



Council of the  
European Union

Brussels, 12 September 2016  
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BUDGET 23

## EXPLANATORY MEMORANDUM

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Subject: Draft general budget of the European Union for the financial year 2017:  
Council position of 12 September 2016

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## **I. INTRODUCTION**

On 12 September 2016, the Council adopted its position on the draft general budget of the European Union for the financial year 2017, details of which are set out in the present explanatory memorandum.

A first technical annex, set out in Addenda 1 to 4 to this explanatory memorandum, contains a breakdown by heading of the multiannual financial framework (MFF) for 2014-2020, as well as corresponding detailed figures for each institution and by title.

A second technical annex, set out in Addendum 5 to this explanatory memorandum, contains the changes made to remarks and reserves.

## **II. MAIN FEATURES OF THE COUNCIL'S POSITION ON THE DRAFT GENERAL BUDGET FOR THE FINANCIAL YEAR 2017**

A. The Council adopted its position on the draft budget (DB) for 2017.

The main features of this position are as follows:

### **AGGREGATE EXPENDITURE<sup>1</sup> AS A RESULT OF THE COUNCIL'S POSITION**

**(EUR million - in rounded figures)**

Commitment appropriations (c/a)	156 377.15
Payment appropriations (p/a)	133 790.01

B. Under the Council's position on the DB for 2017, commitment appropriations increase by +0.89 % compared to the 2016 budget<sup>2</sup> and payment appropriations decrease by -7.02 %.

The total amount of payment appropriations provided for in the Council's position on the DB for 2017 corresponds to 0.89 % of the EU gross national income (GNI).<sup>3</sup>

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<sup>1</sup> Amounts include appropriations foreseen for special instruments.

<sup>2</sup> Amending budgets No 1 and 2/2016 included.

<sup>3</sup> Based on the May 2016 forecast of GNI.

C. A summary of the Council's position on the DB for 2017, by heading of the MFF, is given in the following tables:

**BREAKDOWN BY HEADING FOR "TOTAL EXPENDITURE" IN THE MFF HEADINGS**

	Description	1		2		3		2/1	
		Budget 2016 (AB No 1/2016 to AB No 2/2016 incl.)		Council's position on DB 2017		Difference from DB 2017 (amount)		Difference from budget 2016 (AB No 1/2016 to AB No 2/2016 incl.) (%)	
		c/a	p/a	c/a	p/a	c/a	p/a	c/a	p/a
<b>1</b>	<b>Smart and inclusive growth</b>	<b>69 841 150 263</b>	<b>66 262 537 636</b>	<b>74 282 752 193</b>	<b>56 116 168 158</b>	<b>-399 999 392</b>	<b>-530 495 387</b>	<b>+6,36%</b>	<b>-15,31%</b>
	<i>global margin for commitments</i>			<i>1 265 000 000</i>					
	<i>ceiling</i>			<i>73 512 000 000</i>					
	<i>margin</i>			<i>494 247 807</i>					
1.a	Competitiveness for growth and jobs	19 010 000 000	17 418 263 582	20 711 953 558	18 966 499 116	-396 999 392	-331 495 387	+8,95%	+8,89%
	<i>global margin for commitments</i>			<i>1 265 000 000</i>					
	<i>ceiling</i>			<i>19 925 000 000</i>					
	<i>margin</i>			<i>478 046 442</i>					
1.b	Economic, social and territorial cohesion	50 831 150 263	48 844 274 054	53 570 798 635	37 149 669 042	-3 000 000	-199 000 000	+5,39%	-23,94%
	<i>ceiling</i>			<i>53 587 000 000</i>					
	<i>margin</i>			<i>16 201 365</i>					
<b>2</b>	<b>Sustainable growth: natural resources</b>	<b>62 484 234 833</b>	<b>55 120 803 654</b>	<b>58 722 206 884</b>	<b>55 038 202 537</b>	<b>-179 537 000</b>	<b>-198 037 000</b>	<b>-6,02%</b>	<b>-0,15%</b>
	<i>ceiling</i>			<i>60 191 000 000</i>					
	<i>offset of the contingency margin</i>			<i>-530 000 000</i>					
	<i>margin</i>			<i>938 793 116</i>					
	<b>Of which: European Agricultural Guarantee Fund (EAGF) — Market related expenditure and direct payments</b>	<b>42 220 335 824</b>	<b>42 212 046 297</b>	<b>42 760 509 079</b>	<b>42 711 924 974</b>	<b>-177 063 000</b>	<b>-177 063 000</b>	<b>+1,28%</b>	<b>+1,18%</b>
	<i>sub-ceiling</i>			<i>44 146 000 000</i>					
	<i>excluded when calculating the sub-margin<sup>1</sup></i>			<i>-318 000</i>					
<b>3</b>	<b>Security and citizenship</b>	<b>4 051 966 698</b>	<b>3 022 287 739</b>	<b>4 248 044 760</b>	<b>3 760 272 087</b>	<b>-24 336 200</b>	<b>-21 636 200</b>	<b>+4,84%</b>	<b>+24,42%</b>
	<i>flexibility instrument</i>			<i>530 000 000</i>					
	<i>mobilisation of the contingency margin</i>			<i>1 140 044 760</i>					
	<i>ceiling</i>			<i>2 578 000 000</i>					
	<i>margin</i>			<i>0</i>					
<b>4</b>	<b>Global Europe</b>	<b>9 167 033 302</b>	<b>10 155 590 403</b>	<b>9 326 770 000</b>	<b>9 219 507 178</b>	<b>-105 230 000</b>	<b>-70 220 000</b>	<b>+1,74%</b>	<b>-9,22%</b>
	<i>ceiling</i>			<i>9 432 000 000</i>					
	<i>margin</i>			<i>105 230 000</i>					
<b>5</b>	<b>Administration</b>	<b>8 935 176 052</b>	<b>8 935 076 052</b>	<b>9 263 451 071</b>	<b>9 265 862 071</b>	<b>-58 240 945</b>	<b>-58 240 945</b>	<b>+3,67%</b>	<b>+3,70%</b>
	<i>ceiling</i>			<i>9 918 000 000</i>					
	<i>offset of the contingency margin</i>			<i>-610 044 760</i>					
	<i>margin</i>			<i>44 504 169</i>					
	<b>Of which: Administrative expenditure of the institutions</b>	<b>7 122 580 572</b>	<b>7 122 480 572</b>	<b>7 306 915 915</b>	<b>7 309 326 915</b>	<b>-58 240 945</b>	<b>-58 240 945</b>	<b>+2,59%</b>	<b>+2,62%</b>
	<i>sub-ceiling</i>			<i>8 007 000 000</i>					
	<i>offset of the contingency margin</i>			<i>-610 044 760</i>					
	<i>sub-margin</i>			<i>90 039 325</i>					
	<b>MFF Headings</b>	<b>154 479 561 148</b>	<b>143 496 295 484</b>	<b>155 843 224 908</b>	<b>133 400 012 031</b>	<b>-767 343 537</b>	<b>-878 629 532</b>	<b>+0,88%</b>	<b>-7,04%</b>
	<i>flexibility instrument</i>			<i>530 000 000</i>	<i>0</i>				
	<i>global margin for commitments</i>			<i>1 265 000 000</i>					
	<i>mobilisation of the contingency margin</i>			<i>1 140 044 760</i>					
	<i>ceiling</i>			<i>155 631 000 000</i>	<i>142 906 000 000</i>				
	<i>offset of the contingency margin</i>			<i>-1 140 044 760</i>					
	<i>margin<sup>2</sup></i>			<i>1 582 775 092</i>	<i>9 505 987 969</i>				
	<b>Appropriations as % of GNI<sup>3,4</sup></b>	<b>1,05%</b>	<b>0,98%</b>	<b>1,04%</b>	<b>0,89%</b>				

<sup>1</sup> This amount, resulting from the rounding for the calculations of the sub-ceiling and the net transfer, is excluded when calculating the sub-margin.

<sup>2</sup> These amounts are calculated not taking into account appropriations for special instruments (EAR, EGF, EUSF).

<sup>3</sup> The GNI for 2016 is based on the forecast of GNI issued after the Advisory Committee on Own Resources (ACOR) meeting held on 19 May 2015.

<sup>4</sup> The GNI for 2017 is based on the forecast of GNI issued after the Advisory Committee on Own Resources (ACOR) meeting held on 18 May 2016.

## BREAKDOWN FOR "SPECIAL INSTRUMENTS"

Description	1		2		3		2/1	
	Budget 2016 (AB No 1/2016 to AB No 2/2016 incl.)		Council's position on DB 2017		Difference from DB 2017 (amount)		Difference from budget 2016 (AB No 1/2016 to AB No 2/2016 incl.) (%)	
	c/a	p/a	c/a	p/a	c/a	p/a	c/a	p/a
Emergency Aid Reserve (EAR)	309 000 000	309 000 000	315 000 000	315 000 000			+1,94%	+1,94%
European Globalisation Adjustment Fund (EGF)	165 612 000	30 000 000	168 924 000	25 000 000		- 30 000 000	+2,00%	-16,67%
European Union Solidarity Fund (EUSF)	50 000 000	50 000 000	50 000 000	50 000 000	- 513 000 000	- 200 000 000		
Special Instruments	524 612 000	389 000 000	533 924 000	390 000 000	- 513 000 000	- 230 000 000	+1,78%	+0,26%

## GLOBAL AMOUNTS FOR "TOTAL EXPENDITURE" IN THE MFF HEADINGS AND "SPECIAL INSTRUMENTS"

Description	1		2		3		2/1	
	Budget 2016 (AB No 1/2016 to AB No 2/2016 incl.)		Council's position on DB 2017		Difference from DB 2017 (amount)		Difference from budget 2016 (AB No 1/2016 to AB No 2/2016 incl.) (%)	
	c/a	p/a	c/a	p/a	c/a	p/a	c/a	p/a
MFF Headings	154 479 561 148	143 496 295 484	155 843 224 908	133 400 012 031	- 767 343 537	- 878 629 532	+0,88%	-7,04%
Special Instruments	524 612 000	389 000 000	533 924 000	390 000 000	- 513 000 000	- 230 000 000	+1,78%	+0,26%
Grand total	155 004 173 148	143 885 295 484	156 377 148 908	133 790 012 031	-1 280 343 537	-1 108 629 532	+0,89%	-7,02%
Appropriations as % of GNI <sup>1,2</sup>	1,05%	0,98%	1,04%	0,89%				

<sup>1</sup> The GNI for 2016 is based on the forecast of GNI issued after the Advisory Committee on Own Resources (ACOR) meeting held on 19 May 2015.  
<sup>2</sup> The GNI for 2017 is based on the forecast of GNI issued after the Advisory Committee on Own Resources (ACOR) meeting held on 18 May 2016.

The detailed results are set out in the parts of this explanatory memorandum relating to the various sections and titles of the budget.<sup>1</sup>

<sup>1</sup> See also ADD 1 to ADD 5 to this explanatory memorandum.



D. When adopting its position on the DB for 2017, the Council took into account the following principles:

*1. GENERALLY*

- to work within the framework of the budget guidelines established for the 2017 budget in the Council conclusions adopted in February 2016<sup>1</sup>;
- to follow an approach leading to a budget complying with budgetary discipline and sound financial management, as well as taking duly into account the ongoing economic and budgetary constraints in Member States;
- to provide adequate funding for the Union's various priorities, determining appropriations on the basis of past and current budget implementation and realistic absorption capacities;
- to foresee the necessary appropriations enabling the smooth implementation of the new programmes in the fourth year of the MFF 2014-2020;
- to provide the appropriations needed to support the political priorities of the Union, notably enhancing jobs and growth and responding to the challenges in the area of migration;
- to comply with the agreement reached on the financing of the European Fund for Strategic Investments;
- to leave adequate margins in commitment appropriations under the ceilings of the headings and sub-headings of the MFF, with the exception of (sub-)headings 1b and 3, in order to be able to cope with unforeseen situations;

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<sup>1</sup> Doc. 5588/16.

- to keep payment appropriations firmly under control in all headings and sub-headings of the MFF and to create a sufficient margin to cover unforeseen events, resulting in a reduction in payment appropriations in particular under (sub-)headings 1a, 1b, 2 and 4.

As regards *administrative expenditure* of the institutions, the Council recalled the importance of limiting the increase in 2017 and of reducing staff in line with the -5 % target over the period 2013-2017 set in the Interinstitutional Agreement of 2 December 2013 on budgetary discipline, on cooperation in budgetary matters and on sound financial management<sup>1</sup>. It examined the administrative budgets of the institutions on the following basis:

- to keep under strict control the volume of administrative expenditure of the institutions, in line with the approach followed by the Member States for their national civil services;
- to set the administrative budget of each institution at the appropriate level, taking into account their specificities and real and justified needs;
- to carry out targeted reductions and increase the standard flat rate abatement on salaries for almost all institutions and offices, taking into account their past and current budget implementation and vacancy rates;
- to apply the Commission's proposal to reduce staff by -1 % in line with the -5 % target over the period 2013-2017.

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<sup>1</sup> OJ C 373, 20.12.2013, p. 1.

This approach resulted in an appropriate level of administrative expenditure ensuring a proper functioning of the institutions.

The Council also focused on administrative support expenditure linked to operational programmes and on appropriations for *executive agencies*. In this respect, the Council carried out targeted reductions on the basis of the same principles as those followed for administrative expenditure of the institutions.

As regards *decentralised agencies*, the Council reduced the overall level of contributions from the Union budget by -EUR 5 million in commitment and payment appropriations. Agencies which did not fully implement the contributions received from the Union budget in the past and/or for which the absorption capacities could be lower than the forecasts made by the Commission are affected by those reductions.

