

## Amending Budget No 10/2020

### Increase in payment appropriations and other adjustments to expenditure and revenue

The European Commission has proposed to amend the 2020 budget, increasing the level of payment appropriations related to the 'global transfer' exercise, adjusting the revenue side, and budgeting expenditure adjustments related to the European Agriculture Guarantee Fund and some decentralised agencies. The overall proposed impact of Draft Amending Budget No 10/2020 (DAB 10/2020) is an increase in payment appropriations of €1 569.3 million. The European Parliament is set to vote on the Council's position on DAB 10/2020 during the December plenary session.

#### Background

The European Parliament and the Council, as budgetary authority of the European Union, adopt the annual budget of the Union based on the proposal of the European Commission, following the [annual EU budgetary procedure](#). Once adopted, the annual budget can be amended under the same procedure, with a proposal by the Commission and the approval of Parliament and Council.

#### European Commission proposal

On 9 October 2020, the Commission adopted a [proposal](#) for a decision of the European Parliament and of the Council on amending the budget of the EU for the financial year 2020 due to the need to increase payment appropriations in line with updated forecasts of expenditure and other adjustments to expenditure and revenue. The purpose of Draft Amending Budget 10/2020 is: to increase the level of payment appropriations (in line with updated forecasts and after having taken into account redeployments submitted to Parliament and Council in early October in the 'global transfer'; to adjust the revenue (exchange rate differences and additional fines collected); and to budget further limited expenditure adjustments (appropriations of the European Agriculture Guarantee Fund and for certain decentralised agencies (ESMA, EIOPA, EBA and ELA).

The overall increase in payment appropriations (€1 569.3 million) concerns headings 1a ('Competitiveness for Growth and Jobs'), 1b ('Economic, Social and Territorial Cohesion'), 2 ('Sustainable Growth – Natural Resources' – reinforcement of €750 million in payment appropriations in order to avoid slowing down the implementation of programmes financed by the European Agricultural Fund for Rural Development) and 4 ('Global Europe' – reinforcement of the global EU response to Covid-19 in payment appropriations of €586 million in total) and some savings in heading 1a (agencies). The overall impact on the revenue side is a decrease in other revenue of €588 million, related to the depreciation of the British pound, rebalanced by a corresponding increase in the gross national income contributions.

#### European Parliament position

On 28 October, Parliament's Committee on Budgets (BUDG) discussed the Commission's proposal. In her [draft report](#), the rapporteur recommended approving the proposal, and no amendment was tabled. On 10 December 2020, the committee recommended approval of the Council position on DAB 10/2020. Parliament is expected to vote on approving the Council's position during the December plenary session.

Budgetary procedure: [2020/0298\(BUD\)](#); Committee responsible: BUDG; Rapporteur: Monika Hohlmeier (EPP, Germany).

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