















Procedure file

Basic information		
BUD - Budgetary procedure	2021/0227(BUD)	Awaiting Parliament's position on the draft budget
2022 draft general budget: all sections		
Subject 8.70.52 2022 budget		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	BUDG Budgets		10/11/2020
		 RESSLER Karlo	10/11/2020
		 BOESELAGER Damian	
		Shadow rapporteur	
		 HERBST Niclas	
		 NEGRESCU Victor	
		 UŠAKOVŠ Nils	
		 CHASTEL Olivier	
		 ȘTEFĂNUĂ Nicolae	
		 HAHN Henrike	
		 KUHS Joachim	
		 LAPORTE H�el�ene	
		 RZOŃCA Bogdan	
		 OMARJEE Younous	
		 PAPADIMOULIS Dimitrios	
	Committee for opinion	Rapporteur for opinion	Appointed
	AFET Foreign Affairs		25/01/2021
		 PAET Urmaz	
	DEVE Development		27/01/2021

		 GOERENS Charles	
INTA	International Trade	The committee decided not to give an opinion.	
CONT	Budgetary Control		26/05/2021
		 HOHLMEIER Monika	26/05/2021
		 KUHS Joachim	
ECON	Economic and Monetary Affairs		03/12/2020
		 NIEDERMAYER Luděk	
FEMM	Women's Rights and Gender Equality		25/01/2021
		 RAFAELA Samira	
ENVI	Environment, Public Health and Food Safety		27/01/2021
		 CANFIN Pascal	
ITRE	Industry, Research and Energy		10/12/2020
		 EHLER Christian	
IMCO	Internal Market and Consumer Protection		28/01/2021
		 JURZYCA Eugen	
TRAN	Transport and Tourism		22/06/2021
		 GARCÍA MUÑOZ Isabel	
REGI	Regional Development	The committee decided not to give an opinion.	
AGRI	Agriculture and Rural Development		21/06/2021
		 PICIerno Pina	
PECH	Fisheries	Chair on behalf of committee	25/01/2021
		 KARLESKIND Pierre	
CULT	Culture and Education		24/02/2021
		 FRANZ Romeo	
JURI	Legal Affairs	Chair on behalf of committee	14/06/2021
		 VÁZQUEZ LÁZARA Adrián	
LIBE	Civil Liberties, Justice and Home Affairs		30/06/2021
		 RUIZ DEVESA Domènec	

Council of the European Union European Commission	AFCO Constitutional Affairs	17/03/2021
		 TAJANI Antonio
	EMPL Employment and Social Affairs	13/04/2021
		 ĐURIŠ NICHOLSONOVÁ Lucia
	PETI Petitions	The committee decided not to give an opinion.
	Commission DG Budget	Commissioner HAHN Johannes

Key events

09/07/2021	Commission draft budget published	COM(2021)0300	Summary
24/08/2021	Council position on draft budget published	11352/2021	Summary
13/09/2021	Committee referral announced in Parliament		
11/10/2021	Vote in committee		
12/10/2021	Budgetary report tabled for plenary	A9-0281/2021	

Forecasts

19/10/2021	Debate in plenary scheduled
20/10/2021	Vote in plenary scheduled

Technical information

Procedure reference	2021/0227(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Budget
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Awaiting Parliament's position on the draft budget
Committee dossier	BUDG/9/06350

Documentation gateway

Commission draft budget		COM(2021)0300	09/07/2021	EC	Summary
Committee opinion	IMCO	PE692.880	12/07/2021	EP	
Council position on draft budget		11352/2021	24/08/2021	CSL	Summary
Committee opinion	PECH	PE695.063	03/09/2021	EP	
Committee opinion	ENVI	PE693.812	06/09/2021	EP	
Committee opinion	AFCO	PE696.302	07/09/2021	EP	
Committee opinion	FEMM	PE693.876	08/09/2021	EP	

