

## Parliament's reading of the 2020 EU budget

During the October II plenary session, the European Parliament is due to decide on amendments to the Council's position on the draft EU budget for 2020. The report of the Committee on Budgets reverses the cuts proposed by the Council, with the exception of funds for Turkey. Furthermore, it proposes a considerable increase in the contributions of the 2020 budget to the fight against climate change, and increases appropriations for a number of Parliament's other priorities, to make 2020 a bridge to future EU policies and to provide European added value.

### The budgetary procedure for 2020

2020 is the last year of the Multiannual Financial Framework (MFF) for the years 2014-2020. On 5 July 2019, the Commission presented its [draft general budget of the EU for 2020](#). The draft amounts to €168.3 billion in commitments, an increase of 1.3 % as compared to the 2019 budget. As far as payments are concerned, the draft totals €153.6 billion (+3.5 % compared to 2019). Commitments are at the level of 0.99 % of the EU's combined gross national income (GNI), and payments at 0.9 % of GNI.

On 5 September 2019, the Council, one arm of the budgetary authority, adopted its [reading of the draft budget](#), proposing to reduce commitments to €166.8 billion (-0.9 % on the draft budget) and payments to €153.1 billion (-0.33 %). 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 Parliament's Committee on Budgets

On 14 October, following the consultation of Parliament's specialised committees, and the examination of 1 365 amendments, the EP's Committee on Budgets (BUDG) adopted its [report](#) on the Council's position and submitted it for debate and a vote in plenary. The report confirms the EP's priorities, as reflected in the [March 2019 resolution on general guidelines for the preparation of the 2020 budget](#), in particular narrowing the gap to the EU climate expenditure target, implementing the United Nations Sustainable Development Goals and delivering on the European Pillar of Social Rights. The BUDG committee opposes the Council's cuts as unjustified, and increases the Commission's original proposal by €2.7 billion in commitments, with over €2 billion of that to increase climate-related expenditure, bringing it to almost €171 billion. The level of payments is increased by €5.5 billion, to total €159.1 billion.

The budgetary amendments in the report, inter alia, add commitments of €737.8 million over the level of the Commission's proposal to Horizon 2020, €545 million to the Connecting Europe Facility, €123.4 million to Erasmus+, and €363.3 million to the Youth Employment Initiative. Moreover, according to [Article 15\(3\) of the Financial Regulation](#) the report makes available the entire amount of €280.7 million de-committed in 2018, as a result of the non-implementation of research projects, for the budget lines of Horizon 2020 that are most relevant to climate-related research projects. The report increases payments for European structural and investment funds by €3 billion. In the BUDG report, the margins in Headings 1a, 1b, 3 and 4 are exhausted, and substantial mobilisation of the Flexibility Instrument, the Global Margin for Commitments and the Contingency Margin would be required.

Once the Parliament adopts amendments to the Council position, the President of the Parliament, in agreement with the President of the Council, convenes a meeting of the Conciliation Committee. The 21-day conciliation period lasts up to 18 November, with a first conciliation meeting scheduled for 4 November. A trilogue meeting took place on 16 October. Should no agreement be reached by the end of the 21-day period, the Commission would have to table a new draft budget for the year 2020.

Budgetary procedure - Rule 88: [2019/2028\(BUD\)](#); Committee responsible: BUDG; Rapporteurs: Monika Hohlmeier (EPP, Germany) – Section III: Commission, and Eider Gardiazabal Rubial (S&D, Spain) – other sections.

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