Basic information

2020/1998(BUD) BUD - Budgetary procedure	Procedure lapsed or withdrawn
2021 general budget: all sections **Subject** 8.70.51 2021 budget	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
BUDE Budgetary Conciliation Committee		

Former committee responsible	Former rapporteur	Appointed
BUDG Budgets	LARROUTUROU Pierre (S&D) CHASTEL Olivier (Renew)	03/09/2020 03/09/2020

Former committee for opinion	Former rapporteur for opinion	Appointed
AFET Foreign Affairs	ANDROULAKIS Nikos (S&D)	20/01/2020
DEVE Development	GOERENS Charles (Renew)	22/01/2020
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	MARQUES Margarida (S&D)	22/01/2020
EMPL Employment and Social Affairs	ĎURIŠ NICHOLSONOVÁ Lucia (ECR)	20/02/2020
ENVI Environment, Public Health and Food Safety	CANFIN Pascal (Renew)	09/01/2020
ITRE Industry, Research and Energy	BUŞOI Cristian-Silviu (EPP)	04/12/2019

IMCO	Internal Market and Consumer Protection	MILLER Leszek (S&D)	14/01/2020
TRAN	Transport and Tourism	MARINESCU Marian-Jean (EPP)	21/01/2020
REGI	Regional Development	MOŻDŻANOWSKA Andżelika Anna (ECR)	21/01/2020
AGRI	Agriculture and Rural Development	SARVAMAA Petri (EPP)	14/04/2020
PECH	Fisheries	KARLESKIND Pierre (Renew)	20/02/2020
CULT	Culture and Education	FRANZ Romeo (Greens/EFA)	21/01/2020
JURI	Legal Affairs	Chair on behalf of committee VÁZQUEZ LÁZARA Adrián (Renew)	15/06/2020
LIBE	Civil Liberties, Justice and Home Affairs	RESSLER Karlo (EPP)	13/07/2020
AFCO	Constitutional Affairs	TAJANI Antonio (EPP)	28/01/2020
FEMM	Women's Rights and Gender Equality	BIEDROŃ Robert (S&D)	27/01/2020
PETI	Petitions	The committee decided not to give an opinion.	

Council of the European Union

European Commission

Commission DG	Commissioner
Budget	HAHN Johannes

Key events

Date	Event	Reference	Summary
27/07/2020	Commission draft budget published	COM(2020)0300	

30/09/2020	Council position on draft budget published	11072/1/2020	Summary
05/10/2020	Committee referral announced in Parliament		
28/10/2020	Vote in committee		
03/11/2020	Budgetary report tabled for plenary	A9-0206/2020	
11/11/2020	Debate in Parliament		
12/11/2020	Decision by Parliament	T9-0302/2020	Summary
12/11/2020	Start of budgetary conciliation (Parliament and Council)		
07/12/2020	Agreement not reached in budgetary conciliation		

Technical information

Procedure reference	2020/1998(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Budget
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure lapsed or withdrawn
Committee dossier	BUDE/9/04673 BUDG/9/03651

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee opinion	AFCO	PE654.031	01/09/2020	
Committee opinion	IMCO	PE654.034	03/09/2020	
Committee opinion	ENVI	PE653.750	11/09/2020	
Committee opinion	AGRI	PE653.892	24/09/2020	
Committee opinion	FEMM	PE655.750	24/09/2020	
Committee opinion	ECON	PE653.964	25/09/2020	
Committee opinion	REGI	PE653.814	30/09/2020	
Committee opinion	PECH	PE654.071	02/10/2020	
Committee opinion	CULT	PE655.780	05/10/2020	
Committee opinion	ITRE	PE657.152	06/10/2020	
Committee opinion	DEVE	PE657.393	06/10/2020	
Committee opinion	LIBE	PE654.091	07/10/2020	

