

# Amending Budget No 4 to the 2019 EU budget

## Reduction of commitment and payment appropriations

Draft Amending Budget No 4/2019 (DAB 4/2019) aims to reduce commitment and payment appropriations in line with updated expenditure needs and the update of revenue (own resources) to take account of the latest economic forecasts and other developments. The Committee on Budgets (BUDG) adopted a number of changes to the Council's position. The report is due to be voted during the October I plenary part-session.

### European Commission proposal

On 2 July 2019, the Commission submitted a [proposal](#) for [Draft Amending Budget No 4/2019](#). On the **expenditure** side, the Commission proposes to reduce commitment and payment appropriations by €112 million and €67.5 million respectively, in heading 1a 'Competitiveness for growth and jobs', heading 1b 'Economic, Social and Territorial Cohesion', heading 2 'Sustainable growth - natural resources' and for special instruments. Reductions concern the financial supervision authorities: the European Banking Authority, by €2.5 million, the European Insurance and Occupation Pensions Authority, by €2.4 million, and the European Securities and Markets Authority, by €13.7 million. This follows political agreement, reached in March 2019, on proposals for a major revision of their mandates. Appropriations are also reduced for the European Border and Coast Guard Agency (Frontex), by €12.1 million, the European Public Prosecutor's Office, by €1 million, and for the Dublin III Regulation, by €7.2 million. Fewer resources are also needed for the European Social Fund - Operational Technical Assistance, the Emergency Support Instrument, the Union Civil Protection Mechanism, the European Solidarity Fund, and for the mobilisation of other [special instruments](#). On the other hand, the proposal seeks to increase by €11.9 million commitment and payment appropriations in heading 5 'Administration', to adjust the 2019 budget of some EU institutions, as a result of the postponement to 31 October 2019 of [the withdrawal of the United Kingdom](#) from the Union. The overall effect of DAB 4/2019 would be a reduction of €100 million in commitment appropriations and €55.6 million in payment appropriations across the headings concerned.

On the **revenue** side, the Commission proposes two adjustments: firstly, a revision of the forecast of Traditional Own Resources ([TOR](#)) (i.e. customs duties and sugar sector levies), value-added tax ([VAT](#)) and gross national income ([GNI](#)) bases, to take account of more recent economic forecasts. Secondly, to incorporate the updated UK corrections concerning the years 2015 and 2018 and their financing, which all affect the distribution of own resources contributions from the Member States to the EU budget.

### European Parliament position

On 1 October 2019, Parliament's Committee on Budgets (BUDG) adopted its [report](#) on DAB 4/2019. It considers that the Union budget is too small to respond to pressing needs, and the challenges the Union, as well as its citizens, faces, and therefore decided to amend the Council position on Draft Amending Budget No 4 (adopted on 3 September 2019). The BUDG committee adopted a series of [amendments](#) rejecting the proposed release of commitment appropriations, and called on the Commission to come up with a new proposal. That new proposal should aim to redeploy the potential savings identified in the present proposal, as well as any newly identified appropriations which will not be used, to fund key EU programmes lacking in funding.

Budgetary procedure: [2019/2037\(BUD\)](#); Committee responsible: BUDG; Rapporteur: John Howarth (S&D, United Kingdom).

