Basic information

2023/0103(BUD) BUD - Budgetary procedure	Procedure completed
Amending budget 2/2023: surplus of the financial year 2022 **Subject** 8.70.52 2022 budget 8.70.53 2023 budget	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
BUDG Budgets	KELLER Fabienne (Renew)	12/04/2023
	Shadow rapporteur LEWANDOWSKI Janusz (EPP) NEGRESCU Victor (S&D) GUERREIRO Francisco (Greens/EFA) RZOŃCA Bogdan (ECR) KUHS Joachim (ID) PAPADIMOULIS Dimitrios (The Left)	

Council of the European Union

European Commission

Commission DG	Commissioner
Budget	HAHN Johannes

Key events

Date	Event	Reference	Summary
12/04/2023	Commission draft budget published	COM(2023)0250	Summary
19/06/2023	Draft budget approved by Council		
20/06/2023	Council position on draft budget published	09682/2023	Summary
29/06/2023	Vote in committee		
02/07/2023	Budgetary report tabled for plenary	A9-0225/2023	Summary

10/07/2023	Committee referral announced in Parliament		
11/07/2023	Decision by Parliament	T9-0254/2023	Summary
11/07/2023	Results of vote in Parliament		
20/09/2023	Final act published in Official Journal		

Technical information

Procedure reference	2023/0103(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/9/11726

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE746.915	24/05/2023	
Amendments tabled in committee		PE750.113	26/06/2023	
Budgetary report tabled for plenary, 1st reading		A9-0225/2023	02/07/2023	Summary
Budgetary text adopted by Parliament		T9-0254/2023	11/07/2023	Summary

Council of the EU

Document type	Reference	Date	Summary
Council position on draft budget	09682/2023	20/06/2023	Summary

European Commission

Document type	Reference	Date	Summary
Commission draft budget	COM(2023)0250	12/04/2023	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Budget 2023/1752
OJ L 232 20.09.2023, p. 0001

Amending budget 2/2023: surplus of the financial year 2022

2023/0103(BUD) - 02/07/2023 - Budgetary report tabled for plenary, 1st reading

The Committee on Budgets adopted the report by Fabienne KELLER (Renew Europe, FR) on the Council position on draft amending budget No 2 /2023 of the European Union for the financial year 2023: Entering the surplus of the financial year 2022.

As a reminder, the Draft amending budget No 2/2023 is designed to enter in the 2023 budget the surplus from the financial year 2022 amounting to EUR 2 519 million.

The main components of the surplus are:

- a positive outturn on revenue of EUR 2 198.4 million and;

- an under-spend of EUR 320.6 million.

On the **revenue side**, the surplus is predominantly driven by a higher than expected amount of customs duties (just over EUR 2 billion). The surplus in administrative revenue of EUR 170 million is mostly attributable to the higher than originally forecasted salary update rate that has increased the level of tax and levies and pensions contributions. The surplus in financial revenue, default interest and fines amounts to EUR 141 million.

On the **expenditure side**, under-implementation in payments by the Commission totalled EUR 247 million for 2022 and EUR 75 million for 2021 carryovers. Under-implementation and cancellation of appropriations by the other institutions is low in comparison with the level of previous years.

The annual GNI lump-sum reductions enjoyed by Germany, The Netherlands, Denmark, Sweden and Austria amount to just over EUR 5 billion net. The margins in the Union budget are very tight and the limited flexibility in the budget is likely to be absorbed by increased costs relating to EURI repayments.

Members took note of Draft amending budget No 2/2023 as submitted by the Commission, which is designed to budget the 2022 surplus, for an amount of EUR 2 519 million. They recalled that the surplus reduces the total contribution of Member States to the financing of the 2023 budget.

Recalling the high financing needs to address the multiple challenges currently faced by the Union such as the war in Ukraine and climate change and the increasing EURI borrowing costs, Member States are urged to take advantage of the reduction in their GNI-based contributions stemming from the 2022 surplus to fund actions in those fields or to use it as extra flexibility, in order to respond to the repeated calls to ensure that there is enough flexibility and margins in the Union budget to be able to respond to urgencies without compromising already agreed budgetary appropriations.

The committee approved the Council position on Draft amending budget No 2/2023.

Amending budget 2/2023: surplus of the financial year 2022

2023/0103(BUD) - 12/04/2023 - Commission draft budget

PURPOSE: presentation by the European Commission of Draft Amending Budget (DAB) No 2/2023 to the 2022 General Budget.

CONTENT: Draft Amending Budget (DAB) No 2/2023 is intended to enter in the 2023 budget the surplus resulting from the implementation of the budget year 2022.

The implementation of the budget year 2022 shows a surplus of EUR 2.5 billion, which is therefore entered as revenue in the 2023 budget.

