



Basic information	
<b>2024/0056(BUD)</b> BUD - Budgetary procedure Amending budget 1/2024: amendments required due to the MFF revision <b>Subject</b> 8.70.54 2024 budget	Procedure completed

Key players				
European Parliament	<b>Committee responsible</b>		<b>Rapporteur</b>	<b>Appointed</b>
	<b>BUDG</b> Budgets			
			Shadow rapporteur <b>PAPADIMOULIS Dimitrios</b> (The Left)	
	<b>Committee for opinion</b>		<b>Rapporteur for opinion</b>	<b>Appointed</b>
	<b>AFET</b> Foreign Affairs		The committee decided not to give an opinion.	
	<b>DEVE</b> Development		The committee decided not to give an opinion.	
	<b>EMPL</b> Employment and Social Affairs		The committee decided not to give an opinion.	
	<b>ITRE</b> Industry, Research and Energy		The committee decided not to give an opinion.	
	<b>IMCO</b> Internal Market and Consumer Protection		The committee decided not to give an opinion.	
	<b>REGI</b> Regional Development		The committee decided not to give an opinion.	
	<b>LIBE</b> Civil Liberties, Justice and Home Affairs		The committee decided not to give an opinion.	
Council of the European Union				
European Commission	<b>Commission DG</b>	<b>Commissioner</b>		

## Key events

Date	Event	Reference	Summary
29/02/2024	Commission draft budget published	COM(2024)0080 	Summary
19/03/2024	Council position on draft budget published	07432/2024	
19/03/2024	Draft budget approved by Council		
08/04/2024	Vote in committee		
10/04/2024	Committee referral announced in Parliament		
10/04/2024	Budgetary report tabled for plenary	A9-0174/2024	
25/04/2024	Decision by Parliament	T9-0374/2024	Summary
25/04/2024	Results of vote in Parliament		
14/06/2024	Final act published in Official Journal		

## Technical information

<b>Procedure reference</b>	2024/0056(BUD)
<b>Procedure type</b>	BUD - Budgetary procedure
<b>Nature of procedure</b>	Budget
<b>Other legal basis</b>	Rules of Procedure EP 165
<b>Stage reached in procedure</b>	Procedure completed
<b>Committee dossier</b>	BUDG/9/14139

## Documentation gateway

## European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE759.895	13/03/2024	
Amendments tabled in committee		PE759.975	25/03/2024	
Budgetary report tabled for plenary, 1st reading		A9-0174/2024	10/04/2024	
Budgetary text adopted by Parliament		T9-0374/2024	25/04/2024	Summary

## Council of the EU

Document type	Reference	Date	Summary
Council position on draft budget	07432/2024	19/03/2024	

## European Commission

Document type	Reference	Date	Summary
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Commission draft budget	COM(2024)0080 	29/02/2024	Summary
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<b>Final act</b>			
Budget 2024/1430 OJ OJ L 05.06.2024			Summary
<a href="#">Corrigendum to final act 32024B1430R(01)</a> OJ OJ L 14.06.2024			

## Amending budget 1/2024: amendments required due to the MFF revision

2024/0056(BUD) - 25/04/2024 - Budgetary text adopted by Parliament

The European Parliament adopted by 465 votes to 53, with 16 abstentions, a resolution on the Council position on Draft amending budget No 1/2024 of the European Union for the financial year 2024 Amendments of the 2024 budget required due to the MFF revision.

Parliament **approved** the Council position on the draft amending budget No 1/2024.

### **MFF revision**

Draft amending budget No 1/2024 is focused on including in the 2024 budget the necessary changes stemming from the recently agreed MFF revision. It increases expenditure by **EUR 5 833.7 million** in commitment appropriations and **EUR 4 143.6 million** in payment appropriations.

With the adoption of this Draft amending budget, the 2024 Union budget will be more fit for purpose, more flexible and better equipped to meet the challenges the Union faces.

### **Ukraine reserve**

Parliament welcomed the proposal to mobilise EUR 4.8 billion from the newly created Ukraine Reserve to enable the payment of grants to Ukraine. The payment of loans does not require an amending budget and therefore that the Union is already providing support to the Ukrainian government so that it can maintain essential services. The grant- and loan-based financial support through the Ukraine Facility will help to keep the state and essential services functioning, while supporting Ukraine on its path to reconstruction, recovery, reform and membership of the Union.