The Council approved the following *statement on the presentation of the Commission's statement of estimates for 2017*:

*"The Council recalls the pragmatic calendar agreed between the Council, the European Parliament and the European Commission during their trilogue on 14 March 2016<sup>1</sup> setting the dates for the budgetary procedure for 2017. This pragmatic calendar is an essential element for the improvement of the functioning of the budgetary procedure and contributes to ensuring a timely adoption of the budget, in keeping with the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management.*

*An early presentation of the statement of estimates by the Commission is important in order to allow enough time for the Council to undertake a detailed technical analysis of the estimates transmitted, to maintain a balance in respect of the time available for each institution and ensure that the timings set out in the pragmatic calendar are maintained.*

*The Council calls on the Commission to ensure a timely presentation of the statement of estimates for the budget in future years in line with the good practice established in the previous years and in keeping with the aim of the Interinstitutional Agreement to ensure the proper functioning of the annual budgetary procedure."*

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<sup>1</sup> Doc. 7572/16.

The Council also approved the following *statement on payment appropriations*:

*"The Council will carefully examine the letter of amendment for agriculture (including information on assigned revenue) in order to appropriately assess the level of resources under heading 2 (Sustainable growth: natural resources) in the 2017 budget.*

*The Council calls on the Commission to continue closely scrutinizing the implementation of the 2014-2020 programmes. To that end, it invites the Commission to present in a timely manner updated figures concerning the state of affairs and estimates regarding 2017 payment appropriations with a view to allowing the budgetary authority to take any necessary decisions in due time for justified needs."*

Moreover, the Council approved the following *statement on 5 % staff reduction*:

*"The Council recalls the agreement reached between the European Parliament, the Council and the Commission to progressively render 5 % of the staff as in the establishment plan on 1 January 2013, to be applied to all institutions, bodies and agencies and to be effected between 2013 and 2017, as inscribed in Point 27 of the Interinstitutional Agreement of 2 December 2013 on budgetary discipline, on cooperation in budgetary matters and on sound financial management.*

*The Council takes note of the Commission's monitoring of the progress towards the 5 % staff reduction target achieved to date by the institutions, as presented in the table in Appendix 1. It invites the Commission to provide also comparable global data for decentralised and executive agencies in that presentation.*

*The Council recalls that the target year for the full implementation of the 5 % reduction of staff is 2017. It is highly dissatisfied that not all institutions, bodies and agencies will achieve the implementation of the 5 % staff reduction in time by the end of 2017 and insists that appropriate follow-up measures be taken immediately to take stock of the situation with a view to ensuring that all efforts are deployed to avoid any additional delays in implementing the 5 % staff reduction target for all institutions, bodies and agencies.*

*The Council also underlines the importance of monitoring closely the appropriations for all categories of external staff, against the backdrop of the additional capacity built up by the increase of working time to 40 hours per week. It welcomes the Commission's overview of consolidated data on all external staff employed by the institutions, presented in Appendix 2, in line with point (b) of Article 38(3) of the Financial Regulation. It invites the Commission to continue providing this information to the budgetary authority when presenting its draft budgets for future years.*

*The Council underlines that achieving the 5 % staff reduction target should contribute to savings in the institutions' administrative expenditure. With that in mind, it invites the Commission to start assessing the outcome of the exercise in order to draw lessons for the future."*

## Appendix 1 to the Council statement on 5 % staff reduction

Establishment plan posts – All institutions											
Evolution to date vis-à-vis the -5 % reduction target over 5 years 2013-2017											
Institutions	2012 budget <sup>1</sup>	2013-2017 reduction target -5 %	Annual reference target <sup>2</sup> -1 %	Posts reduction implementation <sup>3</sup>						Remaining distance to - 5 % target	
				2013	2014	2015	2016	2017	Total	Posts	% points
European Parliament <sup>5,6</sup>	5 623	-281	-56	-	-37	-47	-18	-	-102	179	3,2%
European Council and Council	3 136	-157	-31	-46	-42	-22	-32	-15	-157	-	0,0%
Commission	25 073	-1 254	-251	-250	-250	-263	-252	-239	-1 254	-	0,0%
Court of Justice of the European Union	1 952	-98	-20	-20	-20	-7	-13	-19	-79	19	1,0%
European Court of Auditors	885	-44	-9	-9	-9	-9	-9	-9	-45	-1	-0,1%
European Economic and Social Committee	673	-34	-7	-7	-7	-7	-7	-6	-34	-	0,0%
Committee of the Regions	492	-25	-5	-	-5	-5	-7	-9	-26	-1	-0,2%
European Ombudsman	64	-3 <sup>4</sup>	-1	-	-	-1	-1	-1	-3	-	0,0%
European Data-Protection Supervisor	43	-2 <sup>4</sup>	-	-	-	-1	-1	-	-2	-	0,0%
European External Action Service <sup>7</sup>	1 679	-84	-17	-	-17	-17	-17	-17	-68	16	1,0%
<b>Total institutions</b>	<b>39 620</b>	<b>-1 982</b>	<b>-397</b>	<b>-332</b>	<b>-387</b>	<b>-379</b>	<b>-357</b>	<b>-315</b>	<b>-1 770</b>	<b>212</b>	<b>0,5%</b>

<sup>1</sup> Authorised 2012 posts excluding Croatia enlargement (140 posts) and EP political groups (1 015 posts) with the following adjustments:

- 80 posts were added to the EP and deducted from the EESC (-48) and from the CoR (-32) in order to reflect the impact of the cooperation agreement signed on 5 February 2014 between those institutions.
- 10 posts were transferred from the Council to the EEAS in 2014.
- 2 posts were transferred from the EEAS to the Commission (PMO) in 2014.
- 1 post was transferred from the Court of Auditors to the Commission (PMO) in 2015.
- 1 post was transferred from the Council to the EEAS in 2015.
- 6 posts were transferred from the Council to the Commission (PMO) in 2015.
- 2 posts were transferred from the EP to the Commission in 2016.
- 1 post was transferred from the Court of Auditors to the Commission in 2016.

<sup>2</sup> Linear projection over 5 years at 1 % per year, rounded figures.

<sup>3</sup> Sources: authorised budgets 2013, 2014, 2015, 2016 (including amending and/or draft amending budgets), and 2017 draft budget.

<sup>4</sup> By the end of 2017, the European Ombudsman and the European Data Protection Supervisor are expected to reduce their posts by 3 and 2 respectively.

<sup>5</sup> The reduction target for the EP is based on the 2014 budget (excluding posts relating to political groups); as stipulated in the EP's statement on the application of Point 27 of the Interinstitutional Agreement (*see budget 2016 Joint Conclusions*). The EP committed itself to continuing the reduction of the total number of posts in its establishment plan and to completing it by 2019 (reduction of 60 posts in 2017 and 2018 respectively, reduction of 59 posts in 2019); in its statement of estimates the EP commits itself to applying the cut of 60 posts in 2017 during its reading of the 2017 draft budget.

<sup>6</sup> For the EP, column "2016" excludes 35 posts requested in DAB No 3/2016. The EP will need to confirm its intention to maintain these posts during its reading of the 2017 DB.

<sup>7</sup> The EEAS has committed itself to applying the last tranche of the 5 % staff reduction (equivalent to 16 posts) in 2018.

**Appendix 2 to the Council statement on 5 % staff reduction**

Institution	B2012		B2013		B2014		B2015		B2016 (incl. DAB3/2016)		DB2017		Evolution 2017/2016			Evolution 2017/2012			
	€(mm)	FTE	€(mm)	FTE	€(mm)	FTE	€(mm)	FTE	€(mm)	FTE	€	FTE	% FTE	€	FTE	% FTE	€	FTE	% FTE
European Parliament	2209	6.675	2177	6.854	231,0	7.515	237,3	7.253	257,6	7.672	265,7	7.718	3,1%	46	0,6%	20,3%	1.043	15,6%	
European Council and Council	8,9	220	10,7	240	9,9	234	10,2	234	10,2	234	10,8	234	5,4%	0	0,0%	21,4%	14	6,4%	
Commission	452,6	8.570	455,5	8.412	448,9	8.313	449,2	8.162	454,1	8.040	462,0	7.928	1,7%	-112	-1,4%	2,1%	-642	-7,5%	
Court of Justice of the European Union	5,2	142	6,1	158	6,2	163	6,4	156	6,7	162	7,7	176	15,3%	14	8,3%	49,7%	34	24,0%	
European Court of Auditors	3,5	77	3,5	74	3,4	69	3,5	71	3,9	77	4,2	80	7,2%	3	3,9%	19,7%	3	4,0%	
European Economic and Social Committee	2,7	51	2,7	50	2,5	47	2,6	47	2,6	45	2,6	47	3,6%	2	3,7%	-2,5%	-4	-7,4%	
Committee of the Regions	2,6	88	2,6	88	2,5	88	2,5	55	2,7	59	2,9	58	6,7%	-1	-2,1%	10,8%	-30	-34,0%	
European Ombudsman	0,2	4	0,3	6	0,4	9	0,5	10	0,5	12	0,7	15	42,4%	3	22,9%	247,0%	11	262,5%	
European Data-Protection Supervisor	0,3	7	0,4	8	0,4	8	0,4	9	0,6	12	0,9	16	38,5%	4	33,5%	178,5%	9	129,9%	
European External Action Service	79,2	1.816	83,1	1.853	80,6	1.894	81,3	1.828	86,3	1.764	89,5	1.809	3,7%	45	2,5%	13,1%	-7	-0,4%	
<b>Total institutions</b>	<b>776,1</b>	<b>17.649</b>	<b>782,6</b>	<b>17.743</b>	<b>785,7</b>	<b>18.338</b>	<b>793,8</b>	<b>17.825</b>	<b>825,3</b>	<b>18.077</b>	<b>847,0</b>	<b>18.080</b>	<b>4,0%</b>	<b>2</b>	<b>1,4%</b>	<b>9,1%</b>	<b>431</b>	<b>2,4%</b>	

*Commission: all headings, excluding Executive Agencies*

2. *IN OTHER GENERAL RESPECTS*

(a) Nomenclature

As regards nomenclature, the Council accepted the DB for 2017.

(b) Legal bases

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

(c) Programme statements

Particular attention was given to the programme statements presented by the Commission.

3. *EXPENDITURE BY HEADING OF THE MULTIANNUAL FINANCIAL FRAMEWORK*

As to expenditure under the different headings and sub-headings of the MFF, the Council's position is to:

(a) in the case of expenditure for **smart and inclusive growth (heading 1 of the MFF)**

(i) as regards **competitiveness for growth and jobs** expenditure  
**(sub-heading 1a of the MFF)**



- establish the level of commitment appropriations, targeting a total reduction of -EUR 397.0 million in the appropriations requested in the DB 2017 on a number of specific budget lines including administrative support expenditure, namely -EUR 116.5 million in Large Infrastructure Projects, -EUR 125.3 million in the Common Strategic Framework for Research and Innovation, -EUR 18.6 million in Employment and Social Innovation, -EUR 12.1 million in Customs, Fiscalis and Anti-Fraud, -EUR 111.5 million in the Connecting Europe Facility, -EUR 6.6 million in actions financed under the prerogatives of the Commission and specific competences conferred to the Commission and -EUR 4.0 million in other programmes;
- this includes the use of the global margin for commitments for an amount of EUR 1 265 million for this sub-heading;
- set the level of payment appropriations, reducing the appropriations requested in the DB 2017 by a total amount of -EUR 331.5 million, of which -EUR 219.7 million in Large Infrastructure Projects, -EUR 74.3 million in the Common Strategic Framework for Research and Innovation, -EUR 1.2 million in Employment and Social Innovation, -EUR 7.1 million in Customs, Fiscalis and Anti-Fraud, -EUR 15.4 million in the Connecting Europe Facility, -EUR 5.0 million in Energy projects to aid economic recovery, -EUR 3.7 million in actions financed under the prerogatives of the Commission and specific competences conferred to the Commission and -EUR 2.9 million in other programmes;

- the amounts mentioned above also take into account reductions in contributions to decentralised agencies for a total amount of -EUR 2.3 million in commitment and payment appropriations under this sub-heading;
  - the margin available under sub-heading 1a is EUR 478.0 million.
- (ii) concerning **economic, social and territorial cohesion** expenditure (**sub-heading 1b of the MFF**)
- establish the level of commitment appropriations, targeting a total reduction by -EUR 3.0 million in the appropriations requested in the DB 2017 on a number of specific budget lines related to administrative support expenditure under this sub-heading;
  - set the level of payment appropriations, reducing the appropriations requested in the DB 2017 by a total amount of -EUR 199.0 million, in particular for 2014-2020 programmes, notably: Transition regions (-EUR 10.0 million), Competitiveness (More developed regions) (-EUR 43.0 million), the Cohesion Fund (-EUR 20.0 million), European territorial cooperation (-EUR 81.0 million), Technical assistance and innovative actions (-EUR 25.0 million), and European Aid to the Most Deprived (-EUR 20.0 million);
  - place into the reserve EUR 18.6 million in commitment appropriations and EUR 9.8 million in payment appropriations for the Structural Reform Support Programme, due to the lack of an adopted legal basis;
  - the margin available under sub-heading 1b is EUR 16.2 million.

- (b) regarding expenditure for **sustainable growth: natural resources (heading 2 of the MFF)**<sup>1</sup>
- reduce the level of commitment appropriations requested in the DB 2017 by -EUR 179.5 million on administrative support lines, on operational technical assistance lines, and on operational lines under the European Agricultural Guarantee Fund;
  - set the level of payment appropriations, reducing the appropriations requested in the DB 2017 by a total amount of -EUR 198.0 million, of which -EUR 177.1 million in the European Agricultural Guarantee Fund, -EUR 20.2 million in the European Agricultural Fund for Rural Development, -EUR 0.2 million in the European Maritime and Fisheries Fund, and -EUR 0.2 million in the LIFE programme;
  - the amounts mentioned above also take into account reductions in contributions to decentralised agencies for an amount of -EUR 0.3 million in commitment and payment appropriations under this heading;
  - place into the reserve EUR 5.1 million in commitment appropriations and EUR 2.5 million in payment appropriations for the Structural Reform Support Programme, due to the lack of an adopted legal basis;
  - the margin available under heading 2 is EUR 938.8 million.

