




Basic information	
<b>2024/0185(BUD)</b> BUD - Budgetary procedure Amending budget 4/2024: update of revenue (own resources) and adjustments to some decentralised agencies <b>Subject</b> 8.70.01 Financing of the budget, own resources 8.70.54 2024 budget	Procedure completed

Key players				
European Parliament	<b>Committee responsible</b>		<b>Rapporteur</b>	<b>Appointed</b>
	<div style="border: 1px solid red; display: inline-block; padding: 2px;">BUDG</div> Budgets		MUREȘAN Siegfried (EPP)	23/07/2024
Council of the European Union				
European Commission	<b>Commission DG</b>		<b>Commissioner</b>	
	Budget		HAHN Johannes	

Key events			
Date	Event	Reference	Summary
19/07/2024	Commission draft budget published	COM(2024)0931 	Summary
23/09/2024	Council position on draft budget published	13195/2024	Summary
23/09/2024	Draft budget approved by Council		
07/10/2024	Committee referral announced in Parliament		
14/10/2024	Vote in committee		
15/10/2024	Budgetary report tabled for plenary	A10-0007/2024	
22/10/2024	Decision by Parliament	T10-0024/2024	Summary
22/10/2024	Results of vote in Parliament		
10/12/2024	Final act published in Official Journal		

Technical information	
<b>Procedure reference</b>	2024/0185(BUD)

<b>Procedure type</b>	BUD - Budgetary procedure
<b>Procedure subtype</b>	Budget
<b>Stage reached in procedure</b>	Procedure completed
<b>Committee dossier</b>	BUDG/10/00727

Documentation gateway				
<b>European Parliament</b>				
Document type	Committee	Reference	Date	Summary
Committee draft report		<a href="#">PE763.032</a>	10/09/2024	
Amendments tabled in committee		<a href="#">PE763.295</a>	27/09/2024	
Budgetary report tabled for plenary, 1st reading		<a href="#">A10-0007/2024</a>	15/10/2024	
Budgetary text adopted by Parliament		<a href="#">T10-0024/2024</a>	22/10/2024	<a href="#">Summary</a>
<b>Council of the EU</b>				
Document type		Reference	Date	Summary
Council position on draft budget		<a href="#">13195/2024</a>	23/09/2024	<a href="#">Summary</a>
<b>European Commission</b>				
Document type		Reference	Date	Summary
Commission draft budget		<a href="#">COM(2024)0931</a> 	19/07/2024	<a href="#">Summary</a>

Additional information			
Source	Document	Date	
European Commission	<a href="#">EUR-Lex</a>		

Final act	
Budget 2024/2908 <a href="#">OJ OJ L 10.12.2024</a>	<a href="#">Summary</a>

## Amending budget 4/2024: update of revenue (own resources) and adjustments to some decentralised agencies

2024/0185(BUD) - 10/12/2024 - Final act

PURPOSE: definitive adoption of amending budget No 4 of the European Union for the financial year 2024.

CONTENT: the President of the European Parliament noted that the procedure under Article 314 of the Treaty on the Functioning of the European Union is complete and Amending budget No 4 of the European Union for the financial year 2024 has been definitively adopted.

Amending budget No 4 to the general budget for 2024 concerns an update of revenue (own resources) and adjustments relating to certain decentralised bodies. The objective is to update the revenue side of the budget in order to take into account the most recent developments concerning:

- the updated forecasts of own resources for the 2024 budget, approved by the Advisory Committee on Own Resources (ACRO) on 23 May 2024;
- the update of other revenue such as the United Kingdom contribution and fines.

Budget No 4/2024 includes the following specific expenditure-related items:

- a reinforcement of the European Union Agency for Cybersecurity (ENISA);
- a reinforcement of the European Union Agency for the Cooperation of Energy Regulators (ACER);
- a one-off reduction in the staff of the Anti-Money Laundering Authority (AMLA) and in the EU contribution to that Authority;
- a reinforcement of the European Union Agency for the Space Programme (EUSPA);
- a reinforcement of the Union contribution to the European Medicines Agency (EMA);
- a reinforcement of the European Union Agency for Criminal Justice Cooperation (Eurojust);
- a reinforcement of the European Union Agency for the operational management of large-scale IT systems in the area of freedom, security and justice (eu-LISA).

The net impact of amending budget No 4/2024 on expenditure corresponds to an increase of **EUR 12 million**, both for commitment and payment appropriations.

## Amending budget 4/2024: update of revenue (own resources) and adjustments to some decentralised agencies

2024/0185(BUD) - 19/07/2024 - Commission draft budget

PURPOSE: presentation of Draft Amending Budget No 4/2024 to update revenue (own resources) and adjustments to some decentralised agencies.

