Council of the
European Union

Brussels, 21 November 2022
(OR. en)

14832/22

Interinstitutional File:
2022/0318(BUD)

BUDGET 27

EXPLANATORY MEMORANDUM

Subject:	Draft amending budget No 5 to the general budget for 2022: Additional measures to address the consequences of the Russian war in Ukraine, Union Civil Protection Mechanism reinforcement, reduction in payment appropriations and update of revenues, other adjustments and technical updates: Council position of 21 November 2022

I. INTRODUCTION

On 5 October 2022, the Commission submitted to the Council draft amending budget (DAB) No 5 to the general budget for 2022.

The purpose of DAB No 5/2022 is to update the expenditure and revenue sides of the budget 2022 to:

(a) include the financing of the new European Defence Industry Reinforcement through common Procurement Act (EDIRPA) to address the most urgent and critical defence gaps through fostering cooperation of Member States on common procurement;

(b) reinforce the emergency measures under the Food Chain strand of the Single Market Programme (SMP), in order to reimburse Member States following a series of outbreaks of Highly Pathogenic Avian Influenza and African Swine Fever;

(c) frontload and reinforce the Union Civil Protection Mechanism (UCPM), so as to continue channelling in-kind assistance to Ukraine. Additionally, helicopters and other light planes will be leased to increase Union's preparedness for aerial firefighting in 2023 and accelerate the procurement of permanent aerial capacities;

(d) reinforce the EU contribution to the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) to avoid operational difficulties;

(e) reinforce administrative expenditure and pensions in heading 7 as a result of high inflation and rapidly rising energy prices;

(f) decrease the level of payment appropriations for the European Agricultural Fund for Rural Development (EAFRD) and EU4Health;

(g) return the corresponding amount from the reserve to the transport line of the Connecting Europe Facility, from which it was offset, taking into account the delay in the approval of a new 'ReFuelEU Aviation' mandate for the European Aviation Safety Agency (EASA);

(h) update the estimates for Traditional Own Resources (TOR), as well as to incorporate the impact of exchange rate differences,

as recorded in document 13056/22.

Overall, the net impact of this DAB on expenditure amounts to an increase of EUR 447.5 million in commitment appropriations (c/a) and a decrease of EUR 741.1 million in payment appropriations (p/a).

The overall impact on the revenue side is a net decrease in the GNI contributions of EUR 3 779 million.

II. CONCLUSION

On 21 November 2022, the Council adopted its position on DAB No 5 to the general budget for 2022 as set out in the technical annex contained in Addendum 1 to this explanatory memorandum.