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<sup>1</sup> 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.

- (c) in the case of expenditure relating to **security and citizenship (heading 3 of the MFF)**
- establish the level of commitment appropriations with a total reduction of -EUR 24.3 million of the appropriations requested in the DB 2017 on a number of budget lines concerning administrative support expenditure (-EUR 0.5 million) and operational expenditure for new programmes (-EUR 21.5 million);
  - set the level of payment appropriations, including a total reduction of -EUR 21.6 million of the appropriations requested in the DB 2017 on a number of budget lines concerning administrative support expenditure (-EUR 0.5 million) and operational expenditure for new programmes (-EUR 18.8 million);
  - the amounts mentioned above also take into account reductions in contributions to decentralised agencies for a total amount of -EUR 2.4 million in commitment and payment appropriations under this heading;
  - the margin available under heading 3 is equal to zero;
  - the Flexibility Instrument is mobilised for an amount of EUR 530.0 million in commitment appropriations;
  - the Contingency Margin is mobilised for an amount of EUR 1 140.0 million in commitment appropriations for this heading. This amount is offset by a reduction of the margin in Heading 2 (Sustainable growth: natural resources) by EUR 530.0 million and in Heading 5 (Administration) by EUR 610.0 million.

- (d) in the context of expenditure relating to **global Europe (heading 4 of the MFF)**
- establish the level of commitment appropriations, targeting a total reduction by -EUR 105.2 million in the appropriations requested in the DB 2017 on a number of specific budget lines;
  - set the level of payment appropriations, reducing the appropriations requested in the DB 2017 by a total amount of -EUR 70.2 million, of which -EUR 2.8 million in the Instrument for Pre-accession assistance, -EUR 2.4 million in the European Neighbourhood Instrument, -EUR 47.1 million in the Development Cooperation Instrument, -EUR 7.3 million in the Partnership instrument for cooperation with third countries, -EUR 0.2 million in the European Instrument for Democracy and Human Rights, -EUR 0.4 million in the Instrument contributing to Stability and Peace, -EUR 4.6 million in the EU Aid Volunteers initiative, -EUR 1.1 million in other actions and programmes and -EUR 4.3 million in actions financed under the prerogatives of the Commission and specific competences conferred to the Commission;
  - the margin available under heading 4 is EUR 105.2 million.

(e) regarding **administration (heading 5 of the MFF)**

- the position of the Council is summarised in the following table:

Description	1	2	3	2/1
	Budget 2016 (AB No 1/2016 to AB No 2/2016 incl.)	Council's position on DB 2017	Difference from DB 2017 (amount)	Difference from budget 2016 (AB No 1/2016 to AB No 2/2016 incl.) (%)
	p/a	p/a	p/a	p/a
Pensions and European Schools	1 812 595 480	1 956 535 156		+7,94%
Pensions	1 640 510 000	1 770 780 000		+7,94%
<i>Staff Pensions</i>	<b>1 618 958 000</b>	<b>1 745 960 000</b>		<b>+7,84%</b>
<i>Pensions of former Members</i>	21 552 000	24 820 000		+15,16%
European Schools	172 085 480	185 755 156		+7,94%
<b>Administrative expenditure of the institutions</b>	<b>7 122 480 572</b>	<b>7 309 326 915</b>	<b>-58 240 945</b>	<b>+2,62%</b>
Section III - Commission	3 351 865 200	3 429 661 209	-38 760 991	+2,32%
<i>Commission, excluding Offices</i>	<b>3 057 511 000</b>	<b>3 133 403 573</b>	<b>-36 278 427</b>	<b>+2,48%</b>
<i>Annex 2 - Publications Office</i>	79 251 200	81 150 589	-982 611	+2,40%
<i>Annex 3 - European Anti-Fraud Office</i>	58 175 500	59 066 465	-425 035	+1,53%
<i>Annex 4 - European Personnel Selection Office</i>	26 430 000	26 328 969	-228 031	-0,38%
<i>Annex 5 - Office for Administration and Payment of Individual Entitlements</i>	38 399 500	38 267 446	-252 054	-0,34%
<i>Annex 6 - Office for Infrastructure and Logistics — Brussels</i>	68 440 000	67 345 694	-459 306	-1,60%
<i>Annex 7 - Office for Infrastructure and Logistics — Luxembourg</i>	23 658 000	24 098 473	-135 527	+1,86%
Other institutions	3 770 615 372	3 879 665 706	-19 479 954	+2,89%
<i>Section I - European Parliament</i>	1 838 188 600	1 900 578 000		+3,39%
<i>Section II - European Council and Council</i>	545 054 000	558 275 000	-1 200 000	+2,43%
<i>Section IV - Court of Justice of the European Union</i>	378 166 000	388 238 600	-8 025 400	+2,66%
<i>Section V - Court of Auditors</i>	135 487 100	137 878 179	-2 273 821	+1,76%
<i>Section VI - European Economic and Social Committee</i>	130 171 475	131 743 725	-154 333	+1,21%
<i>Section VII - Committee of the Regions</i>	90 248 203	91 855 426	-100 000	+1,78%
<i>Section VIII - European Ombudsman</i>	10 383 951	10 455 441	-195 000	+0,69%
<i>Section IX - European Data Protection Supervisor</i>	9 288 043	10 841 735	-395 000	+16,73%
<i>Section X - European External Action Service</i>	633 628 000	649 799 600	-7 136 400	+2,55%
<b>5 — Administration</b>	<b>8 935 076 052</b>	<b>9 265 862 071</b>	<b>-58 240 945</b>	<b>+3,70%</b>

- the margin available under heading 5 is EUR 44.5 million;

- as regards staff levels, the Council accepted the establishment plans as proposed by the Commission in the DB for 2017.

#### 4. SPECIAL INSTRUMENTS

The Council did not include any amount in payment appropriations in the reserve for the European Globalisation Adjustment Fund (-EUR 30.0 million).

Moreover, it did not include any amount in the reserve for the European Union Solidarity Fund (-EUR 513.0 million in commitment appropriations, -EUR 200.0 million in payment appropriations).

### **III. ESTIMATED REVENUE**

1. According to the Council's position on the DB for 2017, the European Union's total budget revenue amounts to EUR 133 790 012 031, equivalent to 0.89 % of the EU gross national income (GNI)<sup>1</sup>.

The own resources needed to finance the European Union's DB for 2017, as resulting from the Council's position, represent 0.88 % of EU GNI, less than the ceiling of 1.23 % of GNI, as arrived at by the method of calculation in Article 3(1) of Council Decision 2007/436/EC, Euratom of 7 June 2007 on the system of the European Communities' own resources<sup>2</sup>.

The estimates of miscellaneous revenue, dependent on contributions from salaries, and the related consolidated tables were adjusted in line with the decisions taken on the requests for appropriations and posts by the various institutions.

The revenue to finance the Council's position on the DB for 2017 is shown in the tables on the following pages.

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<sup>1</sup> Based on the May 2016 forecast of GNI.

<sup>2</sup> OJ L 163, 23.6.2007, p. 17.

## A. FINANCING OF THE GENERAL BUDGET

### Appropriations to be covered during the financial year 2017 pursuant to Article 1 of Council Decision 2007/436/EC, Euratom of 7 June 2007 on the system of the European Communities' own resources

#### EXPENDITURE

Description	Council position on DB 2017	Budget 2016 <sup>1</sup>	Change (%)
1. Smart and inclusive growth	56 116 168 158	66 262 537 636	-15,31
2. Sustainable growth: natural resources	55 038 202 537	55 120 803 654	-0,15
3. Security and citizenship	3 760 272 087	3 022 287 739	+24,42
4. Global Europe	9 219 507 178	10 155 590 403	-9,22
5. Administration	9 265 862 071	8 935 076 052	+3,70
6. Compensation	p.m.	p.m.	—
Special instruments	390 000 000	389 000 000	+0,26
<b>Total expenditure<sup>2</sup></b>	<b>133 790 012 031</b>	<b>143 885 295 484</b>	<b>-7,02</b>

#### REVENUE

Description	Council position on DB 2017	Budget 2016 <sup>1</sup>	Change (%)
Miscellaneous revenue (Titles 4 to 9)	1 699 417 318	1 616 701 373	+5,12
Surplus available from the preceding financial year (Chapter 3 0, Article 3 0 0)	p.m.	1 349 116 814	—
Surplus of own resources resulting from the repayment of the surplus of the Guarantee Fund for external actions (Chapter 3 0, Article 3 0 2)	p.m.	p.m.	—
Balance of own resources accruing from VAT and GNP/GNI-based own resources for earlier years (Chapters 3 1 and 3 2)	p.m.	p.m.	—
Total revenue for Titles 3 to 9	1 699 417 318	2 965 818 187	-42,70
Net amount of customs duties and sugar levies (Chapters 1 1 and 1 2)	20 125 200 000	18 590 000 000	+8,26
VAT-based own resource at the uniform rate (Tables 1 and 2, Chapter 1 3)	19 376 814 450	18 812 783 576	+3,00
Remainder to be financed by the additional resource (GNI-based own resource, Table 3, Chapter 1 4)	92 588 580 263	103 516 693 721	-10,56
Appropriations to be covered by the own resources referred to in Article 2 of Decision 2007/436/EC, Euratom <sup>3</sup>	132 090 594 713	140 919 477 297	-6,27
Total revenue <sup>2</sup>	<b>133 790 012 031</b>	<b>143 885 295 484</b>	<b>-7,02</b>

<sup>1</sup> The figures in this column correspond to those in the 2016 budget (OJ L 48, 24.2.2016, p. 1) plus amending budgets No 1 and No 2/2016.

<sup>2</sup> The third subparagraph of Article 310(1) of the Treaty on the Functioning of the European Union reads: "The revenue and expenditure shown in the budget shall be in balance".

<sup>3</sup> The own resources for the 2017 budget are determined on the basis of the budget forecasts adopted at the 166th meeting of the Advisory Committee on Own Resources on 18 May 2016.



**TABLE 1**

**Calculation of capping of harmonised value added tax (VAT) bases  
pursuant to Article 2(1)(b) of Decision 2007/436/EC, Euratom**

Member State	1 % of non-capped VAT base	1 % of gross national income	Capping rate (in %)	1 % of gross national income multiplied by capping rate	1 % of capped VAT base <sup>1</sup>	Member States whose VAT base is capped
	(1)	(2)	(3)	(4)	(5)	(6)
Belgium	1 767 744 000	4 252 030 000	50	2 126 015 000	1 767 744 000	
Bulgaria	215 501 000	447 301 000	50	223 650 500	215 501 000	
Czech Republic	708 186 000	1 585 191 000	50	792 595 500	708 186 000	
Denmark	1 062 675 000	2 832 904 000	50	1 416 452 000	1 062 675 000	
Germany	13 506 186 000	32 132 715 000	50	16 066 357 500	13 506 186 000	
Estonia	108 283 000	215 960 000	50	107 980 000	107 980 000	Estonia
Ireland	837 734 000	1 834 907 000	50	917 453 500	837 734 000	
Greece	777 516 000	1 800 950 000	50	900 475 000	777 516 000	
Spain	4 903 148 000	11 400 810 000	50	5 700 405 000	4 903 148 000	
France	9 947 380 000	22 798 184 000	50	11 399 092 000	9 947 380 000	
Croatia	269 162 000	456 169 000	50	228 084 500	228 084 500	Croatia
Italy	6 241 490 000	16 832 421 000	50	8 416 210 500	6 241 490 000	
Cyprus	119 229 000	177 842 000	50	88 921 000	88 921 000	Cyprus
Latvia	104 543 000	266 977 000	50	133 488 500	104 543 000	
Lithuania	160 059 000	398 188 000	50	199 094 000	160 059 000	
Luxembourg	275 481 000	362 029 000	50	181 014 500	181 014 500	Luxembourg
Hungary	467 100 000	1 133 685 000	50	566 842 500	467 100 000	
Malta	67 040 000	96 195 000	50	48 097 500	48 097 500	Malta
Netherlands	2 884 590 000	7 096 782 000	50	3 548 391 000	2 884 590 000	
Austria	1 607 452 000	3 401 473 000	50	1 700 736 500	1 607 452 000	
Poland	1 889 516 000	4 278 204 000	50	2 139 102 000	1 889 516 000	
Portugal	895 989 000	1 837 522 000	50	918 761 000	895 989 000	
Romania	593 753 000	1 740 075 000	50	870 037 500	593 753 000	
Slovenia	185 469 000	395 992 000	50	197 996 000	185 469 000	
Slovakia	276 354 000	798 040 000	50	399 020 000	276 354 000	
Finland	930 644 000	2 069 418 000	50	1 034 709 000	930 644 000	
Sweden	2 133 382 000	4 905 368 000	50	2 452 684 000	2 133 382 000	
United Kingdom	11 838 873 000	24 785 867 000	50	12 392 933 500	11 838 873 000	
<b>Total</b>	<b>64 774 479 000</b>	<b>150 333 199 000</b>		<b>75 166 599 500</b>	<b>64 589 381 500</b>	

<sup>1</sup> The base to be used does not exceed 50 % of GNI.

