Basic information

2018/2275(BUD) BUD - Budgetary procedure	Procedure completed
New general budget of the European Union for the financial year 2019 **Subject** 8.70.59 2019 budget	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
BUDG Budgets	RÜBIG Paul (PPE) VIOTTI Daniele (S&D)	30/11/2018 30/11/2018
	Shadow rapporteur HOHLMEIER Monika (PPE) GARDIAZABAL RUBIAL Eider (S&D) KÖLMEL Bernd (ECR) DEPREZ Gérard (ALDE) ALI Nedzhmi (ALDE) NÍ RIADA Liadh (GUE/NGL) OMARJEE Younous (GUE/NGL) TARAND Indrek (Verts/ALE) VALLI Marco (EFDD) ZANNI Marco (ENF) ŻÓŁTEK Stanisław (ENF)	

Committee for opinion	Rapporteur for opinion	Appointed
AFET Foreign Affairs	The committee decided not to give an opinion.	
DEVE Development	The committee decided not to give an opinion.	
INTA International Trade	The committee decided not to give an opinion.	

CONT Budgetary Control	The committee decided not to give an opinion.	
ECON Economic and Monetary Affairs	The committee decided not to give an opinion.	
EMPL Employment and Social Affairs	The committee decided not to give an opinion.	
ENVI Environment, Public Health and Food Safety	The committee decided not to give an opinion.	
ITRE Industry, Research and Energy	The committee decided not to give an opinion.	
IMCO Internal Market and Consumer Protection	The committee decided not to give an opinion.	
TRAN Transport and Tourism	The committee decided not to give an opinion.	
REGI Regional Development	The committee decided not to give an opinion.	
AGRI Agriculture and Rural Development	The committee decided not to give an opinion.	
PECH Fisheries	The committee decided not to give an opinion.	
CULT Culture and Education	The committee decided not to give an opinion.	
JURI Legal Affairs	The committee decided not to give an opinion.	
LIBE Civil Liberties, Justice and Home Affairs	The committee decided not to give an opinion.	
AFCO Constitutional Affairs	The committee decided not to give an opinion.	
FEMM Women’s Rights and Gender Equality	The committee decided not to give an opinion.	

	PETI Petitions	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
General Affairs	3663	2018-12-11

European Commission

Commission DG	Commissioner
Budget	OETTINGER Günther

Key events

Date	Event	Reference	Summary
30/11/2018	Commission draft budget published	COM(2018)0900	Summary
10/12/2018	Vote in committee		
10/12/2018	Budgetary report tabled for plenary	A8-0454/2018	Summary
11/12/2018	Council position on draft budget published	15209/2018	Summary
11/12/2018	Committee referral announced in Parliament		
11/12/2018	Debate in Parliament		
11/12/2018	Draft budget approved by Council		
12/12/2018	Decision by Parliament	T8-0503/2018	Summary
12/12/2018	Results of vote in Parliament		
07/03/2019	Final act published in Official Journal		

Technical information

Procedure reference	2018/2275(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Budget
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/8/15108

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE631.894	06/12/2018	
Amendments tabled in committee		PE631.963	07/12/2018	
Budgetary report tabled for plenary, 1st reading		A8-0454/2018	10/12/2018	Summary
Budgetary text adopted by Parliament		T8-0503/2018	12/12/2018	Summary

Council of the EU

Document type	Reference	Date	Summary
Document attached to the procedure	15205/2018	06/12/2018	
Council position on draft budget	15209/2018	11/12/2018	Summary

European Commission

Document type	Reference	Date	Summary
Commission draft budget	COM(2018)0900	30/11/2018	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Budget 2019/0333
OJ L 067 07.03.2019, p. 0001 Summary

New general budget of the European Union for the financial year 2019

2018/2275(BUD) - 07/03/2019 - Final act

PURPOSE: general budget of the European Union for the 2019 financial year.

