Council of the European Union

Brussels, 5 November 2024
(OR. en)

14477/24

Interinstitutional File:
2024/0252(BUD)

BUDGET 61

EXPLANATORY MEMORANDUM

Subject:	Draft amending budget No 5 to the general budget for 2024: Adjustments in payment appropriations, update of revenues and other technical updates: Council position of 5 November 2024

I. INTRODUCTION

On 10 October 2024, the Commission submitted to the Council draft amending budget (DAB) No 5 to the general budget for 2024 concerning adjustments in payment appropriations, an update of revenues and other technical updates[1].

The aim of this proposal is to update both the expenditure and revenue side of the budget:

(a) The proposed changes on the expenditure side of the budget concern the following elements:

- an increase of the level of payment appropriations (p/a) for the European Regional Development Fund (ERDF) for a total amount of EUR 2.9 billion, including in relation to the reprogramming related to the Strategic Technologies for Europe Platform (STEP). These amounts could not be included in the redeployments proposed in the "Global transfer" (DEC 11/2024)[2] submitted to the European Parliament and the Council on 3 October 2024;

[1] Doc. 14348/24.
[2] Doc. 14158/24.

- an update of the needs for the Sustainable Fisheries Partnership Agreements (SFPAs), taking into account that several agreements and the related protocols will not be concluded in 2024;

- an increase of appropriations, linked to the most recent estimates for the update of remuneration, as follows:

    - heading 7:

        - an increase for the level of the administrative expenditure for the Committee of the Regions by EUR 1.3 million,

        - an increase for the pensions of all institutions by EUR 67.2 million, also due to a higher number of pension beneficiaries,

        - for the Commission and the other Institutions, the impact of the higher than expected update of remuneration will be covered by internal redeployments;

    - outside heading 7, an increase of the EU contribution to several decentralised agencies by EUR 12.1 million. Other additional needs will be covered by mobilising remaining appropriations and built-in flexibilities;

- an adjustment of the EU contribution to several decentralised agencies linked to implementation or other specific reasons, as follows:

    - an increase of the EU contribution to the European Union Agency for Law Enforcement Training (CEPOL) by EUR 1 million in commitment appropriations (c/a) to reinforce its cybersecurity, offset against a reduction of the Internal Security Fund (ISF),

- an increase of the EU contribution to the European Union Agency for the operational management of large-scale IT systems in the area of freedom, security and justice (eu-LISA) by EUR 17 million in commitment appropriations. Following lower than planned implementaiton, this can be offset by a reduction of the EU contribution to the European Union Agency for Asylum (EUAA),

- a decrease of the c/a allocated to the Anti-Money Laundering Authority (AMLA) due to the revised needs for the appropriations in the first year of its set-up, following delays in the recruitments,

- a return of EUR 2.8 million in c/a and p/a to the LIFE programme. Given the delays in the adoption of the Zero Pollution Package, the European Chemicals Agency (ECHA) and the European Environment Agency (EEA) will not need the corresponding appropriations;

- the introduction of machine translation has led to significant savings in some operations of the Publication Office, which allow the reduction of the level of commitment appropriations of the relevant budget line;

- an adjustment of the budgetary nomenclature both on the expenditure and revenue side and remarks following the adoption of the proposal for the Ukraine Loan Cooperation Mechanism (ULCM)[3].

Overall, the net impact of this DAB on expenditure amounts to an increase of EUR 44.5 million in c/a and EUR 2 954.8 million in p/a.

(b) On the revenue side, this DAB incorporates EUR 2 815 million of definitive fines and penalty payments paid until 30 September 2024.

As a result, the overall impact on the revenue side is a net increase in the GNI contributions of EUR 139.9 million.

[3] COM(2024) 426 final.

II. CONCLUSION

On 5 November 2024, the Council adopted its position on DAB No 5 to the general budget for 2024 as set out in the technical annex contained in Addendum 1 to this explanatory memorandum.