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EUROPEAN
COMMISSION

Brussels, 30.11.2018
COM(2018) 900 final

**Second DRAFT General Budget
of the European Union
for the financial year 2019**

GENERAL INTRODUCTION

DOCUMENTS

Second DRAFT General Budget of the European Union for the financial year 2019

GENERAL INTRODUCTION

DRAFT GENERAL BUDGET 2019

STATEMENT OF REVENUE AND EXPENDITURE BY SECTION

Having regard to:

- the Treaty on the Functioning of the European Union, and in particular Article 314 thereof, in conjunction with the Treaty establishing the European Atomic Energy Community, and in particular Article 106a thereof,
- the Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020¹ (the "MFF Regulation"), and in particular Article 13 thereof,
- 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 management²,
- the Council Decision 2014/335/EU, Euratom of 26 May 2014 on the system of own resources of the European Union³,
- the Regulation (EU, Euratom) No 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2013, (EU) No 283/2014, and Decision No 541/2014/EU, and repealing Regulation (EU, Euratom) No 966/2012⁴,
- the original draft general budget of the European Union for the financial year 2019, presented by the Commission on 21 June 2018⁵,
- the Council's position on the original draft general budget of the European Union for the financial year 2019 adopted by the Council on 4 September 2018⁶,
- the Amending letter 1/2019 to the original draft general budget 2019, presented by the Commission on 16 October 2018⁷,
- the European Parliament's amendments on the Council's position on the original draft general budget of the European Union for the financial year 2019, adopted by the European Parliament on 25 October 2018⁸,

The European Commission hereby presents to the European Parliament and to the Council the general introduction to the second draft general budget for 2019.

Simultaneously with this general introduction, the full details by section of the second draft budget for 2019 are available on EUR-Lex (<http://eur-lex.europa.eu/budget/www/index-en.htm>) in all linguistic versions.

¹ OJ L 347, 20.12.2013.

² OJ C 373; 20.12.2013.

³ OJ L 160, 7.6.2014.

⁴ OJ L 193, 30.7.2018.

⁵ COM(2018) 600.

⁶ 11737-C8-0410/2018.

⁷ COM(2018) 709.

⁸ P8_TA(2018)404.

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1. INTRODUCTION

On 21 June 2018, the Commission transmitted the draft budget for 2019 in all official languages⁹. On 4 September 2018, the Council completed its reading of the draft budget and on 25 October 2018 the European Parliament adopted its reading. On 16 October the Commission transmitted amending letter 1/2019 with updated estimates for the year 2019. As the European Parliament adopted amendments to the draft budget which could not be accepted by the Council, a Conciliation Committee was convened, in accordance with Article 314 §4(c) of the Treaty on the Functioning of the European Union (TFEU).

The Conciliation Committee worked over a period of twenty-one days, between 30 October and 19 November 2018. Although significant progress was made during the discussions, it was not possible to reconcile the positions of the European Parliament and Council within this period, in particular with regard to the application of the new Article 15.3 of the Financial Regulation on making appropriations corresponding to decommitments available again for research projects. However, draft amending budget no 6/2018¹⁰ was agreed by both the European Parliament and the Council¹¹.

In the absence of agreement in the Conciliation Committee, the Commission now submits a second draft budget for 2019, in accordance with Article 314 §8 of the TFEU. With this proposal, the Commission is seeking to reconcile the positions of the European Parliament and Council, without recourse to a further period of conciliation because of timing constraints. If no agreement on the budget can be reached before the end of 2018 the provisional twelfths regime would take effect as from 1 January 2019. This is a procedure set out in Article 315 §1 TFEU, which would cause delays in the implementation of key policies and programmes, in particular in the field of agriculture, and would prevent the commencement of any new activities.

With the imperative of reaching a timely adoption of the 2019 budget, the Commission proposal for a second draft budget for 2019 builds on the progress made in the Conciliation Committee, which to a large extent restored the Commission's original draft budget, as amended by Amending letter no 1/2019¹², with some significant reinforcements in commitment appropriations for key programmes contributing to growth and jobs (such as Erasmus+ and the Youth Employment Initiative) and with some decreases and redeployments especially in heading 4 following the readings of the Council and the European Parliament of the original draft budget. A targeted increase of Horizon 2020 is proposed through the application of Article 15.3 of the Financial Regulation. The overall level of payments following the changes in commitments and also rebalancing some frontloading in 2018 is lower compared to Amending letter 1/2019.

⁹ COM(2018) 600.

¹⁰ COM(2018) 704, 12.10.2018.