Committee opinion	ECON	PE693.910	08/09/2021	EP	
Committee opinion	TRAN	PE693.844	28/09/2021	EP	
Committee opinion	LIBE	PE695.140	28/09/2021	EP	
Committee opinion	AFET	PE695.195	28/09/2021	EP	
Committee opinion	CULT	PE695.251	28/09/2021	EP	
Committee draft report		PE696.541	28/09/2021	EP	
Committee opinion	DEVE	PE695.203	29/09/2021	EP	
Specific opinion	CONT	PE697.655	29/09/2021	EP	
Committee opinion	EMPL	PE693.759	30/09/2021	EP	
Committee opinion	AGRI	PE695.060	30/09/2021	EP	
Committee opinion	ITRE	PE696.282	30/09/2021	EP	
Amendments tabled in committee		PE697.702	01/10/2021	EP	
Document attached to the procedure		COM(2021)0642	12/10/2021	EC	Summary
Budgetary report tabled for plenary, 1st reading		A9-0281/2021	12/10/2021	EP	

2022 draft general budget: all sections

PURPOSE: presentation of the draft EU budget for 2022 by the European Commission.

CONTENT: the draft budget 2022 reflects the Union's priorities under the Multiannual Financial Framework (MFF) for the period 2021-2027. It is reinforced by additional funding from NextGenerationEU (NGEU), an exceptional instrument set up on a temporary basis to provide the EU budget with the additional firepower to launch essential response measures to the COVID-19 crisis.

The draft budget for 2022, reinforced by NGEU, will mobilise investments to stimulate economic recovery, preserve sustainability and create jobs. Priority will be given to green and digital spending to make Europe more resilient and better prepared for the future. A significant part of the funds will therefore be dedicated to combatting climate change, in line with the target to spend 30% of the long-term budget and the NextGenerationEU recovery instrument on this policy priority.

PROPOSED APPROPRIATIONS (at current prices)

The draft budget 2022 sets appropriations of EUR 167.8 billion in commitments, and EUR 169.4 billion in payments, including special instruments. NextGenerationEU, which will provide an additional EUR 807 billion in current prices over the period 2021-2023, will reinforce the key programmes by an additional EUR 143.5 billion in commitment appropriations as assigned revenue to the 2022 budget.

Overall, in 2022, EUR 311.3 billion will be available in commitment appropriations, complemented by up to EUR 194.8 billion in loans to Member States.

DRAFT BUDGET 2022 BY MFF HEADINGS 2021-2027

The Commission proposes to allocate the following amounts (in commitment appropriations):

Heading 1 - Single market, innovation and digital: EUR 21.6 billion

- EUR 13.1 billion for research and innovation, including EUR 12.2 billion for Horizon Europe, the EU's flagship research programme. This could benefit from an additional EUR 1.8 billion from the NGEU;

- EUR 5.5 billion for European strategic investments, including EUR 1.2 billion for the InvestEU programme, EUR 2.8 billion for the European Interconnection Facility and EUR 1.2 billion for the Digital Europe programme. The InvestEU programme could benefit from an additional EUR 1.8 billion from the NGEU;

- EUR 905 million to ensure the functioning of the single market, including EUR 584 million for the single market programme and almost EUR 200 million for work on anti-fraud, taxation and customs;

- EUR 2.1 billion for spending dedicated to space.

Heading 2 - Cohesion, resilience and values: EUR 56.1 billion

- EUR 118.4 billion in NGEU grants under the Recovery and Resilience Facility (RRF), the centrepiece of the EU's recovery instrument, to mitigate the economic and social consequences of the COVID-19 pandemic and to prepare EU economies and societies for the challenges posed by the green and digital transitions;

- EUR 36.5 billion for regional development and cohesion. 10.8 billion from NGEU to support crisis response and post-crisis damage repair;
- EUR 17.9 billion for investment in human capital, social cohesion and values, including EUR 13.3 billion for the European Social Fund Plus, EUR 3.4 billion for Erasmus+, EUR 401 million to support creators across Europe and EUR 253 million to promote justice, rights and values;
- EUR 789 million for the EU Health Programme to provide a comprehensive health response to citizens' needs, and RescEU could benefit from an additional EUR 680 million from the NGEU.