**TABLE 2**

**Breakdown of own resources accruing from VAT  
pursuant to Article 2(1)(b) of Decision 2007/436/EC, Euratom (Chapter 1 3)**

Member State	1 % of capped VAT base	Uniform rate of VAT own resource (in %)	VAT-based own resource at uniform rate
	(1)	(2)	(3) = (1) × (2)
Belgium	1 767 744 000	0.300	530 323 200
Bulgaria	215 501 000	0.300	64 650 300
Czech Republic	708 186 000	0.300	212 455 800
Denmark	1 062 675 000	0.300	318 802 500
Germany	13 506 186 000	0.300	4 051 855 800
Estonia	107 980 000	0.300	32 394 000
Ireland	837 734 000	0.300	251 320 200
Greece	777 516 000	0.300	233 254 800
Spain	4 903 148 000	0.300	1 470 944 400
France	9 947 380 000	0.300	2 984 214 000
Croatia	228 084 500	0.300	68 425 350
Italy	6 241 490 000	0.300	1 872 447 000
Cyprus	88 921 000	0.300	26 676 300
Latvia	104 543 000	0.300	31 362 900
Lithuania	160 059 000	0.300	48 017 700
Luxembourg	181 014 500	0.300	54 304 350
Hungary	467 100 000	0.300	140 130 000
Malta	48 097 500	0.300	14 429 250
Netherlands	2 884 590 000	0.300	865 377 000
Austria	1 607 452 000	0.300	482 235 600
Poland	1 889 516 000	0.300	566 854 800
Portugal	895 989 000	0.300	268 796 700
Romania	593 753 000	0.300	178 125 900
Slovenia	185 469 000	0.300	55 640 700
Slovakia	276 354 000	0.300	82 906 200
Finland	930 644 000	0.300	279 193 200
Sweden	2 133 382 000	0.300	640 014 600
United Kingdom	11 838 873 000	0.300	3 551 661 900
<b>Total</b>	<b>64 589 381 500</b>		<b>19 376 814 450</b>

**TABLE 3****Determination of uniform rate and breakdown of resources based on gross national income pursuant to Article 2(1)(c) of Decision 2007/436/EC, Euratom (Chapter 1 4)**

Member State	1 % of gross national income	Uniform rate of 'additional base', own resource	'Additional base' own resource at uniform rate
	(1)	(2)	(3) = (1) × (2)
Belgium	4 252 030 000	0.6158891 <sup>1</sup>	2 618 778 976
Bulgaria	447 301 000		275 487 815
Czech Republic	1 585 191 000		976 301 876
Denmark	2 832 904 000		1 744 754 726
Germany	32 132 715 000		19 790 189 268
Estonia	215 960 000		133 007 412
Ireland	1 834 907 000		1 130 099 241
Greece	1 800 950 000		1 109 185 494
Spain	11 400 810 000		7 021 634 734
France	22 798 184 000		14 041 153 273
Croatia	456 169 000		280 949 520
Italy	16 832 421 000		10 366 904 803
Cyprus	177 842 000		109 530 951
Latvia	266 977 000		164 428 227
Lithuania	398 188 000		245 239 653
Luxembourg	362 029 000		222 969 719
Hungary	1 133 685 000		698 224 247
Malta	96 195 000		59 245 453
Netherlands	7 096 782 000		4 370 830 756
Austria	3 401 473 000		2 094 930 182
Poland	4 278 204 000		2 634 899 258
Portugal	1 837 522 000		1 131 709 791
Romania	1 740 075 000		1 071 693 245
Slovenia	395 992 000		243 887 161
Slovakia	798 040 000		491 504 146
Finland	2 069 418 000		1 274 532 012
Sweden	4 905 368 000		3 021 162 736
United Kingdom	24 785 867 000	15 265 345 588	
<b>Total</b>	<b>150 333 199 000</b>		<b>92 588 580 263</b>

<sup>1</sup> Calculation of rate: (92 588 580 263) / (150 333 199 000) = 0.615889110847698.

**TABLE 4**

**Correction of budgetary imbalances for the United Kingdom for the year 2016  
pursuant to Article 4 of Decision 2007/436/EC, Euratom (Chapter 1 5)**

Description	Coefficient <sup>1</sup> (%)	Amount
1. United Kingdom's share (in %) of notional uncapped VAT base	18,0077	
2. United Kingdom's share (in %) of enlargement-adjusted total allocated expenditure	7,2983	
3. (1) – (2)	10,7095	
4. Total allocated expenditure		129 383 323 229
5. Enlargement related expenditure <sup>2</sup>		34 414 600 712
6. Enlargement-adjusted total allocated expenditure = (4) – (5)		94 968 722 517
7. United Kingdom's correction original amount = (3) × (6) × 0,66		6 712 622 123
8. United Kingdom's advantage <sup>3</sup>		1 928 682 063
9. Core United Kingdom's correction = (7) – (8)		4 783 940 060
10. Windfall gains deriving from traditional own resources <sup>4</sup>		- 74 728 791
<b>11. Correction for the United Kingdom = (9) – (10)</b>		<b>4 858 668 851</b>

<sup>1</sup> Rounded percentages.

<sup>2</sup> The amount of enlargement-related expenditure corresponds to total allocated expenditure in 13 Member States (that have acceded to the EU after 30 April 2004), except for agricultural direct payments and market-related expenditure as well as that part of rural development expenditure originating from the EAGGF, Guarantee Section.

<sup>3</sup> The "UK advantage" corresponds to the effects arising for the United Kingdom from the changeover to capped VAT and the introduction of the GNP/GNI-based own resource.

<sup>4</sup> These windfall gains correspond to the net gains of the United Kingdom resulting from the increase — from 10 to 25 % as of 1 January 2001 — in the percentage of traditional own resources retained by Member States to cover the collection costs of traditional own resources (TOR).

**TABLE 5**

**Calculation of the financing of the correction for the United Kingdom amounting to EUR – 4 858 668 851 (Chapter 1 5)**

Member State	(1) Percentage share of GNI base	(2) Shares without the United Kingdom	(3) Shares without Germany, the Netherlands, Austria, Sweden and the United Kingdom	(4) Three quarters of the share of Germany, the Netherlands, Austria and Sweden in column 2	(5) Column 4 distributed in accordance with column 3	(6) = (2) + (4) + (5) Financing scale	(7) Financing scale applied to the correction
Belgium	2.83	3.39	5.45		1.55	4.93	239 756 495
Bulgaria	0.30	0.36	0.57		0.16	0.52	25 221 675
Czech Republic	1.05	1.26	2.03		0.58	1.84	89 383 151
Denmark	1.88	2.26	3.63		1.03	3.29	159 737 145
Germany	21.37	25.59	0.00	-19.20	0.00	6.40	310 883 192
Estonia	0.14	0.17	0.28		0.08	0.25	12 177 198
Ireland	1.22	1.46	2.35		0.67	2.13	103 463 727
Greece	1.20	1.43	2.31		0.66	2.09	101 549 015
Spain	7.58	9.08	14.61		4.15	13.23	642 850 178
France	15.17	18.16	29.22		8.30	26.46	1 285 506 613
Croatia	0.30	0.36	0.58		0.17	0.53	25 721 710
Italy	11.20	13.41	21.58		6.13	19.53	949 118 952
Cyprus	0.12	0.14	0.23		0.06	0.21	10 027 863

Member State	Percentage share of GNI base	Shares without the United Kingdom	Shares without Germany, the Netherlands, Austria, Sweden and the United Kingdom	Three quarters of the share of Germany, the Netherlands, Austria and Sweden in column 2	Column 4 distributed in accordance with column 3	Financing scale	Financing scale applied to the correction
	(1)	(2)	(3)	(4)	(5)	(6) = (2) + (4) + (5)	(7)
Luxembourg	0.24	0.29	0.46		0.13	0.42	20 413 498
Hungary	0.75	0.90	1.45		0.41	1.32	63 924 371
Malta	0.06	0.08	0.12		0.04	0.11	5 424 086
Netherlands	4.72	5.65	0.00	-4.24	0.00	1.41	68 661 184
Austria	2.26	2.71	0.00	-2.03	0.00	0.68	32 909 164
Poland	2.85	3.41	5.48		1.56	4.96	241 232 351
Portugal	1.22	1.46	2.36		0.67	2.13	103 611 177
Romania	1.16	1.39	2.23		0.63	2.02	98 116 496
Slovenia	0.26	0.32	0.51		0.14	0.46	22 328 548
Slovakia	0.53	0.64	1.02		0.29	0.93	44 998 571
Finland	1.38	1.65	2.65		0.75	2.40	116 686 949
Sweden	3.26	3.91	0.00	-2.93	0.00	0.98	47 459 309
United Kingdom	16.49	0.00	0.00		0.00	0.00	0
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>-28.40</b>	<b>28.40</b>	<b>100.00</b>	<b>4 858 668 851</b>

The calculations are made to 15 decimal places.

**TABLE 6**

**Summary of financing<sup>1</sup> of the general budget by type of own resource and by Member State**

Member State	Traditional own resources (TOR)					VAT and GNI-based own resources, including adjustments					Total own resources <sup>2</sup>
	Net sugar sector levies (75 %)	Net customs duties (75 %)	Total net traditional own resources (75 %)	Collection costs (25 % of gross TOR) (p.m.)	VAT-based own resource	GNI-based own resource	United Kingdom correction	Total "national contributions"	Share in total "national contributions" (%)		
	(1)	(2)	(3) = (1) + (2)	(4)	(5)	(6)	(7)	(8) = (5) + (6) + (7)	(9)	(10) = (3) + (8)	
Belgium	6 600 000	1 981 700 000	1 988 300 000	662 766 667	530 323 200	2 618 778 976	239 756 495	3 388 858 671	3.03	5 377 158 671	
Bulgaria	400 000	63 700 000	64 100 000	21 366 667	64 650 300	275 487 815	25 221 675	365 359 790	0.33	429 459 790	
Czech Republic	3 400 000	249 100 000	252 500 000	84 166 667	212 455 800	976 301 876	89 383 151	1 278 140 827	1.14	1 530 640 827	
Denmark	3 400 000	389 800 000	393 200 000	131 066 667	318 802 500	1 744 754 726	159 737 145	2 223 294 371	1.99	2 616 494 371	
Germany	26 300 000	4 139 800 000	4 166 100 000	1 388 699 996	4 051 855 800	19 790 189 268	310 883 192	24 152 928 260	21.57	28 319 028 260	
Estonia	0	28 100 000	28 100 000	9 366 667	32 394 000	133 007 412	12 177 198	177 578 610	0.16	205 678 610	
Ireland	0	312 700 000	312 700 000	104 233 333	251 320 200	1 130 099 241	103 463 727	1 484 883 168	1.33	1 797 583 168	
Greece	1 400 000	145 700 000	147 100 000	49 033 334	233 254 800	1 109 185 494	101 549 015	1 443 989 309	1.29	1 591 089 309	
Spain	4 700 000	1 407 500 000	1 412 200 000	470 733 334	1 470 944 400	7 021 634 734	642 850 178	9 135 429 312	8.16	10 547 629 312	
France	30 900 000	1 634 100 000	1 665 000 000	555 000 000	2 984 214 000	14 041 153 273	1 285 506 613	18 310 873 886	16.35	19 975 873 886	
Croatia	1 700 000	44 400 000	46 100 000	15 366 667	68 425 350	280 949 520	25 721 710	375 096 580	0.34	421 196 580	
Italy	4 700 000	1 830 000 000	1 834 700 000	611 566 667	1 872 447 000	10 366 904 803	949 118 952	13 188 470 755	11.78	15 023 170 755	

<sup>1</sup> p.m. (own resources + other revenue = total revenue = total expenditure); (132 090 594 713 + 1 699 417 318 = 133 790 012 031 = 133 790 012 031).

<sup>2</sup> Total own resources as percentage of GNI: (132 090 594 713) / (15 033 319 900 000) = 0,88 %; own resources ceiling as percentage of GNI: 1.23 %.

Member State	Traditional own resources (TOR)					VAT and GNI-based own resources, including adjustments					Total own resources <sup>1</sup>
	Net sugar sector levies (75 %)	Net customs duties (75 %)	Total net traditional own resources (75 %)	Collection costs (25 % of gross TOR) (p.m.)	VAT-based own resource	GNI-based own resource	United Kingdom correction	Total "national contributions"	Share in total "national contributions" (%)		
	(1)	(2)	(3) = (1) + (2)	(4)	(5)	(6)	(7)	(8) = (5) + (6) + (7)	(9)	(10) = (3) + (8)	
Cyprus	0	18 300 000	18 300 000	6 100 000	26 676 300	109 530 951	10 027 863	146 235 114	0.13	164 535 114	
Latvia	0	31 900 000	31 900 000	10 633 333	31 362 900	164 428 227	15 053 861	210 844 988	0.19	242 744 988	
Lithuania	800 000	80 500 000	81 300 000	27 100 000	48 017 700	245 239 653	22 452 372	315 709 725	0.28	397 009 725	
Luxembourg	0	17 800 000	17 800 000	5 933 333	54 304 350	222 969 719	20 413 498	297 687 567	0.27	315 487 567	
Hungary	2 100 000	140 700 000	142 800 000	47 600 000	140 130 000	698 224 247	63 924 371	902 278 618	0.81	1 045 078 618	
Malta	0	12 400 000	12 400 000	4 133 333	14 429 250	59 245 453	5 424 086	79 098 789	0.07	91 498 789	
Netherlands	7 200 000	2 396 000 000	2 403 200 000	801 066 667	865 377 000	4 370 830 756	68 661 184	5 304 868 940	4.74	7 708 068 940	
Austria	3 200 000	209 600 000	212 800 000	70 933 334	482 235 600	2 094 930 182	32 909 164	2 610 074 946	2.33	2 822 874 946	
Poland	12 800 000	565 000 000	577 800 000	192 600 000	566 854 800	2 634 899 258	241 232 351	3 442 986 409	3.08	4 020 786 409	
Portugal	100 000	128 300 000	128 400 000	42 800 000	268 796 700	1 131 709 791	103 611 177	1 504 117 668	1.34	1 632 517 668	
Romania	900 000	132 100 000	133 000 000	44 333 333	178 125 900	1 071 693 245	98 116 496	1 347 935 641	1.20	1 480 935 641	
Slovenia	0	69 000 000	69 000 000	23 000 000	55 640 700	243 887 161	22 328 548	321 856 409	0.29	390 856 409	
Slovakia	1 300 000	94 300 000	95 600 000	31 866 667	82 906 200	491 504 146	44 998 571	619 408 917	0.55	715 008 917	
Finland	700 000	129 000 000	129 700 000	43 233 333	279 193 200	1 274 532 012	116 686 949	1 670 412 161	1.49	1 800 112 161	
Sweden	2 600 000	539 100 000	541 700 000	180 566 667	640 014 600	3 021 162 736	47 459 309	3 708 636 645	3.31	4 250 336 645	
United Kingdom	9 500 000	3 209 900 000	3 219 400 000	1 073 133 334	3 551 661 900	15 265 345 588	-4 858 668 851	13 958 338 637	12.47	17 177 738 637	
<b>Total</b>	<b>124 700 000</b>	<b>20 000 500 000</b>	<b>20 125 200 000</b>	<b>6 708 400 000</b>	<b>19 376 814 450</b>	<b>92 588 580 263</b>	<b>0</b>	<b>111 965 394 713</b>	<b>100.00</b>	<b>132 090 594 713</b>	

<sup>1</sup> Total own resources as percentage of GNI:  $(132\,090\,594\,713) / (15\,033\,319\,900\,000) = 0,88\%$ ; own resources ceiling as percentage of GNI: 1.23 %.



