



Brussels, 16 July 2021
(OR. en)

**Interinstitutional File:
2021/0227(BUD)**

**10550/1/21
REV 1**

**FIN 573
INST 257
PE-L 21**

NOTE

From:	Budget Committee
To:	Permanent Representatives Committee
Subject:	Draft general budget of the European Union for the financial year 2022: Council position

I. INTRODUCTION

The draft general budget of the European Union for 2022 (**DB 2022**) as proposed by the European Commission amounts¹ to:

- EUR 167 793.3 million in **commitment** appropriations²;
- EUR 169 391.9 million in **payment** appropriations².

Compared to the budget 2021³, these amounts represent a -0.6 % decrease in commitment appropriations and a -0.7 % decrease in payment appropriations⁴.

¹ These amounts include appropriations foreseen for special instruments outside the multiannual financial framework (MFF).

² Of which EUR 1 624 million programme-specific adjustments stemming from Article 5 MFF Regulation.

³ Amending budgets Nos 1/2021 and 2/2021 (submitted by the Commission as draft amending budgets No 2/2021 and 3/2021 respectively) and draft amending budgets Nos 1/2021, 4/2021 and 5/2021, not included.

⁴ These decreases are due to the pre-financing of the Brexit Adjustment Reserve (EUR 4.2 billion).

II. APPROACH TAKEN BY THE BUDGET COMMITTEE

The DB 2022 has been examined during the months of June and July 2021 on the basis of the principles established in the Council conclusions on the budget guidelines for 2022. In particular, the aim to ensure prudent and realistic budgeting, and provide adequate resources to support clearly set priorities, constituted the guiding principles in establishing the present Council position on the DB 2022. The result of the application of these guiding principles should leave sufficient margins under the ceilings to deal with unforeseen circumstances.

This led the Budget Committee to undertake a detailed analysis of the commitment appropriations for each programme and action by budget line, and propose to back-load 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:

- a realistic absorption capacity;
- an appropriate acceleration of the implementation of programmes by avoiding excessive increases compared to 2021.

In addition, and for the same reason, it is proposed not to use Article 15(3) of the Financial Regulation in 2022 but to back-load the proposed amount to the second part of the MFF period.

Concerning the payment appropriations, most of the reductions are made on lines with non-differentiated appropriations and related to the cuts in the corresponding commitment appropriations. The main component of the adjustments of payment appropriations is 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, both current and expected. Completion lines remain untouched.

As regards administrative expenditure, in line with the conclusions of the European Council of 17-21 July 2020, the Council stresses the need for all Union institutions, bodies, offices and agencies to respect and comply with all elements of the multiannual financial framework (MFF) 2021-2027 when establishing and implementing the budget for 2022, in particular with regard to level of staff resources. On this basis, the view was taken that additional needs should primarily be covered by reprioritisation of expenditure.

In this context, the Council considers that, in view to fulfil the legal obligations for the gradual reduction of the Irish language derogation leading to a reinforcement of the language departments of different institutions, the necessary posts should be found inside the institutions' establishment plans.

Additionally, the Council expresses its reserves on the European Parliament's statement of expenditure and establishment plan for 2022 and recalls its intention to examine these elements further in the negotiations for the establishment of the Union's annual budget for 2022.

III. OUTCOME OF PROCEEDINGS OF THE BUDGET COMMITTEE^{5,6}

On the basis of the above approach, an agreement **was reached** on the **Council's position on the DB 2022** that would amount⁷ to:

- EUR 167 662 million in **commitment** appropriations;
- EUR 169 966 million in **payment** appropriations.

The total amount of payment appropriations provided for in the Council's position on the DB 2022 corresponds to 1.14 % of the EU gross national income (GNI).⁸

In this respect, the following adjustments to the DB 2022 are suggested:

⁵ A summary table of the outcome of proceedings is set out in Annex 1 of Addendum 2 to this document.