Heading 3 - Natural resources and environment: EUR 56.1 billion

- EUR 53.0 billion for the Common Agricultural Policy and EUR 972 million for the European Maritime Affairs, Fisheries and Aquaculture Fund (EMFAF). The European Agricultural Fund for Rural Development (EAFRD) could benefit from an additional EUR 5.7 billion from the NGEU;
- EUR 1.9 billion for environment and climate action, including EUR 708 million for the LIFE programme to support climate change mitigation and adaptation, and EUR 1.2 billion for the Just Transition Fund (JTF). The latter could benefit from an additional EUR 4.3 billion from the NGEU.

Heading 4 - Migration and border management: EUR 3.1 billion

- EUR 1.3 billion for migration-related expenditure, including EUR 1.1 billion for the Asylum, Migration and Integration Fund (AMIF) which will contribute to the effective management of migration flows and the development of the common asylum and migration policy;
- EUR 1.9 billion for the protection of external borders and the harmonised implementation of the common visa policy, including EUR 780 million for the Integrated Border Management Fund (IBMF) and EUR 758 million for the European Border and Coast Guard Agency (Frontex).

Heading 5 - Security and defence: EUR 1.8 billion

- EUR 600 million for security, including EUR 227 million for the Internal Security Fund (ISF) to fight terrorism, radicalisation, organised crime and cybercrime;
- EUR 1.2 billion to address defence and common security challenges, including EUR 950 million to support capacity building and research under the European Defence Fund (EDF), and EUR 232 million for military mobility.

Heading 6 - Neighbourhood and the World: EUR 16.7 billion

- EUR 12.5 billion for the Neighbourhood, Development Cooperation and International Cooperation Instrument - Europe in the World (NDICI), whose priorities for 2022 include responding to the consequences of the COVID-19 pandemic, including support for vaccination efforts and for economic recovery and stability in partner countries.
- EUR 1.9 billion to assist candidate and potential candidate countries in meeting the requirements of the EU accession process, mainly through the Instrument for Pre-Accession Assistance (IPA III).

Heading 7 - European public administration: EUR 10.9 billion

The European public administration has demonstrated its remarkable capacity to adapt to the constraints imposed by the COVID-19 pandemic and to ensure quality and continuity in the face of unprecedented challenges.

The draft budget proposal for 2022 puts the focus on investments in information technology and transitioning into more collaborative working spaces, made possible by reducing the costs related to missions. The transition to more flexible working arrangements should be accompanied by a rationalisation of the building stock, which will be implemented over the coming years.

2022 draft general budget: all sections

The Council adopted its position on the draft general budget of the European Union for the year 2022 (DB 2022). The 2022 budget will be complemented by Next Generation EU funds designed to help boost Europe's economic recovery.

APPROPRIATIONS AND APPROACH

The Council's position on the DB 2022 amounts to:

- EUR 167 662 million in commitment appropriations (EUR 167 793.3 million in the Commission's DB 2022);
- EUR 169 966 million in payment appropriations (EUR 169 391.9 million in the Commission's 2022 DB).

The total amount of payment appropriations foreseen in the Council's position corresponds to 1.14% of the EU's Gross National Income (GNI) (based on the May 2021 GNI forecast).

The Council's position is based on the following approach:

- guiding principles of prudent and realistic budgeting, with adequate resources to support clearly defined priorities and to allow sufficient margins under the ceilings to deal with unforeseen circumstances;
- back-loading part of the financing of some budget lines to the second part of the Multiannual Financial Framework (MFF) 2021-2027 period, in order to ensure: (i) a realistic absorption capacity; (ii) an appropriate acceleration of the implementation of programmes by avoiding excessive increases compared to 2021;
- adjustments of payment appropriations mainly due to the proposed correction of repayment costs of the funds borrowed in the capitals market in the framework of the European Union Recovery Instrument, to take into account lower interest rates;
- the need for EU bodies and agencies to respect and implement all elements of the Multiannual Financial Framework (MFF) 2021-2027 when establishing and implementing the 2022 budget, in particular as regards the level of staff resources. The additional needs should primarily be covered by reprioritising expenditure.

Furthermore, the Council expressed reservations regarding the European Parliament's expenditure statement and establishment plan for 2022 and recalls its intention to examine these elements further in the context of the negotiations on the establishment of the Union's annual budget for 2022.

