Procedure file

| Basic information | | |
|---|----------------|---------------------|
| BUD - Budgetary procedure | 2017/2286(BUD) | Procedure completed |
| 2019 budget: guidelines, Section III - Commission | | |
| Subject 8.70.59 2019 budget | | |

| Key players | | | |
|-------------------------------|---------------------------------------|----------------------|----------------------|
| European Parliament | Committee responsible BUDG Budgets | Rapporteur | Appointed 04/12/2017 |
| | | S&D VIOTTI Daniele | |
| | | Shadow rapporteur | |
| | | HOHLMEIER Monika | |
| | | KÖLMEL Bernd | |
| | | DEPREZ Gérard | |
| | | TARAND Indrek | |
| | | ENF ŻÓŁTEK Stanisław | |
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| Council of the European Union | Council configuration | Meeting | Date |
| | Economic and Financial Affairs ECOFIN | <u>3597</u> | 20/02/2018 |
| uropean Commission | Commission DG | Commissioner | |
| | Budget | OETTINGER Günther | |

| Key events | | | |
|------------|-------------------------------------|--------------|---------|
| 08/03/2018 | Vote in committee | | |
| 09/03/2018 | Committee report tabled for plenary | A8-0062/2018 | Summary |
| 13/03/2018 | Debate in Parliament | - | |
| 15/03/2018 | Results of vote in Parliament | <u> </u> | |
| 15/03/2018 | Decision by Parliament | T8-0089/2018 | Summary |
| 15/03/2018 | End of procedure in Parliament | | |

| Technical information | | |
|----------------------------|---------------------------|--|
| Procedure reference | 2017/2286(BUD) | |
| Procedure type | BUD - Budgetary procedure | |
| Procedure subtype | Budgetary preparation | |
| Other legal basis | Rules of Procedure EP 165 | |
| Stage reached in procedure | Procedure completed | |
| Committee dossier | BUDG/8/11832 | |

| Documentation gateway | | | | | |
|--|--------------|------------|----|---------|--|
| Committee draft report | PE615.442 | 18/01/2018 | EP | | |
| Amendments tabled in committee | PE618.071 | 06/02/2018 | EP | | |
| Committee report tabled for plenary, single reading | A8-0062/2018 | 09/03/2018 | EP | Summary | |
| Parliament's opinion on budgetary estimates/guidelines | T8-0089/2018 | 15/03/2018 | EP | Summary | |
| For information | C(2019)1102 | 12/02/2019 | EC | | |

2019 budget: guidelines, Section III - Commission

The Committee on Budgets adopted the report by Daniele VIOTTI (S&D, IT) on the general guidelines for the preparation of the 2019 budget, section III - Commission.

Members considered that the two arms of the budgetary authority should endeavour to reach an ambitious and comprehensive agreement on the 2019 budget to enable an agreement on the post-2020 MFF and own resources by the end of this parliamentary term.

The report stressed the need to respond to challenges facing the Union and citizens expectations many of whom have been hit hard by the crisis for several years.

The new political priorities and future challenges for the European Union should be financed by fresh appropriations and not by the reduction of programmes currently being successfully carried out.

Main priorities of the EU budget for 2019: Members believe that the EU budget should reinforce all the relevant instruments for tackling youth unemployment, which is one of the greatest challenges at European level. Its priorities should be growth, innovation, competitiveness, the fight against climate change, the transition to renewable energy, migration and security.

The report called for, inter alia:

- the swift roll-out of and thorough implementation of the European Solidarity Corps in the wake of its adoption, scheduled for 2018;
- increasing the allocation for the Youth Employment Initiative (YEI) through an amending budget if the absorption capacity of the Youth Employment Initiative in 2018 allows for such an increase;
- increasing the <u>Erasmus+</u> budget (by at least doubling it) to allow the programme to respond to eligible demand, particularly in the area of ??lifelong learning;
- increasing the budget of heading 1 and increasing the number of proven programme appropriations, such as Horizon 2020 and programmes that support SMEs, including the EU programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises (COSME), which have far more applicants than recipients of funding:
- extending the action of the European Fund for Strategic Investments (EFSI) to cover a wider geographical area;
- increased funding for the internal security management policy, highlighting in this respect the role played by the Internal Security Fund (ISF) and the need to adequately fund agencies in the areas of borders, security and justice;
- increased funding to combat the phenomenon of radicalisation which breeds violent extremism within the Union;
- adequate budgeting for the <u>Asylum, Migration and Integration Fund</u> (AMIF) in order to support the dignified reception of asylum seekers in the Member States, fair return strategies, resettlement programmes, legal migration policies and promotion of effective integration of third country nationals, and to tackle irregular migration;
- the allocation of adequate resources to the European Public Prosecutor's Office to ensure its proper implementation and functioning;
- additional financial support for initiatives such as the LIFE Climate Action Programme, Ecopotential and Clean Sky so that the 2019 budget to enable the Union to be at the forefront of the fight against climate change.

Reinforced solidarities to address social, territorial and global challenges: Members stated that the EU budget should contribute to the efforts made by Member States in areas such as unemployment and healthcare, by setting aside adequate funding for programmes that set out to fight inequalities, alleviate the worst forms of poverty.

