<u>Press release - 2021 EU budget must</u> <u>focus on supporting a sustainable</u> <u>recovery from the pandemic</u>



Next year's budget — the first of the 2021-2027 financing period — should "promote fair, inclusive and sustainable growth, high-quality job-creation and its long-term goal of socioeconomic convergence", MEPs state in their draft resolution, which reflects and accompanies the outcome of the vote on budgetary figures of 15 October.

They have set the overall level of the 2021 EU budget at just under € 182 billion in commitment appropriations, representing an increase of € 15 billion compared to the <u>Commission's proposal</u>. Most of these increases will benefit the EU's <u>15 flagship programmes</u>, boosting many programmes and projects that will support the young, researchers, health workers, entrepreneurs, and many other citizens.

Other major additions to next year's budget were voted on in areas such as climate change, energy, digital and transport interconnectivity, SMEs, tourism, security, migration, fundamental rights, and external action. MEPs also aim to achieve a biodiversity spending level of 10% and a climate mainstreaming spending level of 30% for 2021.

<u>Details about the different headings, programmes and projects can be found in</u> the draft resolution.

The resolution prepared by the General Rapporteur for the Commission's budget, Pierre Larrouturou (S&D, FR), and the rapporteur for the other institutions' administrative budget, Mr Olivier Chastel (RENEW, BE), was adopted with 35 votes to 2 and 4 abstentions.

The resolution and the budgetary amendments will be debated and voted on during the November I plenary sitting (11-12 November 2020).

This will kick off three weeks of "conciliation" talks with the Council, with the aim of reaching a deal between the two institutions in time for next year's budget, to be voted on by Parliament and signed by its President in December.

The first conciliation meeting between the Council and the Parliament is scheduled for 19 November.

Background

The preparations and negotiations of the European Union's 2021 budget are taking place under unusual circumstances as there is still no political agreement on the MFF, which serves as the basis for the annual budgets.

The calendar for this year's annual budgetary procedure is here.

In case the new MFF is not in place in time for 2021, MEPs have asked the Commission to propose an MFF contingency plan in order to protect beneficiaries of EU programmes and ensure continuity of funding.

About 93% of the EU budget funds real activities in EU countries and beyond. It goes to citizens, regions, cities, farmers, researchers, students, NGOs, and businesses.

The EU budget is unique. Unlike national budgets, which are largely used to provide public services and fund social security systems, the EU budget is primarily an investment budget and, unlike national budgets, the EU budget cannot run a deficit.