LEGISLATIVE ACT: Definitive adoption (EU, Euratom) 2019/333 of the general budget of the European Union for the financial year 2019.

CONTENT: following the agreement between the Council and the European Parliament, the EU budget for 2019 was adopted.

The EU budget for 2019 amounts to **EUR 165.8 billion** in commitment appropriations (representing an increase of 3.2% compared to the 2018 budget as amended in recent months) and **EUR 148.2 billion** in payment appropriations (corresponding to an increase of 2.4% compared to the 2018 budget).

A margin of EUR 1.3 billion remains available under the ceilings of the Multiannual Financial Framework (MFF) to allow the EU to respond to unforeseen events and needs.

Priority to growth, employment and youth

Close to half of the funds – EUR 80.5 billion in commitments – will go towards boosting the European economy, employment and competitiveness:

- EUR 12.3 billion shall go to Horizon 2020 (+10% compared to 2018) – including EUR 194 million for a new European High Performance Computing Joint Undertaking – and EUR 3.8 billion will support infrastructure networks through the Connecting Europe Facility (CEF);

- a further EUR 57.2 billion via the European Structural and Investment Funds (ESI Funds) will help narrow economic gaps, nationally as well as between Member States;

With regard to young people, it should be noted:

- a new impetus for Erasmus+, with EUR 2.8 billion for youth exchanges, representing an increase of 19.5% compared to 2018;

- an additional EUR 350 million via the Youth Employment Initiative (YEI) to help young people who are looking for work in regions with high unemployment rates;

- increased opportunities to volunteer or work on projects through the European Solidarity Corps, for which support has more than tripled compared to 2018 (EUR 143 million).

European farmers will benefit from EUR 59 billion.

Migration and security management

Security shall be enhanced within and beyond the EU's borders through:

- the provision of additional resources for the European Border and Coast Guard Agency, the European Union Asylum Agency and other agencies working on border and visa issues. The Internal Security Fund shall receive EUR 534 million;

- the strengthening of the Asylum, Migration and Integration Fund, with EUR 1.1 billion (+55.9% compared to 2018) allocated to migration management;

- a contribution of EUR 1.45 billion from the 2019 EU budget to the EU Refugee Facility in Turkey to provide Syrian refugees with assistance in key areas such as health care and schooling.

It is also important to note that the 2019 EU budget:

- strengthens action in favour of the environment and climate, by making available an amount of EUR 558 million under the LIFE programme, i.e. 6.7% more than in 2018;

- provides an additional amount of EUR 1.2 million for the European External Action Service to hire additional staff for strategic communications and the fight against misinformation.

Pre-accession funds for Turkey have been cut in relation to financial programming in view of the situation of democracy, the rule of law, human rights and freedom of the press in that country. The reduction in the 2019 budget amounts to EUR 146.7 million.

Commitment appropriations by MFF headings 2014-2020 (in EUR billion)

1. Smart and inclusive growth: 80.527 (+3.9%)

- Competitiveness for growth and employment: 23.335 (+6.1%)

- Economic, social and territorial cohesion: 57.192 (+3.0%)

2. Sustainable growth: natural resources: 59.642 (+0.7%)

- Market-related expenditure and direct aids: 43.192 (-0.1%)

3. Security and citizenship: 3,787 (+8.4%)

4. Global Europe: 11,319 (+12.4%)

5. Administration: 9.943 (+2.9%)

Other special instruments: 0.577 (-17.5%).

The budget is based on the principle that the United Kingdom, after its withdrawal scheduled for 30 March 2019, will continue to contribute and participate in the implementation of EU budgets until the end of 2020, as if it were still a Member State.

New general budget of the European Union for the financial year 2019

2018/2275(BUD) - 12/12/2018 - Budgetary text adopted by Parliament

The European Parliament adopted by 451 votes to 142, with 78 abstentions, a resolution on the Council position on the second draft general budget of the European Union for the financial year 2019.

The European Parliament approved the Council's position on the second draft general budget of the European Union for the 2019 financial year and the joint statements annexed to the resolution.