⁶ The detailed results relating to the various policy areas are provided in Annexes 2 to 6 of Addendum 2 to this document.

⁷ These amounts include appropriations foreseen for special instruments outside the MFF.

⁸ Based on the May 2021 forecast of GNI.

A. **EXPENDITURE BY HEADING OF THE MFF 2021-2027**

1. **Single Market, Innovation and Digital (heading 1 of the MFF)**⁹

- establish the level of commitment appropriations, targeting a total reduction of -EUR 425,05 million in the appropriations requested in the DB 2022 distributed on a number of specific budget lines, including operational and support expenditure, related to:
 - **01 - Research and Innovation** (-EUR 319.50 million, of which -EUR 316.00 million on *Horizon Europe*, and -EUR 3.50 million on the *Euratom Research and Training Programme*),
 - **02 - European Strategic Investments** (-EUR 100.25 million, of which -EUR 45.5 million on the *InvestEU Fund*, -EUR 4.00 million on *CEF-Digital*, -EUR 50.00 million on the *Digital Europe Programme* and -EUR 0.75 million on *decentralised agencies*),
 - **03 - Single Market** (-EUR 5.30 million, of which -EUR 4.00 million on the *Single Market Programme (incl. SMEs)*, -EUR 0.30 million on *decentralised agencies*; and -EUR 1.00 million on *Other actions*);
- set the level of payment appropriations, reducing the appropriations requested in the DB 2022 by a total amount of -EUR 141.20 million, as a consequence of the adjustments in commitment appropriations on a number of specific budget lines, related to:
 - **01 - Research and Innovation** (-EUR 105.40 million, of which -EUR 104.00 million on *Horizon Europe* and -EUR 1.40 million on the *Euratom Research and Training Programme*),

⁹ The detailed changes in comparison with the DB 2022 as regards figures by MFF heading are recorded in Annex 3 of Addendum 2 to this document.

- **02 - European Strategic Investments** (-EUR 34.05 million, of which -EUR 15.50 million on the *InvestEU Fund*, -EUR 1.30 million on *CEF-Digital*, -EUR 16.50 million on the *Digital Europe Programme* and -EUR 0.75 million on *decentralised agencies*),
 - **03 - Single Market** (-EUR 1.75 million, of which -EUR 1.30 million on the *Single Market Programme (incl. SMEs)*, -EUR 0.30 million on *decentralised agencies* and -EUR 0.15 million on *Other actions*);
- for the other budget lines in this policy area, accept the level of both commitment and payments appropriations as proposed by the Commission;
 - the **margin available** under heading 1 would be EUR 658.91 million.

2. **Cohesion and Values** (heading 2 of the MFF)¹⁰

- a) Economic, Social and Territorial Cohesion (sub-heading 2a of the MFF)
 - accept 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.
- b) Resilience and Values (sub-heading 2b of the MFF)
 - set the level of commitment appropriations, targeting a total reduction of -EUR 391.44 million in the appropriations requested in the DB 2022 on a number of specific budget lines, including operational and support expenditure, related to:

¹⁰ The detailed changes in comparison with the DB 2022 as regards figures by MFF heading are recorded in Annex 3 of Addendum 2 to this document.

- **06 - Recovery and Resilience** (-EUR 373.00 million, of which -EUR 300.00 million on the *Financing cost of the European Union Recovery Instrument (EURI)*, -EUR 2.00 million on the *Union Civil Protection Mechanism (RescEU)*, -EUR 70.00 million on the *EU4Health Programme*, and -EUR 1.00 million on *Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission*),
 - **07 - Investing in People, Social Cohesion and Values** (-EUR 18.44 million, of which -EUR 7.38 million on *Erasmus+*, -EUR 3.00 million on the *European Solidarity Corps (ESC)*, -EUR 2.50 million on *Creative Europe*, -EUR 0.56 million on *decentralised agencies*, and -EUR 5.00 million on *Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission*);
- set the level of payment appropriations, reducing the appropriations requested in the DB 2022 by a total amount of -EUR 336.77 million distributed on a number of specific budget lines, related to:
- **06 - Recovery and Resilience** (-EUR 323.67 million, of which -EUR 300.00 million on the *Financing cost of the European Union Recovery Instrument (EURI)*, -EUR 23.33 million on the *EU4Health Programme*, and -EUR 0.33 million on *Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission*),