2. Net traditional own resources (customs duties and sugar levies) amount to EUR 20 125.2 million.
3. The Union VAT base amounts to EUR 64 589.4 million for 2017 (at the rate of 1 %), taking into account the general capping of Member States' GNI base at 50 %, which has actually had to be applied in the case of the VAT bases of five Member States (Estonia, Croatia, Cyprus, Luxembourg and Malta). The uniform rate of VAT own resources is 0.30 %.
4. The uniform rate of "additional base" own resources resulting from the Council's position on the DB for 2017 is 0.6159 %.
5. Revenue other than own resources (Titles 4 to 9) amounts to EUR 1 699.42 million.
6. In Title 4 (Miscellaneous Community taxes, levies and dues), Articles 4 0 0, 4 0 4 and 4 1 0 have been adjusted on the basis of the decisions taken regarding appropriations and staff.
7. Total own resources in % of GNI:  $(132\,090\,594\,713) / (15\,033\,319\,900\,000) = 0.88\%$ ; own resources ceiling in % of GNI: 1.23 %.

#### IV. ESTIMATED EXPENDITURE

##### A. ADMINISTRATIVE EXPENDITURE FOR EACH INSTITUTION<sup>1</sup>

##### EUROPEAN PARLIAMENT - Section I<sup>2</sup>

The Council did not modify the European Parliament's draft budget in its position on the DB for 2017.

Budget 2016 (AB No 1/2016 to AB No 2/2016 incl.)	DB 2017	Council's position on DB 2017	Difference (amount)	Difference (%)
1	2	3	3-2	3/1
1 838 388 600	1 900 873 000	1 900 873 000		+3,40%
	1 892 000 <sup>1</sup>	1 892 000 <sup>1</sup>		
<sup>1</sup> of which reserves				

##### EUROPEAN COUNCIL AND COUNCIL - Section II

The Council modified the European Council's and Council's draft budget in its position on the DB for 2017 as follows:

Budget 2016 (AB No 1/2016 to AB No 2/2016 incl.)	DB 2017	Council's position on DB 2017	Difference (amount)	Difference (%)
1	2	3	3-2	3/1
545 054 000	559 475 000	558 275 000	-1 200 000	+2,43%

A targeted reduction was made by applying a specific decrease to the appropriations related to interpretation (-EUR 1 200 000) due to under-implementation.

Taking into account the current vacancy rate, the standard flat rate abatement on salaries was maintained at 5.5 % as proposed in the DB for 2017.

<sup>1</sup> See also ADD 2, ADD 3 and ADD 5 to this explanatory memorandum.

<sup>2</sup> The amounts take into account the institution's contribution to accredited European Schools (Type 2) of EUR 200 000 in 2016 and EUR 295 000 in 2017.

## COMMISSION – Section III

### ADMINISTRATIVE APPROPRIATIONS

The Council's position regarding the Commission's administrative budget for 2017 is as follows:

Description	1	2	3	3-2	3/1
	Budget 2016 (AB No 1/2016 to AB No 2/2016 incl.)	DB 2017	Council's position on DB 2017	Difference (amount)	Difference (%)
	p/a	p/a	p/a	p/a	p/a
Commission, excluding Offices	3 057 511 000	3 169 682 000	3 133 403 573	-36 278 427	+2,48%
Annex 2 - Publications Office	79 251 200	82 133 200	81 150 589	-982 611	+2,40%
Annex 3 - European Anti-Fraud Office	58 175 500	59 491 500	59 066 465	-425 035	+1,53%
Annex 4 - European Personnel Selection Office	26 430 000	26 557 000	26 328 969	-228 031	-0,38%
Annex 5 - Office for Administration and Payment of Individual Entitlements	38 399 500	38 519 500	38 267 446	-252 054	-0,34%
Annex 6 - Office for Infrastructure and Logistics — Brussels	68 440 000	67 805 000	67 345 694	-459 306	-1,60%
Annex 7 - Office for Infrastructure and Logistics — Luxembourg	23 658 000	24 234 000	24 098 473	-135 527	+1,86%
<b>Section III - Commission</b>	<b>3 351 865 200</b>	<b>3 468 422 200</b>	<b>3 429 661 209</b>	<b>-38 760 991</b>	<b>+2,32%</b>

An overall amount of EUR 3 429.7 million in payment appropriations is included for the Commission's administrative expenditure (including OP, OLAF, EPSO, PMO, OIB and OIL), representing an increase of +2.32 % compared to the 2016 budget.

Targeted reductions were made by applying a specific decrease to the appropriations related to *external staff (CEOS, SNE, Agency staff, Social)* (-EUR 2 600 000), *recruitment costs* (-EUR 500 000), *termination of service* (-EUR 432 000), *training costs* (-EUR 150 000), *social* (-EUR 176 000), *IT services* (-EUR 1 044 667), *rent and purchases linked to buildings* (-EUR 2 500 000), *mission and representation* (-EUR 1 000 000), *meetings, committees, conferences* (-EUR 2 000 000), *studies and investigations* (-EUR 500 000), *general equipment, vehicle, furniture* (-EUR 900 000), *IT hardware and information systems* (-EUR 2 000 000), *other administrative expenditure* (-EUR 1 000 000) and *mobility* (-EUR 500 000).

Taking into account the current vacancy rate, the standard flat rate abatement on salaries for the Commission's headquarters was set at 3.6 % (-EUR 20 975 760). The standard flat rate abatement for delegations was maintained at 5.8 % as proposed in the DB for 2017.

An overall amount of EUR 1 956.5 million is included for pensions and European Schools, representing an increase of +7.94 % compared to the 2016 budget.

**PUBLICATIONS OFFICE (OP)**

The Council's position is as follows:

Budget 2016 (AB No 1/2016 to AB No 2/2016 incl.)	DB 2017	Council's position on DB 2017	Difference (amount)	Difference (%)
1	2	3	3-2	3/1
79 251 200	82 133 200	81 150 589	-982 611	+2,40%

Taking into account the current vacancy rate, the standard flat rate abatement on salaries was set at 1.7 % (-EUR 582 611).

A targeted reduction was made by applying a specific decrease to the appropriations related to external staff (-EUR 400 000).

**EUROPEAN ANTI-FRAUD OFFICE (OLAF)**

The Council's position is as follows:

Budget 2016 (AB No 1/2016 to AB No 2/2016 incl.)	DB 2017	Council's position on DB 2017	Difference (amount)	Difference (%)
1	2	3	3-2	3/1
58 175 500	59 491 500	59 066 465	-425 035	+1,53%

Taking into account the current vacancy rate, the standard flat rate abatement on salaries was set at 1.9 % (-EUR 425 035).

EUROPEAN PERSONNEL SELECTION OFFICE (EPSO)

The Council's position is as follows:

Budget 2016 (AB No 1/2016 to AB No 2/2016 incl.)	DB 2017	Council's position on DB 2017	Difference (amount)	Difference (%)
1	2	3	3-2	3/1
26 430 000	26 557 000	26 328 969	-228 031	-0,38%

A targeted reduction was made by applying a specific decrease to the appropriations related to officials and temporary staff (-EUR 99 453).

Taking into account the current vacancy rate, the standard flat rate abatement on salaries was set at 1.3 % (-EUR 128 578).

OFFICE FOR THE ADMINISTRATION AND PAYMENT OF INDIVIDUAL  
ENTITLEMENTS (PMO)

The Council's position is as follows:

Budget 2016 (AB No 1/2016 to AB No 2/2016 incl.)	DB 2017	Council's position on DB 2017	Difference (amount)	Difference (%)
1	2	3	3-2	3/1
38 399 500	38 519 500	38 267 446	-252 054	-0,34%

A targeted reduction was made by applying a specific decrease to the appropriations related to officials and temporary staff (-EUR 70 014).

Taking into account the current vacancy rate, the standard flat rate abatement on salaries was set at 3.5 % (-EUR 182 038).

OFFICE FOR INFRASTRUCTURE AND LOGISTICS IN BRUSSELS (OIB)

The Council's position is as follows:

Budget 2016 (AB No 1/2016 to AB No 2/2016 incl.)	DB 2017	Council's position on DB 2017	Difference (amount)	Difference (%)
1	2	3	3-2	3/1
68 440 000	67 805 000	67 345 694	-459 306	-1,60%

A targeted reduction was made by applying a specific decrease to the appropriations related to staff (-EUR 127 585).

Taking into account the current vacancy rate, the standard flat rate abatement on salaries was set at 2.5 % (-EUR 331 721).

OFFICE FOR INFRASTRUCTURE AND LOGISTICS IN LUXEMBOURG (OIL)

The Council's position is as follows:

Budget 2016 (AB No 1/2016 to AB No 2/2016 incl.)	DB 2017	Council's position on DB 2017	Difference (amount)	Difference (%)
1	2	3	3-2	3/1
23 658 000	24 234 000	24 098 473	-135 527	+1,86%

A targeted reduction was made by applying a specific decrease to the appropriations related to staff (-EUR 21 859).

Taking into account the current vacancy rate, the standard flat rate abatement on salaries was set at 2.2 % (-EUR 113 668).

## COURT OF JUSTICE OF THE EUROPEAN UNION – Section IV<sup>1</sup>

The Council's position is as follows:

Budget 2016 (AB No 1/2016 to AB No 2/2016 incl.)	DB 2017	Council's position on DB 2017	Difference (amount)	Difference (%)
1	2	3	3-2	3/1
378 187 000	396 285 000	388 259 600	-8 025 400	+2,66%

Targeted reductions were made by applying a specific decrease to the appropriations related to *other staff* (-EUR 800 000), *external services in the linguistic field* (-EUR 2 453 000), *fitting out of premises* (-EUR 300 000), *purchase, servicing and maintenance of equipment* (-EUR 380 000), *external services for the operation, creation and maintenance of software and equipment* (-EUR 500 000) and *documentation, library and archiving expenditure* (-EUR 180 000).

Taking into account the current vacancy rate, the standard flat rate abatement on salaries was set at 3.8 % (-EUR 3 412 400).

## EUROPEAN COURT OF AUDITORS - Section V

The Council's position is as follows:

Budget 2016 (AB No 1/2016 to AB No 2/2016 incl.)	DB 2017	Council's position on DB 2017	Difference (amount)	Difference (%)
1	2	3	3-2	3/1
135 487 100	140 152 000	137 878 179	-2 273 821	+1,76%

<sup>1</sup> The amounts take into account the institution's contribution to accredited European Schools (Type 2) of EUR 21 000 in 2016 and 2017.

Targeted reductions were made by applying a specific decrease to the appropriations related to *other staff and external services* (-EUR 170 000), *missions* (-EUR 300 000), *telecommunications* (-EUR 100 000), *legal charges and damages* (-EUR 50 000), *meetings, congresses and conferences* (-EUR 30 000), *limited consultations, studies and surveys* (-EUR 150 000) and *publications of a general nature* (-EUR 150 000).

Taking into account the current vacancy rate, the standard flat rate abatement on salaries was set at 3.9 % (-EUR 1 323 821).

### **EUROPEAN ECONOMIC AND SOCIAL COMMITTEE – Section VI**

The Council's position is as follows:

Budget 2016 (AB No 1/2016 to AB No 2/2016 incl.)	DB 2017	Council's position on DB 2017	Difference (amount)	Difference (%)
1	2	3	3-2	3/1
130 171 475	131 898 058	131 743 725	-154 333	+1,21%

Taking into account the current vacancy rate, the standard flat rate abatement on salaries was set at 4.8 % (-EUR 154 333).

### **COMMITTEE OF THE REGIONS – Section VII**

The Council's position is as follows:

Budget 2016 (AB No 1/2016 to AB No 2/2016 incl.)	DB 2017	Council's position on DB 2017	Difference (amount)	Difference (%)
1	2	3	3-2	3/1
90 248 203	91 955 426	91 855 426	-100 000	+1,78%

A targeted reduction was made by applying a specific decrease to the appropriations related to *remuneration and allowances* (-EUR 100 000).

Taking into account the current vacancy rate, the standard flat rate abatement on salaries was maintained at 6.0 %, as proposed in the DB for 2017.



## **EUROPEAN OMBUDSMAN – Section VIII<sup>1</sup>**

The Council's position is as follows:

Budget 2016 (AB No 1/2016 to AB No 2/2016 incl.)	DB 2017	Council's position on DB 2017	Difference (amount)	Difference (%)
1	2	3	3-2	3/1
10 658 951	10 905 441	10 710 441	-195 000	+0,48%

Targeted reductions were made by applying a specific decrease to the appropriations related to *other staff and outside services* (-EUR 80 000), *data processing, equipment and furniture: purchase, hire and maintenance* (-EUR 20 000), *current administrative expenditure* (-EUR 20 000) and *meetings and conferences* (-EUR 10 000).

