUR 10.3 billion for people, social cohesion and values, including EUR 3.96 billion for increased borrowing costs for NGEU, EUR 3.7 billion Erasmus+ to create education and mobility opportunities for people, EUR 332 million to support artists and creators across Europe and EUR 215 million to promote justice, rights and values;

- 754 million for EU4Health to ensure a comprehensive health response to the needs of the population, as well as 230 million for the Union's civil protection mechanism (rescEU) to be able to rapidly deploy operational assistance in the event of a crisis.

Heading 3 - Natural resources and the environment: EUR 57.3 billion

- EUR 53.8 billion for the Common Agricultural Policy and EUR 1.1 billion for the European Maritime Affairs, Fisheries and Aquaculture Fund, for European farmers and fishermen, but also to strengthen the resilience of the agri-food and fisheries sectors and to provide the necessary opportunities for crisis management;

- EUR 2.4 billion for the environment and climate action, including EUR 745 million for the LIFE programme to support climate change mitigation and adaptation, and EUR 1.5 billion for the Just Transition Fund to ensure that the green transition benefits everyone.

Heading 4 - Migration and border management: EUR 3.9 billion

- EUR 2.2 billion for border protection, including EUR 1.1 billion for the Integrated Border Management Fund (IBMF) and EUR 874 million (total EU contribution) for the European Border and Coast Guard Agency (Frontex);

- EUR 1.7 billion for migration-related expenditure, including EUR 1.5 billion to support migrants and asylum seekers in line with EU values and priorities.

Heading 5 - Security and defence: EUR 2.3 billion

- EUR 1.6 billion to meet defence challenges, including EUR 638 million to support capability development and research under the European Defence Fund (EDF), EUR 241 million to support military mobility, EUR 260 million for the new short-term defence instrument (EDIRPA) and EUR 343 million to support munitions production;

- EUR 726 million for security, including EUR 315 million for the Internal Security Fund (ISF), which will combat terrorism, radicalisation, organised crime and cybercrime.

Heading 6 - Neighbourhood and the world: EUR 15.8 billion

- EUR 11.4 billion under the Neighbourhood, Development Cooperation and International Cooperation Instrument - Europe in the World (NDICI - Global Europe), EUR 2.1 billion for the Instrument for Pre-Accession Assistance (IPA III) and EUR 1.7 billion for humanitarian aid (HUMA).

Heading 7 - European public administration: EUR 11.9 billion

- EUR 2.5 billion for staff pensions and EUR 247 million for the contribution to the financing of the European Schools;

- EUR 9.1 billion for expenditure by the institutions (including EUR 2.3 billion for the European Parliament).

Thematic special instruments: EUR 1.5 billion

The 'thematic special instruments' include the Solidarity and Emergency Aid Reserve, the European Globalisation adjustment Fund for redundant workers (EGF) and the Brexit adjustment reserve.