At a glance

Plenary - October II 2017



Parliament's reading of the 2018 EU budget

During the October II plenary, the European Parliament is due to decide whether and how to amend the Council's position on the 2018 draft EU budget put forward by the European Commission. The report adopted by the Committee on Budgets reverses all the cuts proposed by the Council. Furthermore, it increases appropriations for a number of Parliament's priority programmes linked to sustainable growth, jobs – particularly youth employment, security, and climate change.

The budgetary procedure for 2018

On 29 June 2017, the European Commission presented the <u>draft general budget of the EU for 2018</u>, comprising total commitments of €160.6 billion (+1.4 % on 2017) and total payments of €145.4 billion (+8 % on 2017).

On 4 September 2017, the Council, one arm of the budgetary authority, adopted <u>its reading of the draft budget</u>, proposing to reduce commitments to €158.9 billion (-1 % on the draft budget) and payments to €144.4 billion (-0.7 %). The European Parliament (EP), the other arm of the budgetary authority, has 42 days from receiving the Council's communication on its reading to approve or amend it.

The report of the European Parliament's Committee on Budgets

Following the consultation of Parliament's specialised committees, the EP's Committee on Budgets (BUDG) has now submitted its <u>report</u> on the Council's position (rapporteurs: Siegfried Mureşan, EPP, Romania; and Richard Ashworth, ECR, United Kingdom) for debate and a vote in the EP plenary.

The BUDG report increases the Commission's original proposal: commitments to €162.6 billion (+1.2 % on the draft budget) and payments to €146.7 billion (+0.9 %). The report opposes the Council's cuts, thus reflecting the EP's priorities for next year's EU budget as agreed in the March 2017 <u>resolution</u> on general guidelines for the preparation of the 2018 budget.

As well as reversing all the Council's proposed cuts, BUDG proposes to add €1.9 billion in commitments and €1.3 billion in payments on top of the Commission's initial draft amounts. BUDG underlines its objection to EFSI-related cuts to Horizon 2020 and the Connecting Europe Facility, and tops up appropriations for those two programmes. In line with the same priority of supporting jobs and growth, BUDG proposes to increase funds for COSME, Horizon 2020, Erasmus+, EaSI and the Youth Employment Initiative. Additional allocations are proposed for action in the fields of security, migration and support for refugees (for example, supplementary funds for justice and home affairs agencies, and resources addressed to third countries in the EU's neighbourhood), among others.

If the European Parliament does not amend the Council's position or does not take a decision by 27 October 2017, the 2017 EU budget will be deemed to be adopted in the form of the Council's reading. However, this has never occurred in practice. In the case of amendments to the Council's reading (and of each institution maintaining its position), a 21-day conciliation period begins (this year, up to 20 November 2017). Should no agreement be reached between the European Parliament and the Council by the end of that period, the European Commission would be required to table a new draft budget.

Budgetary procedure – Rule 88: <u>2017/2044(BUD)</u>; Committee responsible: BUDG; Rapporteurs: Siegfried Mureşan (EPP, Romania) – Section III: Commission and Richard Ashworth (ECR, United Kingdom) – other sections.