### **European Defence Fund**

The resolution welcomed the EUR 376 million reinforcement for the European Defence Fund (EDF) in 2024, resulting from the Strategic Technologies for Europe Platform (STEP) Regulation(10); notes that, in contrast to the legislative financial statement annexed to the STEP proposal, the Commission now considers that no additional payment appropriations are required in 2024.

On 5 March 2024, the Commission put forward a proposal to establish a new defence programme - the European Defence Industry Programme - for the period 2025-2027, with a planned transfer of EUR 1.5 billion from the EDF, precisely the amount of the EDF reinforcement agreed under STEP. Parliament insisted that the additional resources assigned to the EDF for the remainder of the MFF period be used for STEP objectives as per the agreement of the co-legislators.

### **Western Balkans**

The resolution welcomed the additional EUR 500 million for the Western Balkans, placed in reserve subject to the adoption of the proposed regulation establishing the Reform and Growth Facility for the Western Balkans. Parliament intends, with the Council, to review the nomenclature as part of the 2025 budgetary procedure in order to ensure appropriate political and budgetary scrutiny.

### **Emergency Aid Reserve**

The Union will be better able to respond to crises as a result of the increased financing for natural disasters and other emergencies included in Draft amending budget No 1/2024. This Draft amending budget creates new lines in accordance with the decision to split the Solidarity and Emergency Aid Reserve into two parts - the **European Solidarity Reserve** for natural disasters and public health emergencies within the Union and in accession countries and the **Emergency Aid Reserve** for rapid response to emergencies inside and outside the Union. This new architecture will make the funds easier to manage.

### **Humanitarian aid**

Recalling that humanitarian aid for Ukraine is not covered by the Ukraine Facility, Parliament called on the Commission to monitor humanitarian aid needs closely and to propose any necessary measures to the budgetary authority in good time. In this regard, the Flexibility Instrument has been reinforced by around EUR 500 million for 2024 as part of the MFF revision.

### **European Globalisation Adjustment Fund**

Parliament noted that the 2024 allocation for the European Globalisation Adjustment Fund for Displaced Workers (EGF) is reduced to EUR 33.8 million, in accordance with the revised MFF Regulation. The Commission is called on to monitor EGF implementation and for all institutions to take any necessary measures to ensure that all justified requests for EGF support, as a manifestation of Union solidarity, can be met.

### **Artificial Intelligence Act (AI Office)**

Members noted the changes to the budgetary remarks to enable the Digital Europe programme to finance the costs of recruiting contractual agents for the Artificial Intelligence Office established under the recently agreed Artificial Intelligence Act. They insisted that covering staffing costs for the new Office in this manner is acceptable only as a temporary fix and does not constitute a precedent, that a long-term structural solution under Heading 7 must be found beyond the current MFF.

## **Amending budget 1/2024: amendments required due to the MFF revision**

2024/0056(BUD) - 29/02/2024 - Commission draft budget

**PURPOSE:** presentation of draft amending budget 1/2024 (DAB 1/2024) reflecting the impact of the revision of the Multiannual Financial Framework (MFF) on the 2024 financial year.

**CONTENT:** the purpose of Draft Amending Budget No 1 for the year 2024 is to introduce the necessary changes to the 2024 budget stemming from the revision of the Multiannual Financial Framework.

The revision of the MFF Regulation applies retroactively as of 1st January 2024 and includes *inter alia* amendments to the MFF ceilings.

In order to reflect the impact of the MFF revision on the financial year 2024, DAB 1 covers the following elements:

### **Ukraine Facility**

The revised Multiannual Financial Framework Regulation creates a new special instrument - the Ukraine Reserve - for the period 2024-2027 for the sole purpose of financing the new Ukraine Facility. The latter aims to support Ukraine's efforts to sustain macro-financial stability, support reconstruction as well as modernise the country whilst implementing key reforms on its EU accession track.

The Commission proposes to make the necessary adjustments to the budget nomenclature and budget remarks and proposes to mobilise the Ukraine facility in this DAB. This includes creating eight new budget lines. It is proposed to mobilise an amount of EUR 4 767.5 million of commitment appropriations and EUR 3 754.8 million of payment appropriations.