Commitment appropriations

Members welcomed the overall level of commitment appropriations agreed, which represents an increase of EUR 1.728 million compared to the original reading of the Council. The increases obtained in the negotiations worth EUR 943 million correspond to Parliament's main political priorities, namely in support of researchers, young people, SMEs, tackling root causes of migration, climate change, increasing the security of EU citizens, and defence.

Payment appropriations

Parliament welcomed the 2.4% increase in total agreed payment appropriations for 2019 compared to 2018. As the amount of payments represents only 0.9% of the Union's GNI, Members stressed the importance of the joint statement on payment appropriations, in which Parliament and the Council commit to take necessary decisions to cover any insufficient needs to be covered.

Refugee Facility in Turkey (FRT)

Parliament regretted the Council's intransigence on the issue of financing the second tranche of FRT, to which the Union will contribute EUR 2 billion and the Member States EUR 1 billion. It reiterated that new initiatives must not be financed to the detriment of existing EU projects and that budgetary satellites such as FRT should not be created in the post-2021 MFF.

Strengthening of subheading 1a

Members insisted, in line with the joint statement by Parliament, the Council and the Commission, that the agreed reinforcement of the Horizon 2020 and Erasmus+ programmes by an amount of EUR 100 million in an amending budget in 2019 will not be financed through redeployments from other programmes but through fresh appropriations.

Creation of posts

The creation of five posts and the related increase of appropriations by the Commission in the 2019 DB to prevent any bottleneck that might be detrimental to the productivity of the courts in the context of new activities taken up by the Court and of continuous increase of the workload especially due to Brexit. It was pointed out, however, that the real need for the ECJ was 16 new permanent posts for the support services.

BUDGET 2019 - JOINT CONCLUSIONS

The 'draft package' concluded after difficult negotiations by Parliament and the Council during the trilogue of 4 December 2018 consists of the following elements:

- the overall level of commitment appropriations (c/a) in the budget 2019 is set at EUR 165 795.6 million. Overall, this leaves a margin below the MFF ceilings for 2019 of EUR 1 291.1 million in c/a;

- the overall level of payment appropriations (p/a) in the budget 2019 is set at EUR 148 198.9 million;

- the Flexibility Instrument for 2019 is mobilised in c/a for an amount of EUR 1 164.3 million for sub-heading 1a (Competitiveness for Growth and Jobs) and heading 3 (Security and Citizenship);

- the Global Margin for Commitments is used at the level of EUR 1 476.0 million for sub-heading 1a (Competitiveness for Growth and Jobs), sub-heading1b (Economic, Social and Territorial Cohesion) and heading 4 (Global Europe);

- the Contingency Margin mobilised in 2017 is offset for EUR 253.9 million against the unallocated margins under heading 5 (Administration);

- the 2019 p/a related to the mobilisation of the Flexibility Instrument in 2016, 2017, 2018 and 2019 are estimated by the Commission at EUR 961.9 million.

MFF EXPENDITURE HEADINGS – COMMITMENT APPROPRIATIONS

Heading 1a (Competitiveness for growth and jobs)

- Commitment appropriations amount to EUR 23 145.4 million. This is an increase of 5.2% compared to 2018, which mainly concerns the Connecting Europe Facility (CEF), Horizon 2020, Erasmus and the European Defence Industrial Development Programme (EDIDP), leaving no margin in this heading and requiring the use of the global margin for commitments (EUR 63.4 million);

- Payment appropriations increase by 2.1 % to EUR 20 521.5 million.

Heading 1b (Economic, social and territorial cohesion)

- Commitment appropriations increase by 3.0 % to EUR 57 192.0 million, leaving no margin under this heading after using the global margin for commitments to finance the Youth Employment Initiative (EUR 350.0 million).

- Payment appropriations increase by 1.1 % to EUR 47 035.4 million.