- **07 - Investing in People, Social Cohesion and Values**
(-EUR 13.10 million, of which -EUR 7.38 million on *Erasmus+*, -EUR 1.00 million on the *European Solidarity Corps (ESC)*, -EUR 2.50 million on *Creative Europe*, -EUR 0.56 million on *decentralised agencies*, and -EUR 1.67 million on *Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission*);
- for the other budget lines in this policy area, accept the level of both commitment and payments appropriations as proposed by the Commission;
- the **margin available** under sub-heading 2b would be EUR 459.98 million.

3. **Natural Resources and Environment** (heading 3 of the MFF)^{11,12}

- set the level of commitment appropriations, targeting a total reduction of -EUR 25.00 million in the appropriations requested in the DB 2022, related to:
 - **09 - Environment and Climate Action** (-EUR 25.00 million on the *Programme for Environment and Climate Action (LIFE)*).
- set the level of payment appropriations, reducing the appropriations requested in the DB 2022 by a total amount of -EUR 8.33 million, related to:
 - **09 - Environment and Climate Action** (-EUR 8.33 million on the *Programme for Environment and Climate Action (LIFE)*).
- for the other budget lines in this policy area, accept the level of both commitment and payments appropriations as proposed by the Commission;

¹¹ A further examination of the proposal will take place in the context of the annual letter of amendment updating the estimated needs and appropriations for agricultural expenditure, as set out in the Council statement on payment appropriations recorded in Addendum 1 to this document.

¹² The detailed changes in comparison with the DB 2022 as regards figures by MFF heading are recorded in Annex 3 of Addendum 2 to this document.

- the **margin available** under heading 3 would be EUR 446.59 million.

4. **Migration and Border Management** (heading 4 of the MFF)¹³

- set the level of **commitment appropriations**, targeting a total reduction of -EUR 45.00 million in the appropriations requested in the DB 2022, related to:
 - **11 - Border Management** (-EUR 45.00 million on the *decentralised agencies*, namely the European Border and Coast Guard Agency (Frontex));
- set the level of **payment appropriations**, reducing the appropriations requested in the DB 2022 by a total amount of -EUR 45.00 million, related to:
 - **11 - Border Management** (-EUR 45.00 million on *decentralised agencies*, namely the European Border and Coast Guard Agency (Frontex));

The amount of EUR 45 million, allocated to the European Border and Coast Guard Agency (Frontex) in line with the Joint declaration by the European Parliament, Council and Commission on the reinforcement of specific programmes and adaptation of basic acts¹⁴, is expected to be backloaded to the years 2023-2027 and to be included in full in the draft budgets for these financial years according to needs. An additional amount of EUR 45 million in commitment and payment appropriations of Frontex's budget is put in reserve in accordance with point (b) of Article 49(1) of the Financial Regulation¹⁵.

¹³ The detailed changes in comparison with the DB 2022 as regards figures by MFF heading are recorded in Annex 3 of Addendum 2 to this document.

¹⁴ Joint declaration by the European Parliament, Council and Commission on the reinforcement of specific programmes and adaptation of basic acts (OJ C 444 I , 22.12.2020, p. 1).

¹⁵ Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 (OJ L 193, 30.7.2018, p. 1).

- For the other budget lines in this policy area, accept the level of both commitment and payments appropriations as proposed by the Commission;
- the **margin available** under heading 4 would be EUR 112.03 million.