### **European Defence Fund (EDF) within the Strategic Technologies for Europe Platform (STEP)**

In order to boost the defence investment capacity contributing to the STEP objectives, the revision of the Multiannual Financial Framework includes an increase of EUR 1.5 billion for the remainder of the MFF, for which an increase of EUR 376 million of commitment appropriations in 2024 is proposed, split between both strands of the programme (i.e. defence research, and capability development).

### **European Solidarity Reserve and Emergency Aid Reserve**

Following the revision of the Multiannual Financial Framework, the Solidary and Emergency Aid Reserve (SEAR) has been split in two separate instruments retroactively as of 1st January 2024:

- **the European Solidarity Reserve (ESR)** with an annual amount of EUR 1 016 million (in 2018 prices, corresponding to EUR 1 144.2 million in 2024 prices) for assistance to respond to emergency situations covered by the European Union Solidarity Fund (EUSF);

- **the Emergency Aid Reserve (EAR)** with an annual amount of EUR 508 million (in 2018 prices, corresponding to EUR 572.1 million in 2024 prices) for rapid responses to specific emergency needs within the Union or in third countries.

### **Reform and Growth Facility for the Western Balkans**

The revision of the MFF includes the additional allocation for Western Balkans, which will be implemented through a new Reform and Growth Facility for the Western Balkans.

The Commission proposes to make the necessary adjustments to the budget nomenclature, budget remarks and level of appropriations in this DAB 1. Three new budget lines are to be created.

Additionally, it is proposed to include and allocate an amount of EUR 501 million of commitment appropriations and EUR 23.9 million of payment appropriations in reserve pending the adoption of the legal basis.

### **European Globalisation Adjustment Fund**

The revision of the MFF foresees a reduction of the annual allocation of EGF for the period 2024-27, which should not exceed a maximum amount of EUR 30 million (in 2018 prices, corresponding to EUR 33.8 million in 2024 prices). Consequently, a reduction of commitment appropriations in 2024 by EUR 175.7 million is proposed.

### **Artificial Intelligence Act (AI Office)**

Additionally, DAB 1 includes an adjustment to the budget remarks of the budget line for support expenditure of the Digital Europe Programme following the political agreement reached in December 2023 by the European Parliament and the Council on the establishment of the Artificial Intelligence Office.

The establishment of the Artificial Intelligence Office necessitates a larger set of tasks and responsibilities as initially set out. Therefore, increased staffing levels, and subsequently costs, are required to be able to effectively deliver on those tasks.

## Financing

Overall, the net impact of DAB 1 on expenditure amounts to an increase of EUR 5 833.7 million in commitment appropriations and EUR 4 143.6 million of payment appropriations.

# Amending budget 1/2024: amendments required due to the MFF revision

2024/0056(BUD) - 05/06/2024 - Final act

PURPOSE: to adopt amending budget (AB) No 1 to the 2024 budget which reflects the impact of the revision of the Multiannual Financial Framework (MFF) on the 2024 financial year.

LEGISLATIVE ACT: Definitive adoption (EU, Euratom) 2024/1430 of Amending budget No 1 of the European Union for the financial year 2024.

CONTENT: amending budget No 1 to the 2024 budget is focused on including in the 2024 budget the necessary changes stemming from the recently agreed MFF revision. It increases expenditure by **EUR 5.83 billion** in commitment appropriations and **EUR 4.14 billion** in payment appropriations.

This amended budget will enable the Union to continue delivering this year on the EU's common priorities, for the benefit of European citizens and beyond. In particular, it will reinforce support to Ukraine, boost investments in critical technologies and defence, and provide additional resources to support partners in the Western Balkans.

With the adoption of this Draft amending budget, the 2024 Union budget will be more fit for purpose, more flexible and better equipped to meet the challenges the Union faces.

This amendment of the annual EU budget 2024 covers the following elements:

- reinforcement of the **Ukraine Facility** and mobilisation of the **Ukrainian Reserve**, with an amount of **EUR 4.8 billion**;
- reinforcement of the **European Defence Fund** within the framework of the **Strategic Technologies for Europe Platform** (STEP) by **EUR 376 million**;
- reinforcement of the **European Solidarity Reserve** and the **Emergency Aid Reserve** (former Solidarity and Emergency Aid Reserve) by **EUR 365 million**;
- reinforcement of the Reform and Growth Facility for the **Western Balkans**, by **EUR 501 million**;
- adaptation of the reserve for the European Globalisation Adjustment Fund for Displaced Workers to actual needs in recent years.