



Public Hearing on the EU budget and the Paris climate agreement

Johan UREEL, Director, DG BUDG

Brussels, 24 April 2018

Outline

- Methodology: Tracking climate expenditure (CE)
- Climate expenditure (CE)
- Evaluation
- Lessons learned
- Next steps

Tracking climate expenditure

- The Commission measures and tracks what is being spent, not what the outcome of CE is.
- EU climate markers, adapted from OECD Rio markers, distinguish between 'primary' and 'significant' expenditure with respective assigned values of 100% and 40% that are counted as climate-related spending.

Climate expenditure (CE) (I)

	2014-2017				2018-2020 (forecasts)			2014-2020 (forecast)
	2014	2015	2016	2017	2018	2019	2020	
Total EU budget	118 054,4	158 606,8	151 498,6	154 507,1	156 623,4	160 553,9	164 880,1	1 064 724,0
CE in EU budget	16 098,3	27 451,8	31 738,1	29 792,9	30 481,2	31 956,0	32 606,7	200 124,8
CE % in EU budget	13,6%	17,3%	20,9%	19,3%	19,5%	19,9%	19,8%	18,8%
Interim CE %	18%				19,7%			
Expected CE %	18,8%							
Target CE %	20%							

EUR million, commitment appropriations

Sources: SEC(2017) 250, p. 105; COM(2016) 603 final, p. 11.

Climate expenditure (CE) (II)

		2014-2017				2018-2020 (forecasts)			2014-20	% of total CE
H	Name	2014	2015	2016	2017	2018	2019	2020		
2	EAFRD	3 034,0	10 461,0	10 749,0	8 264,0	8 270,0	8 240,0	8 242,0	57 260,0	28%
2	EAGF	3 316,0	3 273,0	7 938,0	7 643,0	7 743,0	8 164,0	8 172,0	46 249,0	23%
1b	ERDF	3 144,6	6 121,2	4 959,2	5 387,3	5 581,5	5 748,7	5 908,6	36 851,1	18%
1b	CF	2 194,4	2 811,9	2 415,3	2 503,0	2 596,5	2 695,9	2 781,9	17 998,9	9%
1a	H2020	2 071,5	2 097,9	2 053,7	2 296,2	2 415,7	2 585,3	2 831,6	16 351,9	8%
1a	CEF	1 129,5	1 029,8	1 736,5	1 578,0	1 683,1	2 123,4	2 258,6	11 538,9	6%
2	LIFE	186,0	199,7	213,5	228,9	247,2	262,0	273,9	1 611,3	0.8%
others										7,2 %

Evaluation

1. The perspective on CE in the context of climate mainstreaming (CM) is positive with an average 2014 – 2020 CE of 18.8% very close to the 20% political objective.
2. The main purpose of setting a climate relevant spending target in the budget is to incentivise the integration of climate considerations at the programming stage, which has been achieved.

Lessons learned

1. The experience of H2020 shows that political targets for climate spending should be applicable to programmable parts only and avoid components with high degrees of unpredictability.
2. The LIFE programme could play a more important role.
3. Reform to the Commission's method for CE tracking would require comprehensive evaluation and any reform would need examination in consideration of administrative burden and need for further simplification.

Next steps

**MFF post-2020 proposal:
02/05/2018**