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## The EU's 2016 budget: how to ensure it all adds up

Adopting the European budget takes months of preparation and debate. Almost every parliamentary committee has its say, the plenary vote may last for hours and then there are weeks of tricky negotiations with the Council. On 25 November MEPs approved an informal agreement reached with member states by 516 votes to 179, with eight abstentions. Check out our infographic for an overview of the procedure and follow the plenary debate live on Tuesday 24 November.

### About the annual budget

The budget accounts for about 1% of the gross national income of all EU countries taken together. Countries pay national contributions and collect customs and excise duties on behalf of the EU, but they are also the beneficiaries of all EU policies and programmes. Check out our [article](#) on the expenditure and contribution by member state (based on figures for 2014).

### How the budget is decided

The European Commission proposes the initial draft of the EU's annual budget. Parliament and the member states in the Council then have to find an agreement on every single figure in it. However, the budget proposed by Parliament usually differ from that proposed by the Council, so normally the two institutions have to negotiate to find an acceptable compromise.

Parliament takes its time to come up with a proposal based on priorities presented by MEPs. The budget committee is in charge of preparing a first draft based on the input by nearly all parliamentary committees. MEPs then debate the proposal during a plenary session and vote on it.

### Paving the way for next year's budget

The Commission released its proposal for the EU's budget for next year on 27 May. For MEPs the [priorities](#) are boosting growth, tackling migration and crises in the EU's neighbourhood, and paying overdue bills. The budget committee [approved](#) a draft report at the end of September, while MEPs [adopted](#) Parliament's position on 28 October, which formed the basis for negotiations with the Council.

On 14 November Parliament and the Council reached an [agreement](#), which MEPs approved on 25 November.

## The budget in figures

The proposal for next year's budget includes €155 billion in commitments and €143.9 billion in payments. Commitments are the financial obligations the EU undertakes during the year, payments are what it actually pays that year. So commitments undertaken in a given year might only require actual payment in following years, while commitments made in previous budgets might require payment this year.

*The plenary debate on the EU budget takes place on Tuesday: it is the second item in the afternoon session and should start around 16.00 CET. Watch it [live on our website](#). The vote is scheduled for Wednesday.*

## Find out more

[Watch the debate live on Tuesday 24 November after 15.00 CET](#)

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[Press release on informal agreement between Parliament and Council \(14 November 2015\)](#)

[Legislative file](#)

[EU budget: expenditure and revenue by EU country](#)