EXPENDITURE BY HEADING IN THE 2021-2027 MFF

The Council has changed the commitment appropriations (c/a) and updated the payment appropriations (p/a) as follows in relation to the DB 2022:

(1) Single Market, Innovation and Digital (heading 1 of the MFF): EUR 21 219 091 840 in c/a and EUR 21 588 101 276 in p/a

- the heading is characterised by an adjustment of commitment appropriations of EUR -425.05 million (of which EUR -316 million for Horizon Europe), and of EUR -141.20 million for payment appropriations;

- the margin available under heading 1 would be EUR 658.91 million.

(2) Cohesion and Values (heading 2 of the MFF): EUR 56 072 406 716 in c/a and EUR 56 499 743 963 in p/a

Economic, Social and Territorial Cohesion (sub-heading 2a of the MFF)

- the Council accepted the level of both commitment and payment appropriations as it stands (EUR 49 706 million and EUR 56 349 million, respectively) in the DB 2022, as proposed by the European Commission;

- the margin available under sub-heading 2a would be EUR 32.87 million, as proposed by the European Commission.

Resilience and Values (sub-heading 2b of the MFF)

- the sub-heading is characterised by a total reduction in commitment appropriations of EUR -391.44 million (EUR -373.00 million for Recovery and Resilience and EUR -18.44 million for Investing in People, Social Cohesion and Values), and of EUR -336.77 million for payment appropriations;

- the margin available under sub-heading 2b would amount to EUR 459.98 million.

(3) Natural resources and environment (heading 3 of the MFF): EUR 56 072 406 716 in c/a and EUR 56 499 743 963 in p/a

- the heading is characterised by a reduction in commitment appropriations of EUR -25 million for the Environment and Climate Action Programme (LIFE) and EUR -8.33 million for payment appropriations;

- the margin available under heading 3 would amount to EUR 446.59 million.

(4) Migration and border management (heading 4 of the MFF): EUR 3 078 967 387 in c/a and EUR 3 075 985 566 in p/a

- the heading is characterised by a reduction in commitment appropriations of EUR -45 million for the decentralised bodies, namely the European Border and Coast Guard Agency (Frontex) and EUR -45 million for payment appropriations. The amount of EUR 45 million allocated to Frontex would be carried over to the years 2023-2027;

- the margin available under heading 4 would amount to EUR 112.03 million.

(5) Security and defence (heading 5 of the MFF): EUR 1 765 291 945 in c/a and EUR 1 231 194 518 in p/a

- the heading is characterised by a reduction in commitment appropriations of - EUR 20 million for the Internal Security Fund (ISF) and - EUR 6.67 million for payment appropriations;

- the margin available under heading 5 would amount to EUR 102.71 million.

(6) Neighbourhood and the World (heading 6 MFF): EUR 16 197 442 918 in c/a and EUR 12 243 385 271 in p/a

- the heading is characterised by a reduction in commitment appropriations of EUR -501 million, of which EUR -500.00 million for the Neighbourhood, Development and International Cooperation Instrument (NDICI), and of EUR -163.67 million for payment appropriations;

- the margin available under heading 6 would amount to EUR 604.56 million.

(7) European public administration (heading 7 of the MFF): EUR 10 822 495 097 in c/a and EUR 10 822 595 097 in p/a

In line with the relevant European Council conclusions, the Council has decided to stabilise the staffing levels of all institutions, with the exception of the European Parliament, at those of 2021, thus refusing any additional posts requested by the institutions. If needs increase, they should be covered by redeployments within the institution concerned. Therefore, the following adjustments have been made to the establishment plans in the DB 2022.

For the European Parliament, it is suggested not to modify the Commission proposal at this stage and to provisionally foresee EUR 2 112.9 million, which represents an increase of + 2.4 % compared to the 2021 budget.

The margin available under heading 7 would amount to EUR 235.50 million.

Special instruments: EUR 2 799 169 974 in c/a and EUR 2 622 837 592 in p/a

It is suggested to maintain the appropriations entered in the DB 2022 for the Solidarity and Emergency Aid Reserve, the European Globalisation Adjustment Fund and the Flexibility Instrument. It is proposed to introduce the amount of EUR 1 298 918 592 for both commitment and payment appropriations to take account of the political agreement on the Brexit adjustment reserve regulation.

