

Basic information	
2023/0367(BUD)	Procedure completed
BUD - Budgetary procedure	
Amending budget 4/2023: reduction in payment appropriations; other adjustments and technical updates	
<b>Subject</b>	
8.70.53 2023 budget	

Key players			
	Committee responsible	Rapporteur	Appointed
	BUDG Budgets	KELLER Fabienne (Renew)	11/10/2023
		Shadow rapporteur LEWANDOWSKI Janusz (EPP) NEGRESCU Victor (S&D) GUERREIRO Francisco (Greens/EFA) RZOŃCA Bogdan (ECR) KUHS Joachim (ID) PAPADIMOULIS Dimitrios (The Left)	
	Committee for opinion	Rapporteur for opinion	Appointed
	LIBE Civil Liberties, Justice and Home Affairs	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
		COM(2023)0530	Summary

11/10/2023	Commission draft budget published		
09/11/2023	Council position on draft budget published	14622/2023	
09/11/2023	Draft budget approved by Council		
16/11/2023	Vote in committee		
16/11/2023	Budgetary report tabled for plenary	A9-0363/2023	
20/11/2023	Committee referral announced in Parliament		
22/11/2023	Decision by Parliament	T9-0412/2023	Summary
22/11/2023	Results of vote in Parliament		
03/01/2024	Final act published in Official Journal		

Technical information	
Procedure reference	2023/0367(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/9/13378

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Committee draft report		PE754.792	26/10/2023	
Amendments tabled in committee		PE756.168	14/11/2023	
Budgetary report tabled for plenary, 1st reading		A9-0363/2023	16/11/2023	
Budgetary text adopted by Parliament		T9-0412/2023	22/11/2023	Summary
Council of the EU				
Document type	Reference	Date	Summary	
Council position on draft budget	14622/2023	09/11/2023		
European Commission				
Document type	Reference	Date	Summary	
Commission draft budget	 COM(2023)0530	11/10/2023	Summary	

## Meetings with interest representatives published in line with the Rules of Procedure

### Rapporteurs, Shadow Rapporteurs and Committee Chairs

Transparency				
Name	Role	Committee	Date	Interest representatives
KELLER Fabienne	Rapporteur	BUDG	08/11/2023	Parquet européen

Final act	
Budget 2023/2750 <a href="#">OJ L 000 03.01.2024, p. 0000</a>	

## Amending budget 4/2023: reduction in payment appropriations; other adjustments and technical updates

2023/0367(BUD) - 11/10/2023 - Commission draft budget

PURPOSE: presentation by the Commission of draft amending budget No 4 to the general budget 2023.

CONTENT: the **purpose of Draft Amending Budget (DAB) No 4** for the year 2023 is to update the expenditure side of the budget for the following purposes:

#### *Reductions of the appropriations for the ITER project*

The ITER project experienced increasing difficulties in its implementation over the year, notably due to essential repair needs on some parts. The project is undergoing a full re-baselining exercise whose adoption by the ITER Council is foreseen in November 2024. This situation leads to an important reduction of the needs in 2023 in both commitment and payment appropriations.

Consequently, the Commission proposes to reduce the level of appropriations in this DAB by **EUR 280 million** in commitment and **EUR 264 million** in payment appropriations.

#### *Reduction of the needs of payment appropriations*

The Commission proposes to reduce the level of payment appropriations for the Digital Europe Programme (DEP), the European Regional Development Fund (ERDF), the European Social Fund Plus (ESF+), the European Agricultural Fund for Rural Development (EAFRD) and the Asylum, Migration and Integration Fund (AMIF) for a total amount of **EUR 3 billion**. These amounts could not be included in the redeployments proposed in the 'Global transfer' (DEC 13/2023) submitted to Parliament and Council on 27 September 2023.

Consequently, the Commission proposes to reduce the level of payment appropriations as follows:

- Digital Europe Programme by EUR 348.6 million;
- ERDF by EUR 1 081.3 million;
- ESF+ by EUR 650 million;
- EAFRD by EUR 685 million;
- AMIF by EUR 259 million.