Heading 2 (Sustainable growth: natural resources)

- The proposed commitment appropriations amount to EUR 59 642.1 million. This level of expenditure represents an increase of 0.7% compared to 2018 and leaves a significant margin of EUR 701.9 million under the ceiling.

- Payment appropriations amount to EUR 57 399.9 million, which represents an increase of 2.4 % compared to 2018. Integrating the latest update on assigned revenue, the funding for market-related expenditure and direct aids is EUR 43 191.9 million in commitment appropriations, and EUR 43 116.4 million in payment appropriations.

Heading 3 (Security and citizenship)

- The proposed commitment appropriations increase to EUR 3 786.6 million (an increase of 8.4%), leaving no margin under this heading after the mobilisation of the flexibility instrument (EUR 985.6 million).

- Payment appropriations increase by 18.3 % to EUR 3 527.4 million.

Heading 4 (Global Europe)

- Commitment appropriations increase by 12.4% to EUR 11 319.3 million (taking into account the impact of the extension of the refugee facility in Turkey), leaving no margin under this heading and requiring the use of the overall margin for commitments (EUR 1 051.3 million).

- Payment appropriations increase by 5.1 % to EUR 9 358.3 million.

Heading 5 (Administration)

All institutions combined, and including pensions and the European Schools, appropriations increase by 2.9 %, both for commitments (EUR 9 943.0 million) and payments (EUR 9 944.9 million). The resulting unallocated margin is EUR 589.1 million, after the offset of the use of the Contingency Margin for migration-related expenditure mobilised in 2017 (EUR 253.9 million).

JOINT STATEMENTS

The draft package with the Council also contains four joint statements and one unilateral statement. These statements concern:

Payment appropriations

The statement recalled the need to ensure, in the light of implementation, an orderly progression of payments in relation to the appropriations for commitments so as to avoid any abnormal level of unpaid invoices at year-end.

The Youth Employment Initiative

Reducing youth unemployment remains a high and shared political priority and reaffirm their determination to make the best possible use of budgetary resources to reach this goal, and in particular through the Youth Employment Initiative (YEI).

Climate mainstreaming

The statement recalled the importance of building a low-carbon, resource-efficient and climate resilient economy and investing at least 20% of the EU budget in climate-related expenditure over the period 2014-2020.

The reinforcement of sub-heading 1a through an amending budget

Due to the limited availabilities of the Flexibility Instrument and the Global Margin For Commitments, the European Parliament and the Council have agreed to budget EUR 100 million in an amending budget in 2019 to reinforce Horizon 2020 and Erasmus+.

New general budget of the European Union for the financial year 2019

2018/2275(BUD) - 10/12/2018 - Budgetary report tabled for plenary, 1st reading

The Committee on Budgets adopted the report by Daniele VIOTTI (S&D, IT) (Section III - Commission) and Paul RUBIG (EPP, AT) (other sections) on the Council's position on the second draft general budget of the European Union for the financial year 2019.

The ‘draft package’ agreed, after difficult and intense negotiations, by Parliament and Council during the trilogue of 4 December 2018 consists of two elements:

- the Union Budget for the year 2019 set at a level of EUR 165 795.6 million and EUR 148 198.9 million, respectively in commitment and payment appropriations;

- four joint statements as well as one unilateral statement. These statements cover payment appropriations, the youth employment initiative, climate mainstreaming and the strengthening of subheading 1a (Horizon 2020 and Erasmus+ programmes) through an amending budget.

Members recommended that the European Parliament approve the Council's position on the second draft general budget of the European Union for the 2019 financial year and the joint statements annexed to the resolution.

Commitment appropriations

Members welcomed the overall level of commitment appropriations agreed, which represents an increase of EUR 1.728 million compared to the original reading of the Council. The increases obtained in the negotiations worth EUR 943 million correspond to Parliament's main political priorities, namely in support of researchers, young people, SMEs, tackling root causes of migration, climate change, increasing the security of EU citizens, and defence.