Revenue

In line with the Council's position on the DB 2022, the total budgetary revenue of the Union amounts to EUR 169 966 422 608, which corresponds to 1.14 % of the EU's gross national income (GNI).

2022 draft general budget: all sections

The European Commission presents to the European Parliament and to the Council Amending Letter No 1 to the draft general budget of the European Union for the financial year 2022.

Overall, the net impact of AL 1/2022 on expenditure in the DB 2022 is an increase of EUR 1 243.3 million in commitment appropriations and an increase of EUR 1 231.7 million in payment appropriations.

The main adjustments and updates covered by this AL concern, inter alia, the following:

Pre-financing of the Brexit Adjustment Reserve

The AL introduces the 2022 appropriations of around EUR 1.3 billion for the pre-financing of the Brexit Adjustment Reserve.

Humanitarian support to refugees and reinforced pre-accession assistance instrument

In Draft Amending Budget [\(DAB\) 5/2021](#), the Commission proposed to provide continued support to the most vulnerable of the around 3.7 million refugees from the Syria conflict and beyond in Turkey. Concretely, a total amount of EUR 325 million in commitment appropriations is necessary to ensure the continuation of humanitarian support to refugees in Turkey by extending the coverage of the Emergency Social Safety Net (ESSN) support.

Based on a detailed assessment of payment needs in 2022, the Commission estimates that an amount of EUR 265 million in payment appropriations is necessary in 2022 to cover the additional humanitarian aid actions proposed in 2021, namely the extension of the Emergency Social Safety Net (ESSN) programme.

Moreover, through this amending letter, the Commission proposes to make partial use of the remaining unallocated margin in heading 6, for an amount of EUR 71 million in commitment appropriations, leaving EUR 33 million in commitment appropriations available for unforeseen needs in 2022. These EUR 71 million will complement the EUR 120 million to be committed from the programmed amounts under Instrument for Pre-accession Assistance (IPA) in 2022, notably for migration management and border protection, and other socio-economic actions.

European Agricultural Guarantee Fund (EAGF)

The estimated needs, assigned revenue and appropriations for agricultural expenditure have been updated and are now estimated at EUR 40 919.9 million, which is an increase by EUR 70 million compared to the DB 2022. The Commission proposes to increase the expenditure estimates for agriculture by EUR 70 million compared to the DB 2022. Commitment appropriations of EUR 40 368.9 million, which include EUR 497.3 million for the Reserve for crises in the agricultural sector, are required to cover EAGF needs for 2022.

Sustainable Fisheries Partnership Agreements

The Commission proposes an additional amount of EUR 10.9 million in commitment appropriations to fulfil contractual obligations following agreements signed with Cook Islands, Mauritania and Gabon. As for payment appropriations, the available credits amount to EUR 139.3 million. Considering the payment needs of EUR 160.7 million to cover existing protocols and also taking into account the agreements signed with Cook Islands, Mauritania and Gabon, the overall payment needs exceed the available budget by EUR 21.4 million.

Digital Europe Programme

Due to delays in the adoption of the work programmes implementing the Digital Europe Programme, several calls for proposals have been postponed to late 2022. Consequently, the level of payment appropriations included in the DB 2022 can be decreased by EUR 216 million.

IPA III contribution to Erasmus+

An IPA III contribution to Erasmus+ of EUR 3.7 million was originally allocated for support to Bologna activities to be programmed through the IPA Committee comitology, of which EUR 2.2 million in 2022 and EUR 1.5 million in 2025. However, because of the delay in the adoption of the IPA III basis act and the state of play on the negotiations of the international dimension of the Erasmus+ programme, it will not be possible to use the amount of EUR 2.2 million in 2022 as planned. This amount will be reprogrammed for other activities under IPA. These changes affect the DB 2022 as well as the financial programming for the amount planned in 2025.

Transfer of net assets of the European Coal and Steel Community

According to Withdrawal Agreement, the Union is liable to the United Kingdom for its share in the net assets of the European Coal and Steel Community (ECSC) in liquidation on 31 December 2020, amounting to EUR 183 282 282. The related reimbursements are made in five equal annual instalments of EUR 36 656 456 from 2021 to 2025.