Basic information

2020/2061(BUD) BUD - Budgetary procedure	Procedure completed
Amending budget 3/2020: surplus of the financial year 2019 **Subject** 8.70.50 2020 budget 8.70.59 2019 budget	

Key players

European Parliament	**Committee responsible**	**Rapporteur**	**Appointed**
	BUDG Budgets	HOHLMEIER Monika (EPP)	21/04/2020
Council of the European Union			

Key events

Date	Event	Reference	Summary
15/04/2020	Commission draft budget published	COM(2020)0180	Summary
07/05/2020	Council position on draft budget published	07764/2020	Summary
07/05/2020	Draft budget approved by Council		
15/05/2020	Committee referral announced in Parliament		
28/05/2020	Vote in committee		
02/06/2020	Budgetary report tabled for plenary	A9-0104/2020	
17/06/2020	Decision by Parliament	T9-0143/2020	Summary
17/06/2020	Results of vote in Parliament		
18/06/2020	Results of vote in Parliament		
19/06/2020	Results of vote in Parliament		
04/08/2020	Final act published in Official Journal		

Technical information

Procedure reference	2020/2061(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/9/02805

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE650.574	05/05/2020	
Amendments tabled in committee		PE652.289	13/05/2020	
Budgetary report tabled for plenary, 1st reading		A9-0104/2020	02/06/2020	
Budgetary text adopted by Parliament		T9-0143/2020	17/06/2020	Summary

Council of the EU

Document type	Reference	Date	Summary
Council position on draft budget	07764/2020	07/05/2020	Summary

European Commission

Document type	Reference	Date	Summary
Commission document (COM)	COM(2020)0180	15/04/2020	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Budget 2020/1077
OJ L 254 04.08.2020, p. 0001

Amending budget 3/2020: surplus of the financial year 2019

2020/2061(BUD) - 15/04/2020 - Commission draft budget

PURPOSE: to present draft amending budget No 3/2020 which aims to enter in the 2020 budget the surplus resulting from the implementation of the budget year 2019.

CONTENT: the implementation of the budget year 2019 shows a surplus of EUR 3 218 373 955, which is therefore entered as revenue in the 2020 budget.

Budgeting the surplus shall reduce accordingly the total contribution of the 27 Member States and the UK to the financing of the 2020 budget.

As regards the outturn for 2019 in terms of the implementation of revenue, the draft amending budget shows that the differences in Title 1 (Own Resources) represent 0.02 % of the forecast. They mainly consist of -EUR 107 million lower revenue from traditional own resources (99.5 % of the forecast has been collected) and EUR 77 million higher revenue from exchange rate (as own resources are paid in national currency but budgeted and accounted for in euro). In Title 3 (Surpluses, balances and adjustments), linked to the adjustments of own resources, the difference is limited to EUR 1.8 million.

The largest difference (EUR 2 510 million) is found in Title 7 (Default interest and fines). The outturn is composed of competition fines and default interest, other penalty payments and interest linked to fines and penalty payments.

The Commission implemented 99.6 % of the authorised payment appropriations. The amount not implemented was EUR 592.3 million, of which EUR 351.5 million of the Emergency Aid Reserve and EUR 94.5 million in reserve under heading 3 Security and Citizenship.

The under-implementation of the other institutions of EUR 82 million is slightly higher than in 2018 (EUR 76 million) but lower than in 2017 and 2016 (EUR 83 million and EUR 103 million, respectively).

Amending budget 3/2020: surplus of the financial year 2019

2020/2061(BUD) - 07/05/2020 - Council position on draft budget

On 15 April 2020, the Commission submitted to the Council draft amending budget (DAB) No 3 to the general budget for 2020 concerning the budgeting of the surplus resulting from the implementation of the budget year 2019.

The implementation of the budget year 2019 shows a surplus of EUR 3 218.37 million resulting from:

A positive outturn in the revenue part of the budget (+EUR 2 414.77 million) of which:

- Title 1 (Own resources): -EUR 29.48 million,
- Title 3 (Surpluses, balances and adjustments): +EUR 1.83 million,
- Title 7 (Interest on late payments and fines): +EUR 2 510.46 million,
- Other titles -EUR 68.04 million.

An under-implementation on the expenditure side of the budget (-EUR 803.60 million), notably of:

- appropriations authorised in the 2019 budget (Commission and other institutions): -EUR 674.68 million,
- cancellation of appropriations carried over from 2018 (Commission and other institutions): -EUR 125.30 million,
- exchange rate variations -EUR 3.62 million.

The budgeting of this surplus will diminish accordingly the global contribution of the 27 Member States and the United Kingdom to the financing of the EU budget in 2020.

On 6 May 2020, the Council adopted its position on DAB No 3 to the general budget for 2020 as set out in the technical annex to the Council draft amending budget No 3/2020.

Amending budget 3/2020: surplus of the financial year 2019

2020/2061(BUD) - 17/06/2020 - Budgetary text adopted by Parliament

The European Parliament adopted by 636 votes to 47, with 5 abstentions, a resolution approving the Council position on draft amending budget No 3 /2020 of the European Union for the financial year 2020: Entering the surplus of the financial year 2019.

Parliament took note of the draft amending budget No 3/2020 as submitted by the Commission, which is devoted solely to the budgeting of the 2019 surplus, for an amount of EUR 3 218.4 million. The main components of that surplus are:

- a positive outturn on revenue of EUR 2 414.8 million and;

- an under-spending in expenditure of EUR 803.6 million.

On the revenue side, the largest difference stems from default interest and fines (EUR 2510.5 million), the outturn being composed of competition fines and default interest, other penalty payments and interest linked to fines and penalty payments.

On the expenditure side, under-implementation in payments by the Commission reaches EUR 592.3 million for 2019 (of which EUR 351.5 million from the Emergency Aid Reserve and EUR 94.5 million in reserve under heading 3, ‘Security and Citizenship’) and EUR 86.3 million for 2018 carryovers, and under-implementation by the other institutions EUR 82.4 million for 2019 and EUR 39 million for 2017 carryovers.

Parliament reiterated its position that all available means and unused money in the Union budget, including the surplus, be used to swiftly deploy financial assistance to the regions and businesses most affected by the COVID-19 pandemic. It called on Member States to devote the expected reductions in their GNI-based contributions stemming from the 2019 surplus entirely to the budgeting of COVID-19-related actions, preferably at Union level to ensure an optimal allocation of the funds.

Parliament also recalled its position in favour of increasing the proposed Union reserve (Global Margin for Commitments) in the next Multiannual Financial Framework by an amount equivalent to the revenue resulting from fines and penalties.