## Plenary - July 2018



# 2019 draft EU budget: Mandate for trilogue

The 2019 EU budget is the penultimate annual budget of the 2014-2020 Multiannual Financial Framework (MFF). The draft budget for 2019 proposed by the Commission in May 2018 amounts to €165.6 billion in commitments and €148.7 billion in payments. During the July plenary session, the European Parliament is expected to adopt its position for initial negotiations with the Council, known as the 'mandate for trilogue'.

### European Commission draft general budget of the EU for 2019

On 23 May 2018, the Commission presented its <u>draft general budget of the EU for 2019</u>. The draft amounts to €165.6 billion in commitments, an increase of 3.1 % as compared to the 2018 budget. As far as payments are concerned the draft totals €148.7 billion, a 2.7 % increase over 2018. Commitments are at the level of 1 % of the EU's combined gross national income (GNI), and payments at 0.9 % of GNI. In May 2018, Commissioner Gunther Oettinger, in his <u>presentation</u> to the EP Committee on Budgets, mentioned three priorities for the 2019 budget: a stronger and more resilient European economy, solidarity and security within and beyond EU borders, and proper implementation of the EU budget. The 2019 budget includes funding for new initiatives such as: the European Solidarity Corps (€103 million), the European Labour Authority (€11 million), the European Defence Industrial Development Programme (€245 million), a reserve for civil protection capabilities at EU level (€150 million) and the European Public Prosecutor's Office (€5 million).

#### **European Parliament position**

On 28 June 2018, the Committee on Budgets (BUDG) adopted a <u>report</u> in which it recalled its priorities for the 2019 EU budget, already expressed in its <u>resolution</u> of 15 March 2018. Those priorities are sustainable growth, innovation, competitiveness, citizenship, security, the fight against climate change, transition to renewable energy and migration, as well as young people. The report welcomes the increase of funding for Horizon 2020, the Connecting Europe Facility and Erasmus+, however it notes that support for SMEs should be reinforced and the budget for Erasmus+ should be doubled. The report calls for continuation of the Youth Employment Initiative (YEI) and notes that the proposed mobilisation of €233.3 million for the YEI should be matched with the corresponding amount from the European Social Fund. A revision of the Common Provisions Regulation should be presented urgently by the Commission. The report agrees that migration remains a top EU priority in 2019. However it expresses reservations about the Commission's proposals for funding the Facility for Refugees in Turkey from the EU budget in 2018 and 2019. Last but not

least, the report notes very limited or no margins under the MFF ceilings and therefore limited flexibility in the EU budget in responding to new challenges. The report is due to be voted in plenary during the July session, and thereafter constitute the mandate for the Parliament's negotiations with the Council in advance of the latter's adoption of its position.

## Annual budgetary procedure

The European Parliament and the Council are the two arms of the EU's budgetary authority. A special legislative procedure applies with single reading and specific deadlines (Article 314 of the Treaty on the Functioning of the European Union). In case of disagreement, a conciliation procedure takes place.

#### Key dates - 2019 budgetary procedure

12 July 2018: trilogue before Council adopts position By week 37 (third week of September): adoption of the Council's position

Week 39 (24-27 September: BUDG committee votes amendments to Council's position

Week 41 (8-9 October): BUDG committee vote on budgetary resolution

18 October: trilogue before the EP's reading 24 October 2018: adoption of EP's reading

30 October – 19 November: 21-day conciliation period 7 and 16 November: opening and closing conciliation committee meetings

Budgetary procedure: 2018/2024(BUD); Committee responsible: BUDG; Rapporteur: Daniele Viotti (S&D, Italy).

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