5. Security and Defence (heading 5 of the MFF)¹⁶

- establish the level of commitment appropriations, targeting a total reduction of -EUR 20.00 million in the appropriations requested in the DB 2022, related to:
 - **12 - Security** (-EUR 20.00 million on the *Internal Security Fund (ISF)*);
- set the level of payment appropriations, reducing the appropriations requested in the DB 2022 by a total amount of -EUR 6.67 million as a consequence of the reductions in commitment appropriations, on:
 - **12 - Security** (-EUR 6.67 million on the *Internal Security Fund (ISF)*);
- for the other budget lines in this policy area, accept the level of both commitment and payments appropriations as proposed by the Commission;
- the **margin available** under heading 5 would be EUR 102.71 million.

6. Neighbourhood and the World (heading 6 of the MFF)¹⁷

- set the level of commitment appropriations, targeting a total reduction of -EUR 501.00 million in the appropriations requested in the DB 2022 distributed on specific budget lines, related to:

¹⁶ The detailed changes in comparison with the DB 2022 as regards figures by MFF heading are recorded in Annex 3 of Addendum 2 to this document.

¹⁷ The detailed changes in comparison with the DB 2022 as regards figures by MFF heading are recorded in Annex 3 of Addendum 2 to this document.

- **14 - External Action** (-EUR 501.00 million, of which -EUR 500.00 million on the *Neighbourhood, Development and International Cooperation Instrument (NDICI)*, and -EUR 1 million on *Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission*),
 - set the level of payment appropriations, reducing the appropriations requested in the DB 2022 by a total amount of -EUR 163.67 million, distributed in specific budget lines, related to:
 - **14 - External Action** (-EUR 163.67 million, of which -EUR 163.33 million on the *Neighbourhood, Development and International Cooperation Instrument (NDICI)* and -EUR 0.33 million on *Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission*);
 - for the other budget lines in this policy area, accept the level of both commitment and payments appropriations as proposed by the Commission;
 - the margin available under heading 6 would be EUR 604.56 million.

7. **European Public Administration** (heading 7 of the MFF)¹⁸

In line with the conclusions of the European Council on the matter, the Council has decided to stabilise the **staffing levels of all institutions** apart from the European Parliament at the level of 2021, thus refusing any additional post requested by the institutions.

Regarding the European Parliament, the Council expresses a reserve on the European Parliament's establishment plan for 2022 and the proposed reinforcement of the budget provision for external staff. It intends to examine the European Parliament's request further in the negotiations for the establishment of the Union's annual budget for 2022.

¹⁸ The amounts exclude the institutions' contributions to the European Schools (Type 2). The detailed changes in comparison with the DB 2022 as regards figures by MFF heading are recorded in Annex 3 of Addendum 2.

Increased needs are expected to be covered by redeployments within the requesting institution. Therefore the following adjustments are made to the establishment plans in the DB 2022:

- European Council and Council (-1 post);
- Court of Justice of the European Union (-4 FTE posts);
- European Court of Auditors (-7 FTE posts);
- European Committee of the Regions (-2 FTE posts); and
- European External Action Service (-8 posts).

It is suggested to align the adjusted establishment plans of these institutions contained in the DB 2022 accordingly.

a) Section I - European Parliament

It is suggested not to modify the Commission's proposal at this stage and to provisionally foresee EUR 2 112.9 million, representing an increase of +2.4 % compared to the budget 2021.

b) Section II - European Council and Council

An overall amount of EUR 611.47 million is suggested for the European Council and Council, representing an increase of +2.87 % compared to the budget 2021.

In view of stabilising staffing levels at the level of 2021 to take into account the July 2020 European Council conclusions, a reduction is suggested to *officials and temporary staff* (-EUR 0.05 million).