Payment appropriations

The report welcomed the 2.4% increase in total agreed payment appropriations for 2019 compared to 2018. As the amount of payments represents only 0.9% of the Union's GNI, Members stressed the importance of the joint statement on payment appropriations, in which Parliament and the Council commit to take necessary decisions to cover any insufficient needs to be covered.

Refugee Facility in Turkey (FRT)

Members regretted the Council's intransigence on the issue of financing the second tranche of FRT, to which the Union will contribute EUR 2 billion and the Member States EUR 1 billion. They reiterated that new initiatives must not be financed to the detriment of existing EU projects and that budgetary satellites such as FRT should not be created in the post-2021 MFF.

Strengthening of subheading 1a

Members insisted, in line with the joint statement by Parliament, the Council and the Commission, that the agreed reinforcement of the Horizon 2020 and Erasmus+ programmes by an amount of EUR 100 million in an amending budget in 2019 will not be financed through redeployments from other programmes but through fresh appropriations.

New general budget of the European Union for the financial year 2019

2018/2275(BUD) - 30/11/2018 - Commission draft budget

PURPOSE: presentation of the second draft general budget of the European Union for the 2019 financial year.

BACKGROUND: on 21 June 2018, the Commission transmitted the draft budget for 2019. On 4 September 2018, the Council completed its reading of the draft budget and on 25 October 2018 the European Parliament adopted its reading. On 16 October, the Commission transmitted amending letter 1 /2019 with updated estimates for the year 2019. As the European Parliament adopted amendments to the draft budget which could not be accepted by the Council, a Conciliation Committee was convened.

In the absence of agreement in the Conciliation Committee, the Commission now submits a second draft budget for 2019, in which it is seeking to reconcile the positions of the European Parliament and Council, without recourse to a further period of conciliation because of timing constraints.

PROPOSED APPROPRIATIONS

The second draft budget for 2019 (including special instruments) is as follows:

- ***total commitment appropriations would amount to EUR 165 605.6 million***, corresponding to 1.00% of GNI, an increase of EUR 4 909.2 million compared to 2018 (+3.1%). Overall, a combined margin of EUR 1 291.1 million remains under the various ceilings of the Multiannual Financial Framework (MFF);

- ***payment appropriations would amount to EUR 148 198.9 million***, i.e. 0.90% of GNI, which represents an increase of EUR 3 431.0 million compared to 2018 (+ 2.4%). The margin that remains below the MFF payment ceiling for 2019 amounts to EUR 19 831.4 million.

MFF EXPENDITURE HEADINGS

Heading 1a - Competitiveness for growth and jobs

- Commitment appropriations amount to EUR 23 145.4 million. This is an increase of 5.2% compared to 2018, which mainly concerns the Connecting Europe Facility (CEF), Horizon 2020, Erasmus and the European Defence Industrial Development Programme (EDIDP), leaving no margin in this heading and requiring the use of the global margin for commitments (EUR 63.4 million);

- Payment appropriations increase by 2.1 % to EUR 20 521.5 million.

Heading 1b - Economic, social and territorial cohesion

- Commitment appropriations increase by 3.0 % to EUR 57 192.0 million, leaving no margin under this heading after using the global margin for commitments to finance the Youth Employment Initiative (EUR 350.0 million).

- Payment appropriations increase by 1.1 % to EUR 47 035.4 million.

Heading 2 - Sustainable growth: natural resources

- The proposed commitment appropriations amount to EUR 59 642.1 million. This level of expenditure represents an increase of 0.7% compared to 2018 and leaves a significant margin of EUR 701.9 million under the ceiling.

- Payment appropriations amount to EUR 57 399.9 million, which represents an increase of 2.4 % compared to 2018. Integrating the latest update on assigned revenue, the funding for market-related expenditure and direct aids is EUR 43 191.9 million in commitment appropriations, and EUR 43 116.4 million in payment appropriations.

