Basic information

2020/0371(BUD) BUD - Budgetary procedure	Procedure completed
New General Budget of the European Union for the financial year 2021 **Subject** 8.70.51 2021 budget	

Key players

European Parliament	**Committee responsible**	**Rapporteur**	**Appointed**
	BUDG Budgets	LARROUTUROU Pierre (S&D) CHASTEL Olivier (Renew)	10/12/2020 10/12/2020
Council of the European Union			
European Commission	**Commission DG**	**Commissioner**	
	Budget	HAHN Johannes	

Key events

Date	Event	Reference	Summary
10/12/2020	Commission draft budget published	COM(2020)0836	
14/12/2020	Council position on draft budget published	13892/2020	Summary
14/12/2020	Committee referral announced in Parliament		
14/12/2020	Debate in Parliament		
14/12/2020	Draft budget approved by Council		
15/12/2020	Vote in committee		
15/12/2020	Budgetary report tabled for plenary	A9-0267/2020	Summary
17/12/2020	End of procedure in Parliament		
18/12/2020	Decision by Parliament	T9-0385/2020	Summary
18/12/2020	Final act signed		
17/03/2021	Final act published in Official Journal		

Technical information

Procedure reference	2020/0371(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/9/04891

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE662.052	11/12/2020	
Amendments tabled in committee		PE662.122	14/12/2020	
Budgetary report tabled for plenary, 1st reading		A9-0267/2020	15/12/2020	Summary
Budgetary text adopted by Parliament		T9-0385/2020	18/12/2020	Summary

Council of the EU

Document type	Reference	Date	Summary
Council position on draft budget	13892/2020	14/12/2020	Summary

European Commission

Document type	Reference	Date	Summary
Commission draft budget	COM(2020)0836	10/12/2020	

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Corrigendum to final act 32021B0417R(01)
OJ L 142 26.04.2021, p. 0001

Budget 2021/0417
OJ L 093 17.03.2021, p. 0001

New General Budget of the European Union for the financial year 2021

2020/0371(BUD) - 14/12/2020 - Council position on draft budget

The Council adopted its position on the second draft general budget of the European Union for the financial year 2021, taking due account of the common understanding on the content of the 2021 budget reached in the Conciliation Committee on 4 December 2020.

Considering the progress towards the formal adoption of the Multiannual Financial Framework (MFF) package, this second draft general budget is proposed with a view to its adoption together with the new Multiannual Financial Framework 2021-2027 before the end of the year.

In the MFF, the overall ceiling for commitment appropriations is set at ***EUR 163 483 million***, which represents 1.17% of EU Gross National Income (GNI). The ceiling for payment appropriations is ***EUR 166 140 million***, i.e. 1.19% of GNI.

Overview of the second draft budget for 2021

- The overall level of commitment appropriations in the 2021 budget is set at ***EUR 164 251.5 million***. Overall, this leaves a margin below the MFF ceilings for 2021 of EUR 778.8 million in commitment appropriations.

- The overall level of payment appropriations in the 2021 budget is set at EUR 166 060.5 million. Overall, this leaves a margin below the MFF ceilings for 2021 of EUR 2 001.4 million in payment appropriations.

- The Flexibility Instrument for 2021 is mobilised in commitment appropriations for an amount of EUR 76.4 million for heading 2b Resilience and Values. The 2021 payment appropriations related to the mobilisation of the Flexibility Instrument in 2018, 2019, 2020 and 2021 are estimated by the Commission at EUR 628.5 million.

Appropriations proposed by MFF heading

Heading 1: Single market, innovation and digital

Commitment appropriations are set at EUR 20 816.6 million, leaving a margin of EUR 102.4 million under the expenditure ceiling for the heading. Payment appropriations are set at EUR 17 191.6 million.

Heading 2a: Economic, social and territorial cohesion

Commitment appropriations are set at EUR 48 190.5 million, leaving a margin of EUR 0.5 million under the expenditure ceiling for the heading. Payment appropriations amount to EUR 48 190.5 million.

Heading 2b: Resilience and values

Commitment appropriations are set at EUR 4 671.4 million, with no margin left under the expenditure ceiling for this heading and taking into account the mobilisation of the Flexibility Instrument for EUR 76.4 million. Payment appropriations amount to EUR 4 285.9 million.

Heading 3: Natural resources and environment

The level of commitment appropriations is set at EUR 58,568.6 million, leaving a margin of EUR 55.4 million under the expenditure ceiling for this heading. Payment appropriations amount to EUR 56 804.2 million.