The 2019 budget should:

- reinforce support to the Union programmes which foster growth and creation of long-term quality jobs, in particular for young people;
- introduce further support measures to address demographic challenges;
- encourage access for women to EU funding support further investments in education, childcare and healthcare infrastructure, helping women reconcile work and private life;
- provide sufficient levels of payment appropriations should be provided in order for cohesion policy implementation to proceed smoothly;
- support farmers across Europe in coping with unexpected market volatility and in securing safe, high-quality food supplies; appropriate attention be paid to small-scale farms and fisheries;
- provide EU agencies, programmes and policies involved in or relating to the management of migration and refugee flows and border control with adequate financial and human resources to deal with the current refugee crisis.

Members reiterated their position that the satellite budgetary mechanisms, such as trust funds and other similar instruments, created in the past few years, must be incorporated into the Union budget, and that alternative solutions must be found to enable the Union to react promptly to emergency and post-emergency situations at international level.

2019 budget: guidelines, Section III - Commission

The European Parliament adopted by 417 votes to 122, with 97 abstentions, a resolution on the general guidelines for the preparation of the 2019 budget, section III - Commission.

Members considered that the two arms of the budgetary authority should endeavour to reach an ambitious and comprehensive agreement on the 2019 budget to enable an agreement on the post-2020 MFF and own resources by the end of this parliamentary term.

Parliament stressed the need to respond to challenges facing the Union and citizens expectations many of whom have been hit hard by the crisis for several years.

In particular, the Union should focus on the following priorities:

- do more to improve the lives of its citizens, both now and in the future, but also to protect them against unfair trade and economic
 practices in the global market, while helping them to reap its benefits;
- tackle the challenges of climate change and international security threats;
- support the creation of sustainable growth and jobs and narrow the gap in living standards between EU citizens in all its regions;
- prepare the European economy and EU citizens for the opportunities of digitalisation;
- tackle the root causes of migration and putting an end to various kinds of discrimination, such as discrimination against women and LGBTI people.

Preparing the future: the 2019 Union budget should reinforce all the relevant instruments for tackling youth unemployment, which is one of the greatest challenges at European level. Its priorities should be growth, innovation, competitiveness, the fight against climate change, the transition to renewable energy, migration and security.

Parliament called for, inter alia:

- the swift roll-out of and thorough implementation of the European Solidarity Corps in the wake of its adoption, scheduled for 2018;
- increasing the allocation for the Youth Employment Initiative (YEI) if the absorption capacity of the Youth Employment Initiative in 2018 allows for such an increase; offers of employment, education or training with participant profiles and labour market demand should be encouraged in order to place participants in sustainable employment;
- increasing the <u>Erasmus+</u> budget (by at least doubling it) to allow the programme to respond to eligible demand, particularly in the area of ??lifelong learning;
- increasing the budget of heading 1 and increasing the number of proven programme appropriations, such as Horizon 2020 and programmes that support SMEs, (COSME), which have far more applicants than recipients of funding; the EU budget should have an appropriate role in supporting the digitalisation of European industry and the promotion of digital skills and entrepreneurship;
- extending the action of the European Fund for Strategic Investments (EFSI) to cover a wider geographical area;
- increased funding for the internal security management policy, highlighting in this respect the role played by the Internal Security Fund (ISF) and the need to adequately fund agencies in the areas of borders, security and justice;
- increased funding to combat the phenomenon of radicalisation which breeds violent extremism within the Union;
- adequate budgeting for the <u>Asylum, Migration and Integration Fund</u> (AMIF) in order to support the dignified reception of asylum seekers in the Member States, fair return strategies, resettlement programmes, legal migration policies and promotion of effective integration of third country nationals, and to tackle irregular migration;
- the allocation of adequate resources to the European Public Prosecutor's Office to ensure its proper implementation and functioning;
- additional financial support for initiatives such as the <u>LIFE</u> Climate Action Programme, Ecopotential and <u>Clean Sky</u> so that the 2019 budget to enable the Union to be at the forefront of the fight against climate change.

Reinforced solidarities to address social, territorial and global challenges: the EU budget should contribute to the efforts made by Member States in areas such as unemployment and healthcare, by setting aside adequate funding for programmes that set out to fight inequalities, alleviate the worst forms of poverty, in particular child poverty.

The 2019 budget should:

- reinforce support to the Union programmes which foster growth and creation of long-term quality jobs, in particular for young people;
- introduce further support measures to address demographic challenges;
- encourage access for women to EU funding support further investments in education, childcare and healthcare infrastructure, helping women reconcile work and private life;
- provide sufficient levels of payment appropriations should be provided in order for cohesion policy implementation to proceed smoothly;
- support farmers across Europe in coping with unexpected market volatility and in securing safe, high-quality food supplies; appropriate attention be paid to small-scale farms and fisheries;

- provide EU agencies, programmes and policies involved in or relating to the management of migration and refugee flows and border control with adequate financial and human resources to deal with the current refugee crisis;
- demonstrate external solidarity in fostering conditions for peace and prosperity in the countries of origin, by placing greater emphasis
 on investments and development policies, notably through the implementation of the European Fund for Sustainable Development
 (EFSD), the Development Cooperation Instrument (DCI) and the Humanitarian Aid Instrument.

Parliament reiterated their position that the satellite budgetary mechanisms, such as trust funds and other similar instruments, created in the past few years, must be incorporated into the Union budget, and that alternative solutions must be found to enable the Union to react promptly to emergency and post-emergency situations at international level.

As the arm of the budgetary authority directly elected by citizens, Parliament should fulfil its political role and put forward proposals for Pilot Projects and Preparatory Actions expressing its political vision for the future.