Taking into account the current vacancy rate, the standard flat rate abatement on salaries was set at 1.3 % (-EUR 65 000).

## **EUROPEAN DATA PROTECTION SUPERVISOR – Section IX**

The Council's position is as follows:

Budget 2016 (AB No 1/2016 to AB No 2/2016 incl.)	DB 2017	Council's position on DB 2017	Difference (amount)	Difference (%)
1	2	3	3-2	3/1
9 288 043	11 236 735	10 841 735	-395 000	+16,73%

Targeted reductions were made by applying a specific decrease to the appropriations related to *equipment* (-EUR 40 000), *expenditure in connection to the activities of the institution* (-EUR 20 000), *other activities related to external stakeholders* (-EUR 90 000), *cost of traineeships and staff exchanges* (-EUR 80 000) and *IT technology equipment and services* (-EUR 100 000).

<sup>1</sup> The amounts take into account the institution's contribution to accredited European Schools (Type 2) of EUR 275 000 in 2016 and EUR 255 000 in 2017.

Taking into account the current vacancy rate, the standard flat rate abatement on salaries was set at 1.3 % (-EUR 65 000).

### **EUROPEAN EXTERNAL ACTION SERVICE – Section X**

The Council's position is as follows:

Budget 2016 (AB No 1/2016 to AB No 2/2016 incl.)	DB 2017	Council's position on DB 2017	Difference (amount)	Difference (%)
1	2	3	3-2	3/1
633 628 000	656 936 000	649 799 600	-7 136 400	+2,55%

Targeted reductions were made by applying a specific decrease to the appropriations at headquarters related to *training* (-EUR 105 000), *missions* (-EUR 166 522), *cleaning and maintenance* (-EUR 689 800), *cryptography and highly classified information and communications technology* (-EUR 1 740 100) and *technical equipment and installations* (-EUR 100 000). For delegations the targeted reductions decreased the appropriations for *other expenditure related to staff* (-EUR 547 137) and *other administrative expenditure* (-EUR 1 349 700).

Taking into account the current vacancy rate, the standard flat rate abatement on salaries at headquarters for statutory staff was set at 4.8 % (-EUR 1 346 012) and for Military Seconded National Experts at 8.5 % (-EUR 147 977). For delegations, the standard flat rate abatement for statutory staff was set at 3.3 % (-EUR 875 433) and for new contract agents at 7.5 % (-EUR 68 719).

## **B. COMMISSION EXPENDITURE BY TITLE**<sup>1</sup>

### **TITLE 01 – ECONOMIC AND FINANCIAL AFFAIRS**

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reduction:

#### **Operational expenditure**

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
01 02 01	Coordination and surveillance of, and communication on, the economic and monetary union, including the euro	11 000 000	12 000 000	-500 000	

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>2</sup>

<sup>1</sup> See also ADD 4 to this explanatory memorandum.

<sup>2</sup> Except for appropriations on budget lines for administrative expenditure under heading 5 of the multiannual financial framework (see table on page 73).

## TITLE 02 - INTERNAL MARKET, INDUSTRY, ENTREPRENEURSHIP AND SMEs

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reductions:

### Operational expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
02 03 01	Operation and development of the internal market of goods and services	23 685 667	19 500 000	-3 473 333	-1 000 000
02 04 51	Completion of previous research framework programmes — Seventh Framework Programme — EC (2007 to 2013)	p.m.	25 930 000		-1 370 000
02 05 01	Developing and providing global satellite-based radio navigation infrastructures and services (Galileo) by 2020	588 169 000	419 611 975	-26 796 000	-75 388 025
02 05 02	Providing satellite-based services improving the performance of GPS to gradually cover the whole European Civil Aviation Conference (ECAC) region by 2020 (EGNOS)	260 000 000	149 000 000	-20 000 000	-1 000 000
02 05 51	Completion of European satellite navigation programmes (EGNOS and Galileo)	p.m.	34 000 000		-6 000 000
02 06 01	Delivering operational services relying on space-borne observations and in-situ data (Copernicus)	116 281 000	122 926 080	-2 025 000	-6 869 920
02 06 02	Building an autonomous Union's Earth Observation capacity (Copernicus)	461 214 000	492 464 410	-25 312 000	-71 911 590

Applying a similar approach as for the administrative expenditure of institutions, and taking into account realistic absorption capacities, the Council reduced the appropriations on the following budget lines:

### Support expenditure and decentralised agency

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
02 01 04 03	Support expenditure for European satellite navigation programmes	2 250 000	2 250 000	-250 000	-250 000
02 01 05 02	External personnel implementing Research and Innovation programmes — Horizon 2020	2 505 344	2 505 344	-100 000	-100 000
02 01 05 03	Other management expenditure for Research and Innovation programmes — Horizon 2020	2 637 950	2 637 950	-300 000	-300 000
02 05 11	European GNSS Agency	26 329 436	26 329 436	-194 000	-194 000

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

### TITLE 03 – COMPETITION

In this policy area, the Council accepted the appropriations requested by the Commission.<sup>1</sup>

<sup>1</sup> Except for appropriations on budget lines for administrative expenditure under heading 5 of the multiannual financial framework (see table on page 73).

## TITLE 04 – EMPLOYMENT, SOCIAL AFFAIRS AND INCLUSION

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reductions:

### Operational expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
04 02 62	European Social Fund — More developed regions — Investment for growth and jobs goal	3 629 184 747	2 490 475 000		-18 000 000
04 02 63 01	European Social Fund — Operational technical assistance	16 000 000	9 000 000		-2 000 000
04 03 01 05	Information and training measures for workers' organisations	18 888 200	17 150 000	-375 000	-650 000
04 03 01 08	Industrial relations and social dialogue	14 181 000	11 160 000	-2 025 000	-1 240 000
04 03 02 02	EURES — Promoting workers' voluntary geographical mobility and boosting employment opportunities	22 061 000	16 325 000	-517 000	-675 000
04 03 02 03	Microfinance and Social Entrepreneurship — Increasing access to, and the availability of, financing for legal and physical persons, especially those furthest from the labour market, and social enterprises	25 624 200	27 500 000	-17 841 600	
04 03 51	Completion of PROGRESS	p.m.	4 750 000		-250 000
04 06 01	Promoting social cohesion and alleviating the worst forms of poverty in the Union	544 386 912	420 000 000		-20 000 000

Applying a similar approach as for the administrative expenditure of institutions, and taking into account realistic absorption capacities, the Council reduced the appropriations on the following budget lines:

### Support expenditure and decentralised agency

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
04 01 04 01	Support expenditure for European Social Fund and non-operational technical assistance	13 000 000	13 000 000	-1 500 000	-1 500 000
04 01 04 02	Support expenditure for the programme Employment and Social Innovation	3 750 000	3 750 000	-250 000	-250 000
04 03 13	European Centre for the Development of Vocational Training (CEDEFOP)	17 051 000	17 051 000	-324 000	-324 000

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

## TITLE 05 – AGRICULTURE AND RURAL DEVELOPMENT

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reductions:

### Operational expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
05 02 06 05	Quality improvement measures	42 000 000	42 000 000	-3 000 000	-3 000 000
05 02 08 03	Operational funds for producer organisations	476 000 000	476 000 000	-15 000 000	-15 000 000
05 03 01 10	Basic payment scheme (BPS)	16 267 000 000	16 267 000 000	-124 000 000	-124 000 000
05 03 02 60	Voluntary coupled support scheme	4 058 000 000	4 058 000 000	-5 000 000	-5 000 000
05 04 60 01	Promoting sustainable rural development, a more territorially and environmentally balanced, climate-friendly and innovative Union agricultural sector	14 337 026 697	9 883 500 000		-18 500 000
05 04 60 02	Operational technical assistance	16 922 000	17 422 443	-1 600 000	-1 600 000
05 06 01	International agricultural agreements	6 975 849	6 975 849	-1 130 000	-1 130 000
05 07 01 06	Expenditure for financial corrections in favour of Member States following decisions on accounting clearance of previous years' accounts with regard to shared management declared under the EAGGF-Guarantee Section (previous measures) and under the EAGF	1 000 000	1 000 000	-19 000 000	-19 000 000
05 07 02	Settlement of disputes	39 280 000	39 280 000	-10 720 000	-10 720 000
05 08 09	European Agricultural Guarantee Fund (EAGF) — Operational technical assistance	3 657 000	3 657 000	-113 000	-113 000

<sup>1</sup> Except for appropriations on budget lines for administrative expenditure under heading 5 of the multiannual financial framework (see table on page 73).

Applying a similar approach as for the administrative expenditure of institutions, and taking into account realistic absorption capacities, the Council reduced the appropriations on the following budget lines:

### Support expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
05 01 04 01	Support expenditure for the European Agricultural Guarantee Fund (EAGF) — Non-operational technical assistance	7 452 000	7 452 000	-230 000	-230 000
05 01 04 04	Support expenditure for the European Agricultural Fund for Rural Development (EAFRD) — Non-operational technical assistance	4 763 000	4 763 000	-147 000	-147 000

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

## TITLE 06 – MOBILITY AND TRANSPORT

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reductions:

### Operational expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
06 02 01 01	Removing bottlenecks, enhancing rail interoperability, bridging missing links and improving cross-border sections	1 141 284 618	427 362 267	-33 009 080	-1 000 000
06 02 01 03	Optimising the integration and interconnection of transport modes and enhancing interoperability	322 551 298	81 378 294	-37 770 195	-2 610 000
06 02 51	Completion of Trans-European networks programme	p.m.	333 700 000		-6 300 000
06 02 52	Completion of Marco Polo programme	p.m.	7 725 000		-410 000

<sup>1</sup> Except for appropriations on budget lines for administrative expenditure under heading 5 of the multiannual financial framework (see table on page 73).



Applying a similar approach as for the administrative expenditure of institutions, and taking into account realistic absorption capacities, the Council reduced the appropriations on the following budget lines:

**Support expenditure, executive agency, decentralised agencies and joint technology initiatives**

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
06 01 04 01	Support expenditure for Connecting Europe Facility (CEF) — Transport	1 750 000	1 750 000	-250 000	-250 000
06 01 06 01	Innovation and Networks Executive Agency — Contribution from Connecting Europe Facility (CEF)	13 752 226	13 752 226	-500 000	-500 000
06 02 02	European Aviation Safety Agency	33 545 000	33 545 000	-639 000	-639 000
06 02 04	European Union Agency for Railways	28 825 000	28 825 000	-818 000	-818 000
06 03 07 31	Single European Sky Air Traffic Management Research (SESAR) Joint Undertaking — Support expenditure	3 241 507	3 241 507		
06 03 07 32	Single European Sky Air Traffic Management Research 2 (SESAR2) Joint Undertaking	58 239 096	64 078 493	-38 519 397	-1 010 000
06 03 07 34	Shift2Rail (S2R) Joint Undertaking	43 280 063	48 143 000	-16 763 067	-2 657 000

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

<sup>1</sup> Except for appropriations on budget lines for administrative expenditure under heading 5 of the multiannual financial framework (see table on page 73).

## TITLE 07 – ENVIRONMENT

Applying a similar approach as for the administrative expenditure of institutions, and taking into account realistic absorption capacities, the Council reduced the appropriations on the following budget lines:

### Support expenditure and decentralised agency

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
07 01 04 01	Support expenditure for the Programme for the Environment and Climate Action (LIFE) — Sub-programme for Environment	1 520 000	1 520 000	-80 000	-80 000
07 02 06	European Environment Agency	34 850 405	34 850 405	-316 000	-316 000

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

## TITLE 08 – RESEARCH AND INNOVATION

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reductions:

### Operational expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
08 02 05	Horizontal activities of Horizon 2020	109 162 522	102 142 798	-5 571 508	-2 480 000
08 02 51	Completion of previous research framework programme — Seventh Framework Programme — EC indirect action (2007 to 2013)	p.m.	1 163 247 029		-5 850 000
08 03 01 01	Euratom — Fusion energy	134 523 159	126 090 873	-17 500 000	-5 000 000
08 03 01 02	Euratom — Nuclear fission and radiation protection	59 631 598	64 564 877	-3 850 000	-18 500 000

<sup>1</sup> Except for appropriations on budget lines for administrative expenditure under heading 5 of the multiannual financial framework (see table on page 73).

Applying a similar approach as for the administrative expenditure of institutions, and taking into account realistic absorption capacities, the Council reduced the appropriations on the following budget lines:

### Support expenditure, executive agencies and joint technology initiatives

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
08 01 05 03	Other management expenditure for Research and Innovation programmes — Horizon 2020	43 250 949	43 250 949	-2 250 000	-2 250 000
08 01 05 11	Expenditure related to officials and temporary staff implementing Research and Innovation programmes — Euratom programme	9 452 170	9 452 170	-250 000	-250 000
08 01 06 01	European Research Council Executive Agency — Contribution from Horizon 2020	42 017 000	42 017 000	-3 105 000	-3 105 000
08 01 06 02	Research Executive Agency — Contribution from Horizon 2020	60 632 224	60 632 224	-1 995 000	-1 995 000
08 01 06 03	Executive Agency for Small and Medium-sized Enterprises — Contribution from Horizon 2020	25 500 168	25 500 168	-1 890 000	-1 890 000
08 01 06 04	Innovation and Networks Executive Agency — Contribution from Horizon 2020	5 100 521	5 100 521	-251 000	-251 000
08 02 07 31	Innovative Medicines Initiative 2 (IMI2) Joint Undertaking — Support expenditure	1 200 000	1 265 453	-65 453	
08 02 07 32	Innovative Medicines Initiative 2 (IMI2) Joint Undertaking	173 798 000	71 963 762		-2 990 000
08 02 07 33	Bio-Based Industries (BBI) Joint Undertaking — Support expenditure	1 946 263	2 115 155	-338 892	-170 000
08 02 07 34	Bio-Based Industries (BBI) Joint Undertaking	78 889 310	64 637 748		-2 250 000
08 02 07 35	Clean Sky 2 Joint Undertaking — Support expenditure	2 625 785	3 037 689	-411 904	
08 02 07 38	Fuel Cells and Hydrogen 2 (FCH2) Joint Undertaking	91 990 225	130 309 054		-9 220 000

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

<sup>1</sup> Except for appropriations on budget lines for administrative expenditure under heading 5 of the multiannual financial framework (see table on page 73).