#### *European Public Administration*

The Commission proposes adjustments to the heading 7 'European Public Administration', notably in relation to the impact of the increased salary adjustment on administrative expenditure: 2.7 % (i.e. 1.0 % residual update after the first update of 1.7 % from 1 January) instead of +2.6 % to be applied retroactively as from 1 July 2023 as used in the 2023 budget, a higher number of new pension beneficiaries in comparison with the estimates when the 2023 budget was established, and the impact of continued high energy prices.

Overall, the proposal is to increase the non-differentiated expenditure of heading 7 by **EUR 32.5 million** for 2023. It corresponds to an increase of EUR 2.4 million for the administrative expenditure of the other Institutions, EUR 49.1 million for pensions of all institutions and EUR 8.7 million for the European Schools. The increases are compensated by a decrease of administrative expenditure of the Commission for EUR 27.6 million.

#### **European External Action Service (EEAS)**

It is proposed to allow the EEAS to recruit **20 seconded national experts** free of charge for the Military Planning and Conduct Capability (MPCC), without impacting the level of appropriations in 2023.

#### **European Public Prosecutor's Office (EPPO)**

The Commission is proposing to increase the level of appropriations for the security of the building and of the IT systems of EPPO. The complex and sensitive files managed by EPPO require a reinforcement of the security of the building and of the IT systems of the agency to which eight additional Temporary Agents are proposed to be allocated. The budget of the EPPO is thus proposed to be increased by **EUR 500 000** in commitment and payment appropriations to cover the expenditure in year 2023 of the salaries of the new staff.

#### **European Environment Agency (EEA)**

The Commission proposal for the Nature Restoration Law included new tasks for the European Environment Agency, which were expected to require an amount of EUR 2 301 604 in 2023, offset from the LIFE programme. In accordance with Article 49 of the Financial Regulation, this amount was entered into the reserve (the 'provisions' title). In view of the fact that interinstitutional negotiations on the Nature Restoration Law proposal are still ongoing, the Commission proposes to return the 2023 allocation to the LIFE programme.

Overall, the net impact of this DAB is a decrease of **EUR 247.5 million** in commitment appropriations and of **EUR 3 254.8 million** in payment appropriations under the 2023 budget.

## **Amending budget 4/2023: reduction in payment appropriations; other adjustments and technical updates**

2023/0367(BUD) - 22/11/2023 - Budgetary text adopted by Parliament

The European Parliament adopted by 584 votes to 11, with 20 abstentions, a resolution on the Council position on Draft amending budget No 4/2023 of the European Union for the financial year 2023 – Reduction in payment appropriations, other adjustments and technical updates.

Parliament **approved** the Council's position on the draft amending budget No 4/2023.

As a reminder, the main purpose of Draft amending budget No 4/2023 is to update the expenditure side of the budget, amongst other things to:

- reduce the appropriations of the International Thermonuclear Experimental Reactor (ITER) project by EUR 280 000 000 in commitment appropriations and EUR 264 000 000 in payment appropriations, due to delays in implementation, and;
- decrease the level of payment appropriations for the Digital Europe Programme, the European Regional Development Fund, the European Social Fund Plus, the European Agricultural Fund for Rural Development and the Asylum, Migration and Integration Fund for a total amount of EUR 3 000 000 000.

The overall net impact of Draft amending budget No 4/2023 on expenditure amounts to a decrease of **EUR 247 500 000 in commitment appropriations and EUR 3 254 800 000 in payment appropriations**.

Parliament expressed grave concern at the delays in implementation in programmes in the current Multiannual Financial Framework (MFF) and the consequent reduction in payment appropriations. It called on the Member States to press ahead with implementation, with the Commission's support, to ensure the full absorption of available appropriations. It stressed the need to avoid a payments crisis at the end of the current MFF.

Members pointed in particular to the cut in payment appropriations to the Asylum, Migration and Integration Fund (AMIF) proposed by the Commission on account of the fact that a number of high-value invoices are still under analysis and some payment conditionality requirements are not yet met for certain projects. According to Members, such delays to be highly problematic since AMIF must be flexible and responsive in the event of migratory flows.

Parliament considered that the Union should provide a strong response to rapidly rising needs, in particular with regard to humanitarian aid, including in the Middle East and the Caucasus. It called on the Commission to assess budgetary possibilities to provide support already in 2023, through either another draft amending budget or a transfer.