In line with the horizontal approach, targeted reductions are suggested by applying a specific decrease to *cleaning and maintenance* (-EUR 0.30 million), *acquisition of equipment and software* (-EUR 2.10 million), *external assistance for the operation and development of computer systems* (-EUR 0.33 million), *miscellaneous expenditure on internal meetings* (-EUR 0.60 million) and *information and public events* (-EUR 0.20 million).

c) **Section III - European Commission**

An overall amount of EUR 3 858.11 million in commitment appropriations and EUR 3 858.21 million in payment appropriations is suggested for the **administrative expenditure of the European Commission** (including OP, OLAF, EPSO, PMO, OIB and OIL), representing an increase of +3,6 % compared to the budget 2021.

In view of stabilising staffing levels at the level of 2021 to take into account the July 2020 European Council conclusions, a reduction is suggested to *remuneration of external staff* (-EUR 4.85 million).

Targeted reductions are suggested to *information systems* (-EUR 3.6 million), *equipment and furniture* (-EUR 0.6 million), *Data Centre and networking services* (-EUR 0.4 million), *studies and consultations* (-EUR 0.3 million) and *expenditure related to buildings* (-EUR 0.1 million).

The overall amount of EUR 2 557.18 million for **European Schools and Pensions** is accepted as it stands in the DB 2022, representing an increase of +6 % compared to the budget 2021.

Publications Office (OP)

For the OP it is suggested that the DB 2022 (Section III - Annex 1) be approved as it stands (EUR 113.79 million), representing an increase of +5.56 % compared to the budget 2021.

European Personnel Selection Office (EPSO)

An amount of EUR 26.37 million is suggested for the EPSO, representing a decrease of -0.51 % compared to the budget 2021.

A targeted reduction is suggested to *information systems* (-EUR 0.1 million).

Office for Administration and Payment of Individual Entitlements (PMO)

An overall amount of EUR 46.38 million is suggested for PMO's budget, representing an increase of +7.44 % compared to the budget 2021.

In view of stabilising staffing levels at the level of 2021 to take into account the July 2020 European Council conclusions, a reduction is suggested to *remuneration of external staff* (-EUR 0.35 million).

A targeted reduction is suggested to *Data centre and networking services* (-EUR 0.1 million).

Office for Infrastructure and Logistics in Brussels (OIB)

An overall amount of EUR 86.92 million is suggested for OIB's budget, representing an increase of +3.06 % compared to the budget 2021.

In view of stabilising staffing levels at the level of 2021 to take into account the July 2020 European Council conclusions, a reduction is suggested to *remuneration of external staff* (-EUR 1.20 million).

Targeted reductions are suggested to *information systems* and *Data centre and networking services* (-EUR 0.1 million each).

Office for Infrastructure and Logistics in Luxembourg (OIL)

An overall amount of EUR 27.36 million is suggested for OIL's budget, representing an increase of +0.95 % compared to the budget 2021.

In view of stabilising staffing levels at the level of 2021 to take into account the July 2020 European Council conclusions, a reduction is suggested to *remuneration of external staff* (-EUR 0.40 million).

European Anti-Fraud Office (OLAF)

An overall amount of EUR 61.47 million is suggested for OLAF's budget, representing an increase of +0.63 % compared to the budget 2021.

In view of stabilising staffing levels at the level of 2021 to take into account the July 2020 European Council conclusions, a reduction is suggested to *remuneration of external staff* (-EUR 0.15 million).

d) Section IV - Court of Justice of the European Union

An overall amount of EUR 462.69 million is suggested for the Court of Justice's budget, representing an increase of +4,2 % compared to the budget 2021.

In view of stabilising staffing levels at the level of 2021 to take into account the July 2020 European Council conclusions, reductions are suggested to *remuneration and allowances* (-EUR 0.20 million), *other staff* (-EUR 0.20 million) and *in service training and staff exchanges* (-EUR 0.20 million).