Heading 4: Migration and border management

The level of commitment appropriations is set at EUR 2 278,8 million, leaving a margin of EUR 188,2 million under the expenditure ceiling of heading.

Heading 5: Security and defence

Commitment appropriations are set at EUR 1 709.3 million, leaving a margin of EUR 95.7 million under the expenditure ceiling for this heading. Payment appropriations are set at EUR 670.6 million.

Heading 6: Neighbourhood and the world

Commitment appropriations are set at EUR 16 097.2 million, leaving a margin of EUR 149.8 million under the expenditure ceiling for the heading. Payment appropriations amount to EUR 10 811.0 million.

Heading 7: Administration

Taking all institutions together, and including pensions and the European Schools, commitment and payment appropriations are set at EUR 10 448.3 and EUR 10 449.6 million respectively. This results in an unallocated margin of EUR 186.7 million.

Joint statements of the institutions

The draft includes five joint statements on:

- payment appropriations and the close monitoring during the financial year 2021 the implementation of the programmes for the period 2014-2020;

- the fight against the consequences of the COVID-19 crisis, paying particular attention to the sectors of the economy most affected by the crisis, such as tourism and SMEs, and to the people most affected by the crisis, such as children and young people;

- the Brexit adjustment reserve;

- the fight against child poverty in the framework of the European Social Fund+;

- the governance of decentralised agencies.

New General Budget of the European Union for the financial year 2021

2020/0371(BUD) - 18/12/2020 - Budgetary text adopted by Parliament

The European Parliament adopted by 540 votes to 77, with 70 abstentions, a resolution on the Council's position on the second draft general budget of the European Union for the financial year 2021.

Parliament approved the Council's position on the second draft general budget of the European Union for the financial year 2021. This is the first annual budget of the new Multiannual Financial Framework (MFF) for the next seven years (2021-2027).

Budget 2021

According to the elements for joint conclusions:

- the overall level of commitment appropriations in the 2021 budget is set at EUR 164 251.5 million. Overall, this leaves a margin below the MFF ceilings for 2021 of EUR 778.8 million in commitment appropriations;

- the overall level of payment appropriations in the 2021 budget is set at EUR 166 060.5 million. Overall, this leaves a margin below the MFF ceilings for 2021 of EUR 2 001.4 million in payment appropriations;

- the Flexibility Instrument for 2021 is mobilised in commitment appropriations for an amount of EUR 76.4 million for heading 2b Resilience and Values.

The 2021 payment appropriations related to the mobilisation of the Flexibility Instrument in 2018, 2019, 2020 and 2021 are estimated by the Commission at EUR 628.5 million.

Parliament also approved five statements by the institutions concerning (i) the fight against child poverty in the framework of the European Social Fund plus; (ii) tackling the impact of the COVID-19 crisis on sectors such as tourism and SMEs and on the people most affected; (iii) payment appropriations: the Parliament and the Council undertake to take the necessary decisions in due time for justified needs; (iv) the governance of decentralised agencies; and (v) the Brexit adjustment reserve.

Increase of EUR 185 million obtained in the conciliation negotiations

The report welcomed the increase of EUR 185 million on top of the levels of the first DB as modified by amending letter No 1/2020 obtained in the conciliation negotiations correspond to Parliament’s main political priorities.

The increases include:

- EUR 60.3 million for the Connecting Europe Facility- Transport;

- EUR 42 million for LIFE to support climate and environmental related projects;

- EUR 25.7 million for the Digital Europe Programme;

- EUR 6.6 million for the Rights and Values Programme, of which EUR 4.8 million is for Daphne);

- EUR 2.7 million for the Justice programme;

- EUR 25 million for Humanitarian Aid, as part of the EUR 500 million reinforcement for the period from 2021 to2027 as agreed in the context of the MFF;

- EUR 10.2 million for UNRWA under the Neighbourhood, Development and International Cooperation Instrument (NDICI);

- EUR 7.3 million for the European Public Prosecutor’s Office mainly for staff reinforcements.

Amending letter No 1/2020 had already incorporated increases for the Horizon Europe, Erasmus+ and EU4Health programmes to reflect the outcome of the MFF negotiations.

Parliament welcomed that the overall level of payment appropriations agreed for 2021 represents an increase of 1,2 % compared to Budget 2020, as well as the fact that the Conciliation Committee agreed, for the first time, to make EUR 20 million in commitment appropriations available again on the research budget lines.

The report noted that the level of appropriations in Budget 2021 for the Parliament is set at EUR 2 063 million.