Committee opinion	TRAN	PE654.050	08/10/2020	
Committee opinion	EMPL	PE654.005	09/10/2020	
Committee opinion	AFET	PE655.905	13/10/2020	
Committee draft report		PE658.989	15/10/2020	
Amendments tabled in committee		PE659.060	20/10/2020	
Budgetary report tabled for plenary, 1st reading		A9-0206/2020	03/11/2020	
Budgetary text adopted by Parliament		T9-0302/2020	12/11/2020	Summary

Council of the EU

Document type	Reference	Date	Summary
Council position on draft budget	11072/1/2020	30/09/2020	Summary

European Commission

Document type	Reference	Date	Summary
Commission draft budget	COM(2020)0300	27/07/2020	
Document attached to the procedure	COM(2020)0748	13/11/2020	

Additional information

Source	Document	Date
European Commission	EUR-Lex	

2021 general budget: all sections

2020/1998(BUD) - 30/09/2020 - Council position on draft budget

The Council adopted its position on the draft general budget of the European Union for the financial year 2021 (DB 2021), which deviates from the Commission's proposal on a number of aspects taking into account, in particular, the conclusions of the European Council of 17-21 July 2020.

The Commission should present a letter of amendment to adapt the DB 2021 to the state of play concerning the Multiannual Financial Framework (MFF) before the end of October 2020. Thus, a reassessment of the Council's position on DB 2021 is envisaged as soon as the letter of amendment is available.

AMOUNT OF COMMITMENTS AND APPROACH TAKEN

The Council's position on PB 2021 would amount to:

- ***EUR 162 911.96 million in commitment appropriations*** (EUR 166 746.18 million in the Commission's DB 2021);

- ***EUR 164 827.02 million in payment appropriations*** (EUR 163 515.1 million in Commission DB 2021).

The total amount of payment appropriations foreseen in the Council's position on the DB 2021 corresponds to 1.18% of EU Gross National Income (GNI).

The Council's position is based on the following approach:

- an arithmetical correction of the amounts (in commitment and payment appropriations) proposed by the Commission for 2021 in respect of all programmes for which a different amount from that presented by the Commission in its MFF proposal of 27 May 2020 is retained;

- an increase in payment appropriations of EUR 3.6 billion to cover the budgetary consequences of an increase in the pre-financing rate of the programmes for the period 2014-2020 from 1% to 2% as of 1 January 2021;

- a reduction in payment appropriations of -EUR 0.7 billion foreseen for ReactEU and the Solvency Support Instrument following the decision not to change the MFF 2014-2020;

- the creation of a budget line for the Brexit Adjustment Reserve;

- reductions of the budgets of EU institutions, bodies and agencies, in particular the rejection of all increases to the staffing levels of the institutions in 2021.

EXPENDITURE BY MFF HEADINGS 2021-2027

The Council suggested adapting commitment appropriations (c/a) and updating the payment appropriations (p/a) as follows in relation to DB 2021:

(1) Single Market, Innovation and Digital (heading 1 of the MFF): EUR 20 691 823 712 in c/a and EUR 17 251 950 531 in p/a.

- The heading is characterised by an adjustment of commitment appropriations of EUR -668.15 million (of which EUR -758.01 million for Horizon Europe), and EUR -321.37 million for payment appropriations.

- The margin available under Heading 1 would amount to EUR 227.18 million.

(2) Cohesion and values (MFF heading 2): EUR 52 423 840 797 in c/a and EUR 66 008 897 578 in p/a.

Economic, social and territorial cohesion (MFF sub-heading 2a)

- The sub-heading is characterised by an adjustment of commitment appropriations of + EUR 1 041.53 million (of which + EUR 790.54 million for Regional Development and Cohesion), and + EUR 3 318.13 million for payment appropriations.

- There would be no margin available under sub-heading 2a.

Investment in competitiveness, people and values (MFF sub-heading 2b)

- The sub-heading is characterised by an adjustment in commitment appropriations of EUR -104.84 million (+EUR 268.68 million for recovery and resilience and -EUR 373.52 million for investment in people, social cohesion and values), and +EUR 65.59 million for payment appropriations.

- The margin available under sub-heading 2b would amount to EUR 362.16 million.