In line with the horizontal approach, targeted reductions are suggested by applying a specific decrease to cleaning and maintenance (-EUR 0.6 million) and to technical equipment and installation (-EUR 0.25 million).

e) Section V - European Court of Auditors

An overall amount of EUR 160.33 million is suggested for the European Court of Auditors' budget, representing an increase of +4,28 % compared to the budget 2021.

In view of stabilising staffing levels at the level of 2021 to take into account the July 2020 European Council conclusions, reductions are suggested to *remuneration and allowances* (-EUR 0.35 million), *other staff* (-EUR 0.14 million) and *in service training and staff exchanges* (-EUR 0.15 million).

In line with the horizontal approach, targeted reductions are suggested by applying a specific decrease to *cleaning and maintenance* (-EUR 0.05 million) and *documentation, library and archiving expenditure* (-EUR 0.13 million).

f) **Section VI - European Economic and Social Committee**

An overall amount of EUR 149.11 million is suggested for the European Economic and Social Committee's budget, representing an increase of +2.81 % compared to the budget 2021.

In view of stabilising staffing levels at the level of 2021 to take into account the July 2020 European Council conclusions, reductions are suggested to *supplementary services for the translation service* (-EUR 0.12 million) and *interinstitutional cooperation and external services in the field of personnel management* (-EUR 0.04 million).

In line with the horizontal approach, targeted reductions are suggested by applying a specific decrease to *cleaning and maintenance* (-EUR 0.50 million), *security and surveillance* (-EUR 0.05 million), *purchase, servicing and maintenance of equipment and software, and related work* (-EUR 0.25 million) and *interpreting* (-EUR 0.20 million).

In addition, a targeted reduction is applied to *outside assistance for the operation, development and maintenance of software systems* (-EUR 0.60 million) as a result of frontloading of expenditure, aimed at ensuring business continuity for IT external developers, in line with the European Economic and Social Committee request for transfer of appropriations INF 6/2021.

g) Section VII - European Committee of the Regions

An overall amount of EUR 107.36 million is suggested for the European Committee of the Regions' budget, representing an increase of +0.58 % compared to the budget 2021.

In view of stabilising staffing levels at the level of 2021 to take into account the July 2020 European Council conclusions, reductions are suggested to *travel and subsistence allowances, attendance at meetings and associated expenditure* (-EUR 0.16 million) and *remuneration and allowances* (-EUR 0.10 million).

In line with the horizontal approach, a targeted reduction is suggested by applying a specific decrease to *web and social media and print material* (-EUR 0.31 million).

In addition, a targeted reduction is applied to *outside assistance for the operation, development and maintenance of software systems* (-EUR 0.45 million) as a result of frontloading of expenditure, aimed at ensuring business continuity for IT external developers, in line with the Committee of the Regions request for transfer of appropriations DEC 1/2021.

h) Section VIII - European Ombudsman

For the European Ombudsman it is suggested that the DB 2022 (Section VIII) be approved as it stands (EUR 12.22 million), representing a decrease of -2.24 % compared to the budget 2021.

i) Section IX - European Data Protection Supervisor

An overall amount of EUR 19.28 million is suggested for the European Data Protection Supervisor's budget, representing a decrease of -0.93 % compared to the budget 2021.

In view of stabilising staffing levels at the level of 2021 to take into account the July 2020 European Council conclusions, a reduction is suggested to *contract staff* working with the institution (-EUR 0.35 million) and its Board (-EUR 0.20 million).

In line with the horizontal approach, targeted reductions are suggested by applying a specific decrease to *information technology equipment and services* (-EUR 0.20 million), *other operating expenditure* (-EUR 0.03 million), *expenditure in connection with the activities of the institution* (-EUR 0.12 million) and *experts reimbursements* (-EUR 0.02 million).

j) Section X - European External Action Service

An overall amount of EUR 772.78 million is suggested for the European External Action Service's budget, representing an increase of +0.67 % compared to the budget 2021.