CONTENT: the purpose of Draft Amending Budget (DAB) No 4 for the year 2024 is to update the revenue side of the budget to take account of the latest developments as regards:

- the updated own resources forecasts for the 2024 budget;
- to update other revenues such as the United Kingdom contribution and fines.

Additionally, DAB 4/2024 includes the following specific elements related to expenditure:

### ***Reinforcement of the European Union Agency for Cybersecurity (ENISA)***

New tasks have been allocated to ENISA which require the recruitment of one additional temporary agent and one additional seconded national expert, resulting in an overall increase of the related staff expenditure of EUR 0.139 million in 2024. The increase of the EU contribution to ENISA is budgetary neutral.

### ***Reinforcement of the European Union Agency for the Cooperation of Energy Regulators (ACER)***

ACER will take over additional activities, for which additional staff is required resulting in an overall increase of the staff expenditure of EUR 3.34 million. As regards the related expenditure, an amount of EUR 684 000 was already included in the 2024 budget, while a further amount of EUR 2.656 million is proposed to be made available through this Draft Amending Budget.

### ***Reduction in the staffing and of the EU contribution to the Anti-Money Laundering Authority (AMLA)***

The negotiations on the establishment of the new AMLA have taken longer than initially planned and therefore the setting up of the agency will start taking place only in 2024. This has led to a decrease of the staff numbers in 2024. Consequently, it is proposed to reduce the amount of appropriations needed in 2024 by EUR 3.812 million from the reserve.

### ***Internalisation of sensitive critical posts in the European Union Agency for the Space Programme (EUSPA)***

To ensure that critical engineering tasks related to security are conducted by internal staff, the EUSPA needs additional staff. The necessary funding for these posts of EUR 0.3 million is proposed to be compensated by a corresponding reduction in the envelope of the Space Programme.

### ***Increase of the EU contribution to the European Medicines Agency (EMA)***

As a consequence of the Withdrawal Agreement in January 2020, the EMA was relocated from London to Amsterdam. Subsequently, the premises which hosted EMA's headquarters in London have been sub-rented to the WeWork company. Following the financial difficulties experienced by WeWork and the recent renegotiation of the rental contract, the EU balancing contribution to the EMA needs to be increased to cover the reduction of the revenues to be received from the rent of the building. The overall impact on expenditure is therefore EUR 11.2 million in commitment and payments appropriations.

#### ***Increase of the EU contribution to the European Union Agency for Criminal Justice Cooperation (Eurojust)***

Over the past years, Eurojust's expenditure has been under particular pressure due to strong inflation, which had a notable direct impact on salary expenditure as well as building and maintenance costs. To allow Eurojust to continue financing its operational expenditure, the Commission made available an amount of EUR 2.46 million to the agency in the course of 2023, while the Draft Budget 2025 contains an additional amount of EUR 2 million for this purpose. For the year 2024, it is proposed to reinforce the EU contribution to Eurojust by an amount of EUR 2 million, so as to keep the agency's budget on a stable footing.

#### ***Reinforcement of the EU contribution to the European Union Agency for the operational management of large-scale IT systems in the area of freedom, security and justice (EU-LISA)***

A staff increase is requested resulting in an increase of EUR 13.685 million in commitment appropriations and EUR 1.045 million in payment appropriations. This increase is proposed to be fully offset by a reduction of the appropriations in the Asylum, Migration and Integration Fund (AMIF), which is therefore budgetary neutral. The staff increase in eu-LISA will be partially offset against Frontex.

Overall, the net impact of DAB 4/2024 on expenditure amounts to an increase of EUR 12 million in both commitment and payment appropriations.

#### ***Fines and penalty payments***

Taking into account the amounts that have been cashed, it is proposed to increase the initial forecasts introduced in the 2024 budget (EUR 101 million) by EUR 513 million, thus totalling EUR 614 million.

## **Amending budget 4/2024: update of revenue (own resources) and adjustments to some decentralised agencies**

2024/0185(BUD) - 22/10/2024 - Budgetary text adopted by Parliament

The European Parliament adopted by 522 votes to 115, with 25 abstentions, a resolution **approving the Council position** on Draft amending budget No 4 /2024 of the European Union for the financial year 2024 - update of revenue (own resources) and adjustments to some decentralised agencies.

Parliament welcomed the draft amending budget No 4/2024 which aims to update the revenue side of the budget to take account of the latest developments and, additionally, to adjust the expenditure side of the budget in relation to a number of decentralised agencies. Draft amending budget No 4/2024 also updates the 2024 United Kingdom contribution pursuant to the withdrawal agreement, which stands at EUR 2.38 billion, a significant reduction of EUR 1.52 billion compared to the estimate included in the 2024 budget. It also takes into account the fines and penalties cashed up to the end of May 2024, which increases the initial forecast for fines and penalties in the 2024 budget by EUR 513 million.