(3) Natural resources and environment (MFF heading 3): EUR 58 577 683 873 in c/a and EUR 56 879 737 700 in p/a.

- The heading is characterised by an adjustment in commitment appropriations of EUR +136.56 million (+EUR 164.32 million for market-related expenditure and direct payments, +EUR 351.24 million for agriculture and maritime policy, and -EUR 379 million for the Just Transition Fund), and -EUR 321.37 million for payment appropriations.

- The margin available under Heading 3 would amount to EUR 46.32 million.

(4) Migration and border management (MFF Heading 4): EUR 2 340 947 222 in c/a and EUR 2 583 803 611 in p/a.

- The heading is characterised by an adjustment in commitment appropriations of EUR -719.87 million (of which EUR -164.32 million for migration and EUR -489.64 million for border management), and EUR -139.68 million for payment appropriations.

- The margin available under Heading 4 would amount to EUR 126.05 million.

(5) Resilience, security and defence (MFF heading 5): EUR 1 681 907 319 in c/a and EUR 686 561 468 in p/a.

- The heading is characterised by an adjustment of commitment appropriations of EUR -507.12 million (of which EUR -129.1 million for the European Defence Fund), and EUR -1 123.9 million for payment appropriations.

- The margin available under heading 5 would amount to EUR 123.09 million.

(6) Neighbourhood and the world (MFF heading 6): EUR 15 318 190 665 in c/a and EUR 10 361 698 045 in p/a.

- The heading is characterised by an adjustment of commitment appropriations of EUR -795.43 million (of which EUR -749.94 million for the Neighbourhood, Development Cooperation and Cooperation Instrument), and EUR -57.11 million for payment appropriations.

- The margin available under Heading 6 would amount to EUR 928.81 million.

(7) European public administration (MFF heading 7): EUR 10 406 729 663 in c/a and EUR 10 408 004 752 in p/a.

In respect of the "Gentlemen's agreement", for the European Parliament it is suggested that the DB 2021 (Section I) be approved as it stands (EUR 2 060.62 million). An overall amount of EUR 595.09 million is suggested for the European Council and the Council. An overall amount of EUR 3 717.24 million is suggested for the administrative expenditure of the European Commission. An overall envelope of EUR 442.62 million is suggested for the Court of Justice's budget.

The margin available under Heading 7 would amount to EUR 228.27 million.

Special instruments

It is suggested that the appropriations entered in the DB 2021 for special instruments be adjusted as follows: EUR -2 172.42 million in commitment appropriations and EUR -1 015.45 million in payment appropriations.

Revenue

In accordance with the Council's position on DB 2021, the total budget revenue of the Union amounts to EUR 164 827 015 797, corresponding to 1.18% of the EU's gross national income (GNI).

2021 general budget: all sections

2020/1998(BUD) - 12/11/2020 - Budgetary text adopted by Parliament

The European Parliament adopted by 471 votes to 102, with 116 abstentions, a resolution on the Council position on the draft general budget of the European Union for the financial year 2021.

General overview

Parliament set the overall level of appropriations in the budget for 2021 at EUR 181 762 377 716 in commitment appropriations, an increase of EUR 15 016 195 740 over the draft budget. It increased the funding levels, up to those established in the interim report on the Multiannual Financial Framework (MFF) of 14 November 2018, for the fifteen flagship programmes identified in its resolution of 23 July 2020 as well as for the relevant European agencies and the European Public Prosecutor's Office.

Members decided to increase funding for Parliament's priorities, in particular in the areas of climate change, energy, digital and transport interconnectivity, space, SMEs, tourism, security, migration, fundamental rights and external action. They called for a level of expenditure of 10% for biodiversity and 30% for climate mainstreaming by 2021. They also reiterated their call for a concept of gender mainstreaming.

Parliament recalled that in order to finance this budget, new categories of own resources should be put in place from 2021.

While welcoming the EU recovery plan, Members insisted, however, on the need to clearly enshrine the role of the budgetary authority in authorising external assigned revenue, in particular under the Next Generation EU recovery instrument, as part of the annual budgetary procedure.