Financial framework expenditure headings - commitment appropriations

Heading 1: Single market, innovation and digital

Commitment appropriations are set at EUR 20 816.6 million, leaving a margin of EUR 102.4 million under the expenditure ceiling for the heading.

Heading 2a: Economic, social and territorial cohesion

Commitment appropriations are set at EUR 48 190.5 million, leaving a margin of EUR 0.5 million under the expenditure ceiling for the heading.

Heading 2b: Resilience and values

Commitment appropriations are set at EUR 4 671.4 million, with no margin left under the expenditure ceiling for this heading and taking into account the mobilisation of the Flexibility Instrument for EUR 76.4 million.

Heading 3: Natural resources and environment

The level of commitment appropriations is set at EUR 58,568.6 million, leaving a margin of EUR 55.4 million under the expenditure ceiling for this heading.

Heading 4: Migration and border management

The level of commitment appropriations is set at EUR 2 278,8 million, leaving a margin of EUR 188,2 million under the expenditure ceiling of heading.

Heading 5: Security and defence

Commitment appropriations are set at EUR 1 709.3 million, leaving a margin of EUR 95.7 million under the expenditure ceiling for this heading.

Heading 6: Neighbourhood and the world

Commitment appropriations are set at EUR 16 097.2 million, leaving a margin of EUR 149.8 million under the expenditure ceiling for the heading.

Heading 7: Administration

Commitment appropriations are set at EUR 10 448.3. This results in an unallocated margin of EUR 186.7 million.

New General Budget of the European Union for the financial year 2021

2020/0371(BUD) - 15/12/2020 - Budgetary report tabled for plenary, 1st reading

The Committee on Budgets adopted the report by Pierre LARROUTUROU (S&D, FR) and Olivier CHASTEL (Renew, BE) on the Council position on the second draft general budget of the European Union for the financial year 2021.

The committee responsible recommended that the European Parliament approve the Council's position on the second draft general budget of the European Union for the financial year 2021 and the joint statements annexed to the resolution.

Budget 2021

According to the elements for joint conclusions:

- the overall level of commitment appropriations in the 2021 budget is set at ***EUR 164 251.5 million***. Overall, this leaves a margin below the MFF ceilings for 2021 of EUR 778.8 million in commitment appropriations;

- the overall level of payment appropriations in the 2021 budget is set at ***EUR 166 060.5 million***. Overall, this leaves a margin below the MFF ceilings for 2021 of EUR 2 001.4 million in payment appropriations;

- the Flexibility Instrument for 2021 is mobilised in commitment appropriations for an amount of EUR 76.4 million for heading 2b Resilience and Values.

The 2021 payment appropriations related to the mobilisation of the Flexibility Instrument in 2018, 2019, 2020 and 2021 are estimated by the Commission at EUR 628.5 million.

The draft elements for joint conclusions include five statements, including on tackling child poverty under the European Social Fund + and on tackling the impact of the COVID-19 crisis on the sectors, such as tourism and SMEs, and people most hit.

I*ncrease of EUR 185 million obtained in the conciliation negotiations*

The report welcomed the increase of EUR 185 million on top of the levels of the first DB as modified by amending letter No 1/2020 obtained in the conciliation negotiations correspond to Parliament’s main political priorities.

The increases include:

- EUR 60.3 million for the Connecting Europe Facility- Transport;

- EUR 42 million for LIFE;

- EUR 25.7 million for the Digital Europe Programme;

- EUR 6.6 million for the Rights and Values Programme, of which EUR 4.8 million is for Daphne);

- EUR 2.7 million for the Justice programme;

- EUR 25 million for Humanitarian Aid, as part of the EUR 500 million reinforcement for the period from 2021 to2027 as agreed in the context of the MFF;

- EUR 10.2 million for UNRWA under the Neighbourhood, Development and International Cooperation Instrument (NDICI);

- EUR 7.3 million for the European Public Prosecutor's Office mainly for staff reinforcements.

Amending letter No 1/2020 had already incorporated increases for the Horizon Europe, Erasmus+ and EU4Health programmes to reflect the outcome of the MFF negotiations.

The report welcomed the overall level of payment appropriations agreed for 2021 represents an increase of 1.2% compared to Budget 2020. It underlined the importance of the joint statement on payments appropriations in which the Parliament and the Council commit to take necessary decisions in due time for justified needs.

Members also welcomed the fact that the Conciliation Committee agreed, for the first time, to make EUR 20 million in commitment appropriations available again on the research budget lines.

The report noted that the level of appropriations in Budget 2021 for the Parliament is set at EUR 2 063 million.