## TITLE 09 – COMMUNICATIONS NETWORKS, CONTENT AND TECHNOLOGY

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reductions:

### Operational expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
09 05 01	MEDIA subprogramme — Operating transnationally and internationally and promoting transnational circulation and mobility	102 618 000	99 000 000	-4 500 000	-2 000 000
09 05 05	Multimedia actions	18 373 000	22 497 455	-1 200 000	-1 500 000

Applying a similar approach as for the administrative expenditure of institutions, and taking into account realistic absorption capacities, the Council reduced the appropriations on the following budget lines:

### Support expenditure and joint technology initiative

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
09 01 04 01	Support expenditure for Connecting Europe Facility (CEF) — Information and Communication Technologies (ICT)	469 000	469 000	-50 000	-50 000
09 01 04 02	Support expenditure for Creative Europe programme — media sub-programme	1 443 280	1 443 280	-28 400	-28 400
09 01 05 02	External personnel implementing Research and Innovation programmes — Horizon 2020	10 713 044	10 713 044	-250 000	-250 000
09 01 05 03	Other management expenditure for Research and Innovation programmes — Horizon 2020	10 642 000	10 642 000	-158 000	-158 000
09 04 07 31	Electronic Components and Systems for European Leadership (ECSEL) Joint Undertaking — Support expenditure	1 019 130	1 377 397	-358 267	
09 04 07 32	Electronic Components and Systems for European Leadership (ECSEL) Joint Undertaking	152 412 786	126 044 204	-15 624 817	-2 690 000

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

## TITLE 10 – DIRECT RESEARCH

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reductions:

### Operational expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
10 02 51	Completion of the Seventh Framework Programme — Direct actions (2007 to 2013)	p.m.	570 000		-30 000
10 03 01	Euratom activities of Direct Research	7 573 000	9 705 000	-3 200 000	-795 000

Applying a similar approach as for the administrative expenditure of institutions, the Council reduced the appropriations on the following budget lines:

### Support expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
10 01 05 01	Expenditure related to officials and temporary staff implementing Research and Innovation programmes — Horizon 2020	138 320 000	138 320 000	-1 440 000	-1 440 000
10 01 05 02	External personnel implementing Research and Innovation programmes — Horizon 2020	32 800 000	32 800 000	-500 000	-500 000

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

<sup>1</sup> Except for appropriations on budget lines for administrative expenditure under heading 5 of the multiannual financial framework (see table on page 73).

## TITLE 11 – MARITIME AFFAIRS AND FISHERIES

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reduction:

### Operational expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
11 06 63 01	European Maritime and Fisheries Fund (EMFF) — Operational Technical assistance	3 730 000	3 961 954	-120 000	-120 000

Applying a similar approach as for the administrative expenditure of institutions, and taking into account realistic absorption capacities, the Council reduced the appropriations on the following budget line:

### Support expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
11 01 04 01	Support expenditure for Maritime affairs and fisheries — Non-operational administrative and technical assistance	3 589 000	3 589 000	-111 000	-111 000

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

<sup>1</sup> Except for appropriations on budget lines for administrative expenditure under heading 5 of the multiannual financial framework (see table on page 73).

## TITLE 12 – FINANCIAL STABILITY, FINANCIAL SERVICES AND CAPITAL MARKETS UNION

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reductions:

### Operational expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
12 02 01	Implementation and development of the single market for financial services	3 500 000	4 294 000	-200 000	-800 000

Applying a similar approach as for the administrative expenditure of institutions, the Council reduced the appropriations on the following budget lines:

### Decentralised agencies

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
12 02 04	European Banking Authority (EBA)	14 735 504	14 735 504	-155 000	-155 000
12 02 05	European Insurance and Occupational Pensions Authority (EIOPA)	8 526 301	8 526 301	-210 000	-210 000

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

<sup>1</sup> Except for appropriations on budget lines for administrative expenditure under heading 5 of the multiannual financial framework (see table on page 73).

## TITLE 13 – REGIONAL AND URBAN POLICY

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reductions:

### Operational expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
13 03 61	European Regional Development Fund (ERDF) — Transition regions — Investment for growth and jobs goal	3 719 489 334	2 204 431 000		-10 000 000
13 03 62	European Regional Development Fund (ERDF) — More developed regions — Investment for growth and jobs goal	4 622 273 189	3 043 052 000		-25 000 000
13 03 64 01	European Regional Development Fund (ERDF) — European territorial cooperation	1 731 601 443	803 299 000		-81 000 000
13 03 65 01	European Regional Development Fund (ERDF) — Operational technical assistance	74 000 000	59 400 000		-10 000 000
13 03 66	European Regional Development Fund (ERDF) — Innovative Actions in the field of Sustainable Urban Development	53 090 514	35 472 411		-7 000 000
13 04 60	Cohesion Fund — Investment for growth and jobs goal	9 055 827 791	5 631 952 000		-20 000 000
13 04 61 01	Cohesion Fund — Operational technical assistance	24 307 786	19 300 000		-3 000 000

Applying a similar approach as for the administrative expenditure of institutions, the Council reduced the appropriations on the following budget lines:

### Support expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
13 01 04 01	Support expenditure for European Regional Development Fund (ERDF)	10 300 000	10 300 000	-1 000 000	-1 000 000
13 01 04 02	Support expenditure for the Instrument for Pre-Accession Assistance (IPA) — Regional development component	1 881 902	1 881 902	-70 000	-70 000
13 01 04 03	Support expenditure for the Cohesion Fund	3 700 000	3 700 000	-500 000	-500 000



Due to the lack of an adopted legal basis, the Council placed the amounts on the following budget lines into the reserve:

### Reserves

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
13 01 04 04	Support expenditure for Structural Reform Support Programme (SRSP)	p.m.	p.m.	-1 125 000	-1 125 000
13 01 04 04 (R)	Support expenditure for Structural Reform Support Programme (SRSP)	1 125 000	1 125 000	+1 125 000	+1 125 000
13 08 01	Structural Reform Support Programme (SRSP) – Operational technical assistance transferred from H1b (ESF, ERDF and CF)	p.m.	p.m.	-17 442 912	-8 721 500
13 08 01 (R)	Structural Reform Support Programme (SRSP) – Operational technical assistance transferred from H1b (ESF, ERDF and CF)	17 442 912	8 721 500	+17 442 912	+8 721 500
13 08 02	Structural Reform Support Programme (SRSP) – Operational technical assistance transferred from H2 (EAFRD)	p.m.	p.m.	-5 057 088	-2 528 500
13 08 02 (R)	Structural Reform Support Programme (SRSP) – Operational technical assistance transferred from H2 (EAFRD)	5 057 088	2 528 500	+5 057 088	+2 528 500

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

<sup>1</sup> Except for appropriations on budget lines for administrative expenditure under heading 5 of the multiannual financial framework (see table on page 73).

## TITLE 14 – TAXATION AND CUSTOMS UNION

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reductions:

### Operational expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
14 02 01	Supporting the functioning and modernisation of the customs union	71 733 000	61 000 000	-10 162 000	-4 000 000
14 03 01	Improving the proper functioning of the taxation systems	30 859 000	29 250 000	-950 000	-1 750 000

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

## TITLE 15 – EDUCATION AND CULTURE

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reductions:

### Operational expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
15 04 01	Strengthening the financial capacity of SMEs and small and very small organisations in the European cultural and creative sectors, and fostering policy development and new business models	28 432 000	14 176 893	-2 500 000	
15 04 02	Culture sub-programme — Supporting cross-border actions and promoting transnational circulation and mobility	51 850 000	42 930 071	-2 500 000	-500 000

<sup>1</sup> Except for appropriations on budget lines for administrative expenditure under heading 5 of the multiannual financial framework (see table on page 73).

Applying a similar approach as for the administrative expenditure of institutions, the Council reduced the appropriations on the following budget lines:

### Support expenditure and European Institute of Innovation and Technology (EIT)

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
15 01 04 02	Support expenditure for Creative Europe programme — Culture sub-programme	847 640	847 640	-16 680	-16 680
15 01 05 02	External personnel implementing Research and Innovation programmes — Horizon 2020	768 339	768 339	-109 000	-109 000
15 03 05	European Institute of Innovation and Technology (EIT) — integrating the knowledge triangle of higher education, research and innovation	290 360 122	308 013 296	-10 066 667	-6 240 000

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

### TITLE 16 – COMMUNICATION

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reductions:

#### Operational expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
16 03 01 02	Information for the media and audiovisual productions	6 077 000	4 958 000	-100 000	
16 03 01 04	Communication of the Commission Representations, Citizens' Dialogues and Partnership actions	16 036 000	13 600 000	-1 000 000	-1 000 000
16 03 02 03	Online and written information and communication tools	23 210 000	25 075 000	-500 000	-1 000 000
16 03 04	House of European History	2 000 000	2 200 000	-1 000 000	-1 000 000

<sup>1</sup> Except for appropriations on budget lines for administrative expenditure under heading 5 of the multiannual financial framework (see table on page 73).

Applying a similar approach as for the administrative expenditure of institutions, the Council reduced the appropriations on the following budget line:

### Support expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
16 01 04 02	Support expenditure for communication actions	1 054 680	1 054 680	-35 320	-35 320

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

## TITLE 17 – HEALTH AND FOOD SAFETY

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reductions:

### Operational expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
17 03 01	Third programme for the Union's action in the field of health (2014-2020)	57 820 000	46 000 000	-1 000 000	
17 04 01	Ensuring a higher animal health status and high level of protection of animals in the Union	165 000 000	149 800 000		-1 500 000
17 04 02	Ensuring timely detection of harmful organisms for plants and their eradication	13 800 000	8 300 000	-1 200 000	-1 700 000
17 04 03	Ensuring effective, efficient and reliable controls	51 558 000	49 000 000	-2 000 000	-500 000
17 04 04	Fund for emergency measures related to animal and plant health	19 000 000	16 000 000	-1 000 000	

<sup>1</sup> Except for appropriations on budget lines for administrative expenditure under heading 5 of the multiannual financial framework (see table on page 73).

Applying a similar approach as for the administrative expenditure of institutions, and taking into account realistic absorption capacities, the Council reduced the appropriations on the following budget lines:

### Support expenditure and decentralised agencies

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
17 01 04 02	Support expenditure for the Third programme for the Union's action in the field of health (2014-2020)	1 400 000	1 400 000	-100 000	-100 000
17 01 04 03	Support expenditure in the field of Food and feed safety, animal health, animal welfare and Plant health	1 400 000	1 400 000	-100 000	-100 000
17 03 11	European Food Safety Authority	75 948 000	77 148 000	-647 000	-647 000
17 03 12 01	Union contribution to the European Medicines Agency	9 968 000	9 968 000	-820 000	-820 000

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

### TITLE 18 – MIGRATION AND HOME AFFAIRS

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reductions:

#### Operational expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
18 04 01 01	Europe for citizens — Strengthening remembrance and enhancing capacity for civic participation at the Union level	23 231 000	20 760 000		-2 000 000
18 06 01	Supporting initiatives in the field of drugs policy	2 632 000	2 456 200	-500 000	-300 000

<sup>1</sup> Except for appropriations on budget lines for administrative expenditure under heading 5 of the multiannual financial framework (see table on page 73).

Applying a similar approach as for the administrative expenditure of institutions, and taking into account realistic absorption capacities, the Council reduced the appropriations on the following budget lines:

### Support expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
18 01 04 03	Support expenditure for the programme Europe for citizens	163 200	163 200	-3 800	-3 800
18 01 05 01	Expenditure related to officials and temporary staff implementing Research and Innovation programmes — Horizon 2020	1 808 942	1 808 942	-300 000	-300 000

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

## TITLE 19 – FOREIGN POLICY INSTRUMENTS

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reductions:

### Operational expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
19 03 01 05	Emergency measures	62 850 000	33 212 812	-6 630 000	
19 05 01	Cooperation with third countries to advance and promote Union and mutual interests	105 599 000	76 891 000	-7 300 000	-7 300 000

<sup>1</sup> Except for appropriations on budget lines for administrative expenditure under heading 5 of the multiannual financial framework (see table on page 73).

Applying a similar approach as for the administrative expenditure of institutions, and taking into account realistic absorption capacities, the Council reduced the appropriations on the following budget lines:

### Support expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
19 01 04 01	Support expenditure for Instrument contributing to Stability and Peace	6 550 000	6 550 000	-430 000	-430 000
19 01 04 03	Support expenditure for the European Instrument for Democracy and Human Rights (EIDHR) — Expenditure related to election observation Missions (EOMs)	691 211	691 211	-30 000	-30 000

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

### TITLE 20 – TRADE

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reductions:

### Operational expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
20 02 01	External trade relations, including access to the markets of third countries	12 100 000	11 000 000	-900 000	-500 000

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

<sup>1</sup> Except for appropriations on budget lines for administrative expenditure under heading 5 of the multiannual financial framework (see table on page 73).