Draft amending budget No 4/2024 proposes a **number of adjustments** to the financing of decentralised agencies, with a net increase of EUR 12 million overall and a proposal to mobilise the Flexibility Instrument for an amount of EUR 13.2 million to cover increases for the European Medicines Agency and Eurojust in the absence of any available margin under Heading 2b of the multiannual financial framework (MFF).

Parliament noted that the decrease in the amount of own resources other than GNI (in particular with respect to customs duties) and in the size of the United Kingdom contribution to the budget results in an increase in GNI contributions of EUR 5.63 billion. It also noted that there is a significant divergence from the initial forecasting of customs duties and the United Kingdom contribution and called on the Commission to examine scope for **improving its forecasting**, which is vital for the predictability of budgetary planning.

The resolution underlined that, with Draft amending budget No 4/2024, GNI lump-sum reductions for the five beneficiary Member States amount to just under EUR 5.4 billion net. It stressed that these rebates are inflation-linked and have therefore increased at a higher rate than the MFF ceilings, which are adjusted annually on the basis of the 2 % deflator. This anomaly increases the burden on the other Member States.

Parliament emphasised the need for sustainable revenue for the Union budget, which has been severely stretched to respond to various crises in recent years. It deplored the **absence of progress** in the Council on the reform of the own resources system. It recalled its position in support of the amended Commission proposals and urged the Council to adopt those proposals swiftly in order to increase the own resources available to the Union budget.

Parliament recalled its long-standing position that **fines and fees** should be used as supplementary revenue for the Union budget and that new priorities require fresh financing. Noting the series of adjustments to the budgets of decentralised agencies, primarily in accordance with tasks assigned to them under recently adopted legislation, Members recalled that agencies must have the necessary staff and budget to properly fulfil their mandates.

Members regretted that, in the current MFF, a total of EUR 1.5 billion has so far been, or is proposed to be, redeployed from programmes to decentralised agencies. They underlined that the magnitude of the redeployments is symptomatic of the stretched resources available to the Union budget and stressed the need for **budgetary flexibility to adjust agencies' resources** in line with changes to their mandates and tasks during the MFF.

Lastly, it should also be noted that Draft amending budget No 4/2024 entails an increase of EUR 2 million for Eurojust owing to inflationary pressure. Inflationary pressure is clearly a challenge for all decentralised agencies, with inflation running above the annual 2 % deflator by which the MFF ceilings increase and staff and operating costs for decentralised agencies under substantial pressure as a result. Parliament considered that the current treatment of decentralised agencies' budgets as **separate** from administrative spending under Heading 7 of the MFF requires further reflection as part of the Commission's preparations for the post-2027 MFF.

## Amending budget 4/2024: update of revenue (own resources) and adjustments to some decentralised agencies

2024/0185(BUD) - 23/09/2024 - Council position on draft budget

On 19 July 2024, the Commission submitted to the Council draft amending budget (DAB) No 4 to the general budget for 2024 concerning an update of revenue (own resources) and adjustments to some decentralised agencies.

The aim of this proposal is to update the revenue side of the budget to take account of the latest developments as regards:

- the updated own resources forecasts for the 2024 budget agreed by the Advisory Committee on Own Resources (ACOR) on 23 May 2024;
- to update other revenues such as the United Kingdom contribution and fines.

Additionally, DAB No 4/2024 includes the following specific elements related to expenditure:

- a reinforcement of the European Union Agency for Cybersecurity (ENISA) in relation to the adoption of the Cyber Resilience Act which is proposed to be offset from Digital Europe Programme;
- a reinforcement of the European Union Agency for the Cooperation of Energy Regulators (ACER) in relation to the revised Legislative Financial Statement for the revised electricity market design rules;
- a one-off reduction in the staffing and the EU contribution to the Anti-Money Laundering Authority (AMLA) taking into account the delay in its establishment;
- a reinforcement of the European Union Agency for the Space Programme (EUSPA) to internalise critical engineering tasks;
- a reinforcement of the Union contribution to the European Medicines Agency (EMA) following the approval by the budgetary authority of the building file for EMA's former London premises;
- a reinforcement of the European Union Agency for Criminal Justice Cooperation (Eurojust) due to strong inflationary pressure;
- a reinforcement of the European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA) to cater for changes in the mandate of the agency following new or revised Legislative Financial Statements. This also has an impact on Frontex.

Overall, the net impact of DAB No 4/2024 on expenditure amounts to an increase of EUR 12 million in both commitment and payment appropriations.

On 23 September 2024, the Council adopted its position on DAB No 4 to the general budget for 2024 as set out in the [technical annex](#) contained in technical annex to this explanatory memorandum.