MFF Heading 1

Parliament increased the level of commitment appropriations by EUR 6 313 980 774 above the draft budget, of which EUR 5 996 664 225 was for flagship programmes. It also allocated to the heading an amount of EUR 1 631 420 001 in commitment appropriations, following decommitments under Article 15(3) of the Financial Regulation.

The resolution underlined the important added value of the Horizon Europe programme and stressed the need to strengthen cancer research.

Members stressed: (i) the need to ensure sufficient funding for the InvestEU programme; (ii) the crucial role of the Connecting Europe Facility, (iii) the importance of the Digital Europe programme in the context of the crisis related to the COVID-19 pandemic and (iv) the fundamental value of the European Space Programme.

Parliament reiterated its request for support to SMEs, in particular in the tourism, creative and transport sectors, in order to strengthen their capacity to recover from the consequences of the COVID-19 pandemic.

Headings 2a and 2b

Parliament decided to endorse the Council's reading of heading 2a. It increased the overall level of appropriations in heading 2b by EUR 5 894 270 074 in commitment appropriations above the draft budget, including EUR 6 041 509 293 for flagship programmes.

Members stressed the urgency of allocating additional resources to the EU Health Programme, which helps to meet the needs identified during the COVID-19 crisis. They reiterated the importance of Erasmus + and called for solutions and adequate funding to mitigate the losses suffered by the cultural and creative sector.

They also decided to create a new budget line entitled 'Protect and promote Union values', to reinforce the funding focus on protecting and promoting democracy, the rule of law and fundamental rights.

Heading 3

Parliament increased the overall level of appropriations by EUR 867 937 490 in commitment appropriations compared to the draft budget, of which EUR 739 100 000 was for flagship programmes.

In line with the overall priority given to tackle climate change and biodiversity decline, Members emphasised substantial increases of EUR 237 000 000 in commitment appropriations on the budget lines pertaining to the LIFE programme. They also approved targeted reinforcements to the budget lines for market support measures under the European Agricultural Guarantee Fund (EAGF), which aim at mitigating the effects of the crisis caused by the COVID pandemic.

Heading 4

Parliament increased the overall level of appropriations by EUR 710 251 000 in commitment appropriations above the draft budget, of which EUR 500 251 000 was earmarked for flagship programmes.

Members increased the funding allocated to Parliament's priorities in the areas of migration and border management, in particular the appropriations for the Integrated Border Management Fund and the Asylum and Migration Fund. They called for additional financial and human resources for the European Border and Coast Guard Agency (Frontex).

Heading 5

Parliament reinforced the overall amount under this heading by EUR 372 320 760 above the draft budget, EUR 312 829 132 of which is for flagship programmes. It stressed the importance of a progressive framing of the EU’s common security and defence policy. It also called for increased funding for the European Defence Fund in order to fully foster an innovative and competitive defence industrial base that will contribute to the much-needed strategic autonomy of the EU.

Heading 6

Parliament increased the overall level of appropriations by EUR 372 320 760 above the draft budget, of which EUR 312 829 132 was earmarked for flagship programmes.

Members stressed that the external dimension of the EU's budget must be adequately funded and allow for an immediate response to current, emerging and future challenges. They called for increased funding levels for all geographic and thematic programmes under the NDICI. They also proposed the creation of a specific budget line for ‘the support to the political process in Libya’ and stressed the need for substantial funding for the Western Balkans in view of the accession process.

Heading 7

Parliament decided not to restore, at this stage, the Council’s cuts in Heading 7 and asked the Commission to grant the budgetary authority access to the COVID-19 vaccines-related contract before the end of 2020.

Payments

In order to avoid accumulating unpaid debts dating back to the 2014-2020 MFF and to finance the frontloading of expenditure related to the health crisis, Parliament considered it essential to provide a credible payment plan for the entire 2021-2027 MFF, with sufficient payments in the first years.

Lastly, expressing concern about the cuts proposed by the Commission in Parliament's budget, Members restored the appropriations set out in the estimates after an analysis of Parliament's needs for 2021.