## TITLE 21 – INTERNATIONAL COOPERATION AND DEVELOPMENT

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reductions:

### Operational expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
21 02 01	Cooperation with Latin America	318 350 242	235 771 576	-15 000 000	-9 800 000
21 02 02	Cooperation with Asia	653 619 915	270 200 000	-18 100 000	-9 800 000
21 02 03	Cooperation with Central Asia	128 210 250	56 000 000	-600 000	
21 02 06	Cooperation with South Africa	51 870 001	11 246 000	-7 900 000	-5 200 000
21 02 07 01	Environment and climate change	172 897 294	94 400 000	-6 030 000	-600 000
21 02 07 02	Sustainable energy	76 823 242	63 100 000	-1 700 000	
21 02 07 03	Human development	153 741 313	137 600 000		-400 000
21 02 07 04	Food and nutrition security and sustainable agriculture	187 701 168	109 100 000	-4 480 000	-900 000
21 02 08 01	Civil society in development	179 132 988	114 500 000	-12 800 000	-15 500 000
21 02 08 02	Local authorities in development	59 700 996	23 500 000	-3 610 000	-1 500 000
21 08 01	Evaluation of the results of Union aid and follow-up and audit measures	24 044 796	23 721 281	-2 000 000	-1 800 000
21 08 02	Coordination and promotion of awareness on development issues	10 230 000	11 608 960	-100 000	-2 000 000



Applying a similar approach as for the administrative expenditure of institutions, and taking into account realistic absorption capacities, the Council reduced the appropriations on the following budget lines:

### Support expenditure and executive agency

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
21 01 04 01	Support expenditure for the Development Cooperation Instrument (DCI)	81 923 151	81 923 151	-3 070 000	-3 070 000
21 01 04 03	Support expenditure for the European Instrument for Democracy and Human Rights (EIDHR)	9 908 836	9 908 836	-200 000	-200 000
21 01 06 01	Education, Audiovisual and Culture Executive Agency — Contribution from Development Cooperation Instruments (DCIs)	2 310 000	2 310 000	-340 000	-340 000

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

### TITLE 22 – NEIGHBOURHOOD AND ENLARGEMENT NEGOTIATIONS

Applying a similar approach as for the administrative expenditure of institutions, the Council reduced the appropriations on the following budget lines:

### Support expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
22 01 04 01	Support expenditure for the Instrument for Pre-accession Assistance (IPA)	39 461 419	39 461 419	-2 700 000	-2 700 000
22 01 04 02	Support expenditure for the European Neighbourhood Instrument (ENI)	45 395 875	45 395 875	-2 400 000	-2 400 000

<sup>1</sup> Except for appropriations on budget lines for administrative expenditure under heading 5 of the multiannual financial framework (see table on page 73).

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

## TITLE 23 – HUMANITARIAN AID AND CIVIL PROTECTION

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reductions:

### Operational expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
23 03 01 01	Disaster prevention and preparedness within the Union	29 025 000	25 525 000	-500 000	-4 000 000
23 03 01 02	Disaster prevention and preparedness in Third countries	5 551 000	5 567 707	-70 000	
23 03 02 02	Rapid and efficient emergency response interventions in the event of major disasters in Third countries	12 000 000	14 010 000	-3 090 000	
23 04 01	EU Aid Volunteers initiative — Strengthening the Union's capacity to respond to humanitarian crises	16 472 000	18 178 550	-4 500 000	-4 500 000

Applying a similar approach as for the administrative expenditure of institutions, and taking into account realistic absorption capacities, the Council reduced the appropriations on the following budget line:

### Executive agency

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
23 01 06 01	Education, Audiovisual and Culture Executive Agency — Contribution from EU Aid Volunteers initiative	989 000	989 000	-50 000	-50 000

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

<sup>1</sup> Except for appropriations on budget lines for administrative expenditure under heading 5 of the multiannual financial framework (see table on page 73).

## TITLE 24 – FIGHT AGAINST FRAUD

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reductions:

### Operational expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
24 02 01	Preventing and combating fraud, corruption and any other illegal activities affecting the Union's financial interests	14 450 000	12 244 989	-500 000	-1 000 000
24 04 01	Supporting Mutual Assistance in Customs Matters and facilitating secure electronic communication tools for Member States to report irregularities	6 631 200	6 501 592	-520 000	-300 000

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

## TITLE 25 – COMMISSION'S POLICY COORDINATION AND LEGAL ADVICE

In this policy area, the Council accepted the appropriations requested by the Commission.<sup>1</sup>

<sup>1</sup> Except for appropriations on budget lines for administrative expenditure under heading 5 of the multiannual financial framework (see table on page 73).

## TITLE 26 – COMMISSION'S ADMINISTRATION

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reductions:

### Operational expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
26 03 01	Interoperability solutions and common frameworks for European public administrations, businesses and citizens (ISA <sup>2</sup> )	22 595 000	17 100 000	-2 520 000	-900 000

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

## TITLE 27 – BUDGET

In this policy area, the Council accepted the appropriations requested by the Commission.<sup>1</sup>

## TITLE 28 – AUDIT

In this policy area, the Council accepted the appropriations requested by the Commission.<sup>1</sup>

<sup>1</sup> Except for appropriations on budget lines for administrative expenditure under heading 5 of the multiannual financial framework (see table on page 73).

## TITLE 29 – STATISTICS

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reductions:

### Operational expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
29 02 01	Providing quality statistical information, implementing new methods of production of European statistics and strengthening the partnership within the European Statistical System	56 440 000	40 000 000	-1 520 000	-2 000 000

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

## TITLE 30 – PENSIONS AND RELATED EXPENDITURE

In this policy area, the Council accepted the appropriations requested by the Commission.<sup>1</sup>

## TITLE 31 – LANGUAGE SERVICES

In this policy area, the Council accepted the appropriations requested by the Commission.<sup>1</sup>

<sup>1</sup> Except for appropriations on budget lines for administrative expenditure under heading 5 of the multiannual financial framework (see table on page 73).

## TITLE 32 - ENERGY

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reductions:

### Operational expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
32 02 01 01	Further integration of the internal energy market and the interoperability of electricity and gas networks across borders	206 508 927	34 265 600	-10 895 027	-500 000
32 02 01 02	Enhancing Union security of energy supply	207 441 809	26 032 000	-9 962 145	
32 02 01 03	Contributing to sustainable development and protection of the environment	206 509 070	23 531 000	-10 894 932	-3 000 000
32 02 01 04	Creating an environment more conducive to private investment for energy projects	77 291 975	30 700 000	-7 935 025	-500 000
32 02 52	Completion of energy projects to aid economic recovery	p.m.	105 000 000		-5 000 000
32 05 51	Completion of the European Joint Undertaking for ITER — Fusion for Energy (F4E) (2007 to 2013)	p.m.	181 000 000		-1 000 000

Applying a similar approach as for the administrative expenditure of institutions, and taking into account realistic absorption capacities, the Council reduced the appropriations on the following budget lines:

### Support expenditure and joint undertaking

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
32 01 04 01	Support expenditure for Connecting Europe Facility — Energy	1 728 000	1 728 000	-250 000	-250 000
32 01 05 01	Expenditure related to officials and temporary staff implementing Research and Innovation programmes — Horizon 2020	1 841 934	1 841 934	-141 000	-141 000
32 01 05 22	External personnel implementing research and innovation programmes — ITER	227 250	227 250	-5 750	-5 750
32 05 01 01	Construction, operation and exploitation of the ITER facilities — European Joint Undertaking for ITER — Fusion for Energy (F4E) — Support expenditure	44 727 440	43 938 268	-2 820 000	-3 609 172
32 05 01 02	Construction, operation and exploitation of the ITER facilities — European Joint Undertaking for ITER — Fusion for Energy (F4E)	227 241 664	134 495 070	-39 271 333	-53 644 930

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

## TITLE 33 - JUSTICE AND CONSUMERS

Based on budget implementation in 2015, budget implementation forecasts for 2016 and realistic absorption capacities, the Council retained the following specific reductions:

### Operational expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
33 02 01	Ensuring the protection of rights and empowering citizens	25 951 000	18 000 000	-500 000	-500 000
33 02 02	Promoting non-discrimination and equality	34 264 000	23 500 000	-800 000	-500 000
33 03 01	Supporting and promoting judicial training and facilitating effective access to justice for all	33 510 000	24 100 000	-200 000	-500 000
33 04 01	Safeguarding consumers' interest and improving their safety and information	23 632 000	17 000 000	-500 000	-300 000

Applying a similar approach as for the administrative expenditure of institutions, and taking into account realistic absorption capacities, the Council reduced the appropriations on the following budget lines:

### Support expenditure and decentralised agencies

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
33 01 04 01	Support expenditure for the Rights, Equality and Citizenship Programme	1 000 000	1 000 000	-100 000	-100 000
33 01 04 03	Support expenditure for the Consumer programme	1 000 000	1 000 000	-100 000	-100 000
33 02 06	European Union Agency for Fundamental Rights (FRA)	22 258 000	22 258 000	-205 000	-205 000
33 03 04	The European Union's Judicial Cooperation Unit (Eurojust)	46 427 237	45 927 237	-680 000	-680 000

<sup>1</sup> Except for appropriations on budget lines for administrative expenditure under heading 5 of the multiannual financial framework (see table on page 73).

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

## TITLE 34 – CLIMATE ACTION

Applying a similar approach as for the administrative expenditure of institutions, the Council reduced the appropriations on the following budget line:

### Support expenditure

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
34 01 04 01	Support expenditure for the Programme for the Environment and Climate Action (LIFE) — Sub-programme for Climate action	3 182 000	3 182 000	-100 000	-100 000

The Council accepted the appropriations requested by the Commission for the other budget lines in this policy area.<sup>1</sup>

## TITLE 40 – RESERVES

Due to the lack of an adopted legal basis, the Council placed the following amounts into the reserve<sup>2</sup>:

### Reserves

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
40 02 40	Non-differentiated appropriations	1 125 000	1 125 000	+1 125 000	+1 125 000
40 02 41	Differentiated appropriations	42 900 522	30 061 522	+22 500 000	+11 250 000

<sup>1</sup> Except for appropriations on budget lines for administrative expenditure under heading 5 of the multiannual financial framework (see table on page 73).

<sup>2</sup> For more details see Title 13.



The Council did not accept the modification proposed by the Commission in the practice of budgeting appropriations for the following special instruments:

### Special instruments

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
40 02 43	Reserve for the European Globalisation Adjustment Fund	168 924 000	p.m.		-30 000 000
40 02 44	Reserve for the European Union Solidarity Fund	p.m.	p.m.	-513 000 000	-200 000 000

The Council accepted the appropriations requested by the Commission for the other budget lines in this title.

**BUDGET LINES RELATED TO ADMINISTRATIVE EXPENDITURE UNDER  
HEADING 5 OF THE MULTIANNUAL FINANCIAL FRAMEWORK**

The reductions retained by the Council are summarised in the following table:

Line	Description	Council's position on DB 2017		Council's changes on DB 2017	
		c/a	p/a	c/a	p/a
15 01 61	Cost of organising graduate traineeships with the institution	6 423 000	6 423 000	-200 000	-200 000
26 01 22 03	Expenditure related to buildings in Brussels	75 988 000	75 988 000	-2 500 000	-2 500 000
26 01 22 04	Expenditure for equipment and furniture in Brussels	6 524 000	6 524 000	-1 000 000	-1 000 000
26 01 60 02	Competitions, selection and recruitment expenditure	1 070 000	1 070 000	-500 000	-500 000
26 01 60 04	Interinstitutional cooperation in the social sphere	7 009 667	7 009 667	-103 333	-103 333
30 01 14 01	Allowances for staff assigned non-active status, retired in the interests of the service or dismissed	3 468 000	3 468 000	-432 000	-432 000
A2 01 01	Expenditure related to officials and temporary staff	57 329 389	57 329 389	-582 611	-582 611
A2 01 02 01	External personnel	2 062 000	2 062 000	-400 000	-400 000
A3 01 01	Expenditure related to officials and temporary staff	41 222 965	41 222 965	-425 035	-425 035
A4 01 01	Expenditure related to officials and temporary staff	10 048 969	10 048 969	-178 031	-178 031
A4 01 02 01	External personnel	1 401 000	1 401 000	-50 000	-50 000
A5 01 01	Expenditure related to officials and temporary staff	16 312 946	16 312 946	-252 054	-252 054
A6 01 01	Expenditure related to officials and temporary staff	30 144 694	30 144 694	-459 306	-459 306
A7 01 01	Expenditure related to officials and temporary staff	12 022 473	12 022 473	-135 527	-135 527
XX 01 01 01 01	Remuneration and allowances	1 968 370 240	1 968 370 240	-20 975 760	-20 975 760
XX 01 02 01 01	Contract staff	65 836 000	65 836 000	-1 000 000	-1 000 000
XX 01 02 01 02	Agency staff and technical and administrative assistance in support of different activities	21 982 000	21 982 000	-400 000	-400 000
XX 01 02 01 03	National civil servants temporarily assigned to the institution	37 329 000	37 329 000	-800 000	-800 000
XX 01 02 02 02	Training of junior experts and seconded national experts	1 668 000	1 668 000	-200 000	-200 000
XX 01 02 11 01	Mission and representation expenses	56 319 000	56 319 000	-1 000 000	-1 000 000
XX 01 02 11 02	Conferences, meetings and expert groups' expenses	24 490 000	24 490 000	-1 000 000	-1 000 000
XX 01 02 11 03	Meetings of committees	11 015 000	11 015 000	-1 000 000	-1 000 000
XX 01 02 11 04	Studies and consultations	5 590 000	5 590 000	-500 000	-500 000
XX 01 02 12 01	Missions, conferences and representation expenses	5 579 333	5 579 333	-72 667	-72 667
XX 01 02 12 02	Further training of staff in delegations	335 000	335 000	-150 000	-150 000
XX 01 03 01 03	Information and communication technology equipment	61 783 000	61 783 000	-2 500 000	-2 500 000
XX 01 03 01 04	Information and communication technology services	61 665 333	61 665 333	-1 544 667	-1 544 667
XX 01 03 02 02	Equipment, furniture, supplies and services	427 000	427 000	-400 000	-400 000