Heading 3 - Security and citizenship

- The proposed commitment appropriations increase to EUR 3 786.6 million (an increase of 8.4%), leaving no margin under this heading after the mobilisation of the flexibility instrument (EUR 985.6 million).

- Payment appropriations increase by 18.3 % to EUR 3 527.4 million.

Heading 4 – Global Europe

- Commitment appropriations increase by 12.4% to EUR 11 319.3 million (taking into account the impact of the extension of the refugee facility in Turkey), leaving no margin under this heading and requiring the use of the overall margin for commitments (EUR 1 051.3 million).

- Payment appropriations increase by 5.1 % to EUR 9 358.3 million.

Heading 5 - Administration

All institutions combined, and including pensions and the European Schools, appropriations increase by 2.9 %, both for commitments (EUR 9 943.0 million) and payments (EUR 9 944.9 million). The resulting unallocated margin is EUR 589.1 million, after the offset of the use of the Contingency Margin for migration-related expenditure mobilised in 2017 (EUR 253.9 million).

New general budget of the European Union for the financial year 2019

2018/2275(BUD) - 11/12/2018 - Council position on draft budget

The Council adopted its position on the second draft budget of the European Union for the 2019 financial year. This position follows the trilogue of 4 December 2018, at the end of which the European Parliament and the Council reached an ad referendum agreement on a draft joint conclusions, comprising the second draft budget for 2019 and draft statements.

According to that agreement, the second draft budget for 2019 was amended as follows:

- the overall level of commitment appropriations (c/a) in the budget 2019 is set at EUR 165 795.6 million. Overall, this leaves a margin below the MFF ceilings for 2019 of EUR 1 291.1 million in c/a;
- the overall level of payment appropriations (p/a) in the budget 2019 is set at EUR 148 198.9 million;
- the Flexibility Instrument for 2019 is mobilised in c/a for an amount of EUR 1 164.3 million for sub-heading 1a (Competitiveness for Growth and Jobs) and heading 3 (Security and Citizenship);
- the Global Margin for Commitments is used at the level of EUR 1 476.0 million for sub-heading 1a (Competitiveness for Growth and Jobs), sub-heading1b (Economic, Social and Territorial Cohesion) and heading 4 (Global Europe);
- the Contingency Margin mobilised in 2017 is offset for EUR 253.9 million against the unallocated margins under heading 5 (Administration);
- the 2019 p/a related to the mobilisation of the Flexibility Instrument in 2016, 2017, 2018 and 2019 are estimated by the Commission at EUR 961.9 million.

As part of the overall compromise, the European Parliament and the Council also agreed on the following joint statements on:

Payment appropriations

The European Parliament and the Council recall the need to ensure, in the light of implementation, an orderly progression of payments in relation to the appropriations for commitments so as to avoid any abnormal level of unpaid invoices at year-end. If the figures show that the appropriations entered in the 2019 budget are insufficient to cover the needs, the European Parliament and the Council invite the Commission to present as soon as possible an appropriate solution, inter alia amending budget, with a view to allow the Budgetary Authority to take any necessary decisions in due time for duly justified needs. Where applicable, the European Parliament and the Council will take account the urgency of the matter.

The Youth Employment Initiative

The European Parliament, the Council and the Commission recall that reducing youth unemployment remains a high and shared political priority and reaffirm their determination to make the best possible use of budgetary resources to reach this goal, and in particular through the Youth Employment Initiative (YEI). They invited the Commission to present a legislative proposal for smooth implementation of the increased budgetary resources for YEI.

Climate mainstreaming

The European Parliament and the Council agreed to invest at least 20% of the EU budget in climate-related expenditure over the period 2014-20. They called on the Commission to make every effort to reach the 20% target for the whole 2014-20 period.

The reinforcement of sub-heading 1a through an amending budget

Due to the limited availabilities of the Flexibility Instrument and the Global Margin For Commitments, the European Parliament and the Council have agreed to budget EUR 100 million in an amending budget in 2019 to reinforce Horizon 2020 and Erasmus+.