Budgeting the surplus will reduce the total contribution of the Member States to the financing of the 2023 budget accordingly.

The combined net variations in Title 1 (Own Resources) and Title 2 (Surpluses, balances and adjustments) total EUR 2 077 million. This positive difference is predominantly driven by a higher than expected amount of customs duties made available to the EU budget in the last months of the year.

The variations in Title 3 (Administrative revenue) amount to EUR 170 million. This is mostly attributable to the higher than originally forecasted salary update rate that has mechanically increased the level of tax and levies and pensions contributions.

The variations in Title 4 (Financial revenue, default interest and fines) amount to EUR 141 million, which comprises competition fines and default interest, other penalty payments and interest linked to fines and penalty payments.

The Commission implemented 99.85 % of the authorised payment appropriations. The amount not implemented by all institutions combined was EUR 287 million.

The under-implementation of the Commission concerned an amount of EUR 247 million of voted appropriations and EUR 75 million of appropriations carried over from 2021.

Lastly, the under-implementation and the cancellation of appropriations of the other institutions is low in comparison with the levels of previous years.

Amending budget 2/2023: surplus of the financial year 2022

2023/0103(BUD) - 11/07/2023 - Budgetary text adopted by Parliament

The European Parliament adopted by 604 votes to 4, with 29 abstentions, a resolution on the Council position on draft amending budget No 2/2023 of the European Union for the financial year 2023: Entering the surplus of the financial year 2022.

Parliament **approved** the Council position on the draft amending budget No 2/2023.

The Draft amending budget No 2/2023 is designed to enter in the 2023 budget the surplus from the financial year 2022 amounting to **EUR 2 519 million**.

On the revenue side, the surplus is predominantly driven by a higher than expected amount of customs duties (just over EUR 2 billion). The surplus in administrative revenue of EUR 170 million is mostly attributable to the higher than originally forecasted.

On the expenditure side, under-implementation in payments by the Commission totalled EUR 247 million for 2022 and EUR 75 million for 2021 carryovers.

Members pointed out that the surplus reduces the total contribution of Member States to the financing of the 2023 budget. They also stated that the high financing needs to address the multiple challenges faced by the Union, such as the consequences of Russia’s war of aggression against Ukraine and climate change, and the increasing EURI borrowing costs could limit severely the Union budget’s ability to finance the Union’s priorities and policies and to respond to emerging needs.

Therefore, Members urged the Member States to **take advantage of the reduction in their GNI-based contributions stemming from the 2022 surplus** to fund actions in those fields or to use it as extra flexibility, in order to respond to the repeated calls to ensure that there is enough flexibility and margins in the Union budget to be able to respond to urgencies without compromising already agreed budgetary appropriations.

Parliament recalled its long-standing position that **fines and fees** should be used as extra revenue for the Union budget and should not lead to a corresponding decrease in GNI contributions.

Taking note of the calculation of the annual GNI lump-sum reductions for certain Member States, which amount to just over EUR 5 billion net, Parliament stressed that the current high rate of inflation increases the size of the rebates while at the same time it reduces the real-term value of the Union budget, thereby further increasing the funding gap faced by the Union budget. It also recalled its long-standing position that **rebates and other correction mechanisms should be abolished**.

Amending budget 2/2023: surplus of the financial year 2022

2023/0103(BUD) - 20/06/2023 - Council position on draft budget

On 12 April 2023, the Commission submitted to the Council draft amending budget (DAB) No 2 to the general budget for 2023 concerning the budgeting of the surplus resulting from the implementation of the budget year 2022.

The implementation of the financial year 2022 shows a **surplus of EUR 2 519.01 million**, which results from:

(a) a **positive outturn in the revenue part of the budget** (+EUR 2 198.44 million) of which:

- Title 1 (Own resources): +EUR 1 830.26 million

- Title 2 (Surpluses, balances and adjustments): +EUR 246.89 million

- Title 3 (Administrative revenue): +EUR 170.32 million

- Title 4 (Financial revenue, default interest and fines): +EUR 141.44 million

- Title 6 (Revenue, contributions and refunds related to Union policies): -EUR 190.47 million

(b) an **under-implementation on the expenditure side of the budget** (-EUR 320.57 million), notably of:

- appropriations authorised in the budget 2022 (Commission and other institutions): -EUR 286.95 million

- cancellation of appropriations carried over from previous years (Commission and other institutions): -EUR 130.19 million

- exchange rate variations on expenditure: +EUR 96.57 million.

The budgeting of this surplus will diminish accordingly in line with the global contribution of the Member States to the financing of the EU budget in 2023.

The Council adopted its position on DAB No 2 to the general budget for 2023 as set out in the technical annex contained in Addendum 1 to the explanatory memorandum.