

Amending budget 5/2024: adjustment in payment appropriations, update of revenues and other technical updates

2024/0252(BUD) - 27/11/2024 - Budgetary text adopted by Parliament

The European Parliament adopted by 525 votes to 75, with 81 abstentions, a resolution on the Council position on Draft amending budget No 5/2024 of the European Union for the financial year 2024 - adjustment in payment appropriations, update of revenues and other technical updates.

Parliament approved the Council position on Draft amending budget No 5/2024.

As a reminder, the purpose of Draft amending budget No 5/2024 is to make adjustments to expenditure, in particular as regards payment appropriations, and to update revenue for the Union budget:

- in relation to **expenditure**, Draft amending budget No 5/2024 entails a **net increase of EUR 44.5 million in commitment appropriations and EUR 2.95 billion in payment appropriations**, owing to the absence of any available margin under Headings 2b, 5 and 7 of the multiannual financial framework (MFF), a further EUR 7.2 million is proposed to be mobilised from the Flexibility Instrument and an additional EUR 68.5 million to be used from compartment (a) of the Single Margin Instrument;

- on the **revenue** side, Draft amending budget No 5/2024 enters into the 2024 budget definitive fines and penalties paid up to October 2024, totalling EUR 2.82 billion, meaning that additional GNI contributions of EUR 139.9 million are required to meet the payment needs.

Draft amending budget No 5/2024 also introduces new revenue and expenditure budget lines for the Ukraine Loan Cooperation Mechanism, under which support will be provided through loans serviced and repaid by future flows of revenue from immobilised Russian sovereign assets.

Parliament welcomed the increased payment needs for the **European Regional Development Fund (ERDF)**, coupled with those for the Common Agricultural Policy in the Global Transfer, as a sign that programme implementation is gathering pace after a worryingly slow start in the 2021-2027 period.

Members noted that the increased payment needs are almost entirely covered through revenue from fines and penalties, in particular the EUR 2.4 billion competition fine imposed on Google for antitrust infringements.

Stressing the need for **long-term sustainable revenue for the Union budget**, Parliament urged the the Council and the Member States to adopt those proposals swiftly in order to increase the own resources available to the Union budget. It recalled its long-standing position that fines and fees should be used as supplementary revenue for the Union budget.

Members underlined the importance of **sustained financial support** to Ukraine in a context where financing under the Ukraine Facility and existing macro-financial assistance (MFA) arrangements falls short of needs.

Parliament took note of the **higher-than-budgeted salary adjustment** for 2024, which impacts both remuneration and pensions, with a higher-than-forecast number of new pensioners in 2024 further pushing up pension costs. It welcomed the fact that almost all additional costs across institutions have been

covered through internal redeployments and that recourse to the Single Margin Instrument is therefore contained.

Members underlined that the salary adjustment also affects **decentralised agencies**, which have been struggling with inflation above the 2 % deflator by which their annual budgets increase and are particular insofar as staff and operating costs represent a large portion of their outgoings. They reiterated that the current treatment of decentralised agencies' budgets requires further reflection as part of the Commission's preparations for the post-2027 MFF.

Parliament took note of the increase in appropriations for European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA) to cover rising costs, though is concerned about the corresponding decrease in appropriations for the European Union Asylum Agency (EUAA). It called on the Commission to work closely with both agencies to ensure that they are equipped to perform their tasks in full and absorb the additional appropriations assigned to them.

Members welcomed the additional appropriations for the EU Agency for Law Enforcement Training (CEPOL) in 2024 in the wake of the June 2024 cyber-attack on the agency. They insisted on the need for lessons to be learnt and for further technical support to be provided to other agencies and institutions by the Cybersecurity Service for the Union entities (CERT-EU), in view of the high cybersecurity threat and in order to ensure that another attack does not compromise any Union agency or institution.

Parliament is deeply concerned by the delays in the set-up phase of the newly established Anti-Money Laundering Authority, in particular in relation to recruitment.