

Amending budget 1/2024: amendments required due to the MFF revision

2024/0056(BUD) - 25/04/2024 - Budgetary text adopted by Parliament

The European Parliament adopted by 465 votes to 53, with 16 abstentions, a resolution on the Council position on Draft amending budget No 1/2024 of the European Union for the financial year 2024 Amendments of the 2024 budget required due to the MFF revision.

Parliament **approved** the Council position on the draft amending budget No 1/2024.

MFF revision

Draft amending budget No 1/2024 is focused on including in the 2024 budget the necessary changes stemming from the recently agreed MFF revision. It increases expenditure by **EUR 5 833.7 million** in commitment appropriations and **EUR 4 143.6 million** in payment appropriations.

With the adoption of this Draft amending budget, the 2024 Union budget will be more fit for purpose, more flexible and better equipped to meet the challenges the Union faces.

Ukraine reserve

Parliament welcomed the proposal to mobilise EUR 4.8 billion from the newly created Ukraine Reserve to enable the payment of grants to Ukraine. The payment of loans does not require an amending budget and therefore that the Union is already providing support to the Ukrainian government so that it can maintain essential services. The grant- and loan-based financial support through the Ukraine Facility will help to keep the state and essential services functioning, while supporting Ukraine on its path to reconstruction, recovery, reform and membership of the Union.

European Defence Fund

The resolution welcomed the EUR 376 million reinforcement for the European Defence Fund (EDF) in 2024, resulting from the Strategic Technologies for Europe Platform (STEP) Regulation(10); notes that, in contrast to the legislative financial statement annexed to the STEP proposal, the Commission now considers that no additional payment appropriations are required in 2024.

On 5 March 2024, the Commission put forward a proposal to establish a new defence programme - the European Defence Industry Programme - for the period 2025-2027, with a planned transfer of EUR 1.5 billion from the EDF, precisely the amount of the EDF reinforcement agreed under STEP. Parliament insisted that the additional resources assigned to the EDF for the remainder of the MFF period be used for STEP objectives as per the agreement of the co-legislators.

Western Balkans

The resolution welcomed the additional EUR 500 million for the Western Balkans, placed in reserve subject to the adoption of the proposed regulation establishing the Reform and Growth Facility for the Western Balkans. Parliament intends, with the Council, to review the nomenclature as part of the 2025 budgetary procedure in order to ensure appropriate political and budgetary scrutiny.

Emergency Aid Reserve

The Union will be better able to respond to crises as a result of the increased financing for natural disasters and other emergencies included in Draft amending budget No 1/2024. This Draft amending budget creates new lines in accordance with the decision to split the Solidarity and Emergency Aid Reserve into two parts - the **European Solidarity Reserve** for natural disasters and public health emergencies within the Union and in accession countries and the **Emergency Aid Reserve** for rapid response to emergencies inside and outside the Union. This new architecture will make the funds easier to manage.

Humanitarian aid

Recalling that humanitarian aid for Ukraine is not covered by the Ukraine Facility, Parliament called on the Commission to monitor humanitarian aid needs closely and to propose any necessary measures to the budgetary authority in good time. In this regard, the Flexibility Instrument has been reinforced by around EUR 500 million for 2024 as part of the MFF revision.

European Globalisation Adjustment Fund

Parliament noted that the 2024 allocation for the European Globalisation Adjustment Fund for Displaced Workers (EGF) is reduced to EUR 33.8 million, in accordance with the revised MFF Regulation. The Commission is called on to monitor EGF implementation and for all institutions to take any necessary measures to ensure that all justified requests for EGF support, as a manifestation of Union solidarity, can be met.

Artificial Intelligence Act (AI Office)

Members noted the changes to the budgetary remarks to enable the Digital Europe programme to finance the costs of recruiting contractual agents for the Artificial Intelligence Office established under the recently agreed Artificial Intelligence Act. They insisted that covering staffing costs for the new Office in this manner is acceptable only as a temporary fix and does not constitute a precedent, that a long-term structural solution under Heading 7 must be found beyond the current MFF.