In view of stabilising staffing levels at the level of 2021 to take into account the July 2020 European Council conclusions, reductions are suggested at headquarters to *basic salaries* (-EUR 0.40 million) and *non-military seconded national experts* (-EUR 0.10 million).

In line with the horizontal approach, targeted reductions are suggested by applying a specific decrease to *missions* (-EUR 0.2 million), *cleaning and maintenance* (-EUR 0.625 million), *information and communication technology* (-EUR 1.5 million) and *furniture* (-EUR 0.14 million).

The **margin available** under heading 7 would be EUR 235.50 million.

B. SPECIAL INSTRUMENTS

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 in the Brexit Adjustment Reserve (BAR) line the amount of EUR 1 298 918 592 for both commitment and payment appropriations, in order to take into account the political agreement on BAR Regulation (as confirmed by Coreper on 28 June).

C. REVENUE

As regards revenue, it is suggested to accept the DB 2022 after the technical adjustments arising from the changes made to expenditure in the Council's position.

D. OTHER GENERAL ASPECTS

1. Budget remarks

It is suggested to align the budget remarks contained in the DB 2022 with the changes made to expenditure in the Council's position and in particular the Union contributions to the financing of the different EU bodies.

The condition for lifting the reserve on budget Article 11 10 01 (*European Border and Coast Guard Agency (Frontex)*) reads as follows:

"An amount of EUR 45 million is put in reserve in accordance with point (b) of Article 49(1) of the Financial Regulation¹⁹. During the course of the financial year 2022, the Commission may present one or more transfer proposals in accordance with Article 31 of the Financial Regulation to release the amount or part of it, where justified on the basis of a thorough assessment of needs, while taking into account the Agency's progress in complying with Recommendations 1-5 made by ECA in its Special report 08/2021 "Frontex's support to external border management: not sufficiently effective to date"."

The budget remark of budget Article 11 10 01 is modified accordingly.

2. Nomenclature

As regards nomenclature, it is suggested to accept the DB 2022.

3. Legal bases

Special care is taken to comply with the provisions of the Interinstitutional Agreement as regards legal bases.

IV. CONCLUSION

In view of the above, the Permanent Representatives Committee is invited:

- to confirm its agreement on:
 - the outcome of proceedings as set out in point III above,

¹⁹ Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 (OJ L 193, 30.7.2018, p. 1).

- mandating the Presidency to forward the Council's position together with the explanatory memorandum to the European Parliament, in accordance with Article 314(3) TFEU, and to approve the draft letter set out in ANNEX I to that effect,
 - proposing that the Council enter in its minutes the statements recorded in Addendum 1 to this document,
 - having the Council's position published in the *Official Journal of the European Union* as set out in document 10551/21;
- decide, in accordance with the first subparagraph of Article 12(1) of the Council's Rules of Procedure and Article 1 of Council Decision (EU) 2020/430²⁰, as further extended by Council Decision (EU) 2021/1142²¹, that the Council uses the written procedure for its adoption.

²⁰ Council Decision (EU) 2020/430 of 23 March 2020 on a temporary derogation from the Council's Rules of Procedure in view of the travel difficulties caused by the COVID-19 pandemic in the Union (OJ L 88 I, 24.3.2020, p. 1).

²¹ Council decision (EU) 2021/1142 of 12 July 2021 further extending the temporary derogation from the Council's Rules of Procedure introduced by Decision (EU) 2020/430, and extended by Decisions (EU) 2020/556, (EU) 2020/702, (EU) 2020/970, (EU) 2020/1253, (EU) 2020/1659, (EU) 2021/26, (EU) 2021/454 and (EU) 2021/825 in view of the travel difficulties caused by the COVID-19 pandemic in the Union (OJ L 247, 13.7.2021, p. 91).

DRAFT LETTER

from : President of the Council

to : President of the European Parliament

Sir,

Please find under separate cover the Council's position on the draft general budget of the European Union for the financial year 2022 as adopted by the Council.

(Complimentary close)