¹¹ Draft amending budget No 6/2018 was also part of the package discussed in the Conciliation Committee, however its adoption was planned for November, so as to be able to take into account the necessary adjustments of own resources, in particular the VAT and GNI balances which affect the amounts to be made available on the first working day of December 2018.

¹² COM(2018) 709, 16.10.2018.

2. THE MULTIANNUAL FINANCIAL FRAMEWORK AND THE SECOND 2019 DRAFT BUDGET

2.1. Ceilings of the multiannual financial framework for the 2019 budget

The ceilings for commitment and payment appropriations in the multiannual financial framework (MFF)¹³ for the establishment of the second 2019 draft budget are presented in the table below:

Heading	2019 MFF ceilings million EUR, at current prices
Commitment appropriations	
1. Smart and inclusive growth	79 924,0
1a Competitiveness for growth and jobs	23 082,0
1b Economic, social and territorial cohesion	56 842,0
2. Sustainable growth: natural resources	60 344,0
of which: European Agricultural Guarantee Fund (EAGF) — Market related expenditure and direct payments	43 881,0
3. Security and citizenship	2 801,0
4. Global Europe	10 268,0
5. Administration	10 786,0
of which: Administrative expenditure of the institutions	8 700,0
6. Compensations	0,0
TOTAL COMMITMENTS	164 123,0
TOTAL PAYMENTS	166 709,0

In the MFF, the overall ceiling for commitment appropriations is set at EUR 164 123 million, which represents 1,00 % of EU gross national income (GNI). The ceiling for payment appropriations is EUR 166 709 million, or 1,01 % of GNI.

2.2. Overview of the second 2019 draft budget

(Commitment (CA) and payment (PA) appropriations in million EUR, rounded figures at current prices)

Heading	Budget 2018 ⁽¹⁾		Second Draft budget 2019		Difference 2019 – 2018		Difference 2019 – 2018	
	(1)		(2)		(2 – 1)		(2 / 1)	
	CA	PA	CA	PA	CA	PA	CA	PA
1. Smart and inclusive growth	77 531,8	66 622,6	80 337,4	67 556,9	2 805,7	934,4	3,6%	1,4%
Of which under Global Margin for Commitments	1 111,8		413,4					
Ceiling	76 420,0		79 924,0					
Margin								
1a Competitiveness for growth and jobs	21 999,6	20 095,3	23 145,4	20 521,5	1 145,9	426,3	5,2%	2,1%
Of which under Flexibility Instrument								
Of which under Global Margin for Commitments	760,6		63,4					
Ceiling	21 239,0		23 082,0					
Margin								
1b Economic, social and territorial cohesion	55 532,2	46 527,3	57 192,0	47 035,4	1 659,8	508,1	3,0%	1,1%
Of which under Global Margin for Commitments	351,2		350,0					
Ceiling	55 181,0		56 842,0					
Margin								
2. Sustainable growth: natural resources	59 238,6	56 041,0	59 642,1	57 399,9	403,5	1 358,9	0,7%	2,4%
Ceiling	60 267,0		60 344,0					
Margin	1 028,4		701,9					

¹³ The figures are based on the technical adjustment of the financial framework for 2019 in line with movements in GNI, adopted by the Commission on 23.5.2018, (COM(2018) 282).

(Commitment (CA) and payment (PA) appropriations in million EUR, rounded figures at current prices)

Heading	Budget 2018 ⁽¹⁾		Second Draft budget 2019		Difference 2019 – 2018		Difference 2019 – 2018	
	(1)		(2)		(2 – 1)		(2 / 1)	
	CA	PA	CA	PA	CA	PA	CA	PA
Of which: European Agricultural Guarantee Fund (EAGF) — Market related expenditure and direct payments	43 233,1	43 187,3	43 191,9	43 116,4	- 41,2	- 70,9	-0,1%	-0,2%
<i>Sub-ceiling</i>	44 163,0		43 881,0					
3. Security and citizenship	3 493,2	2 980,7	3 786,6	3 527,4	293,4	546,7	8,4%	18,3%
<i>Of which under Flexibility Instrument</i>	837,2		985,6					
<i>Ceiling</i>	2 656,0		2 801,0					
<i>Margin</i>								
4. Global Europe	10 068,8	8 906,1	11 319,3	9 358,3	1 250,4	452,2	12,4%	5,1%
<i>Of which under Global Margin for Commitments</i>	243,8		1 051,3					
<i>Ceiling</i>	9 825,0		10 268,0					
<i>Margin</i>								
5. Administration	9 665,5	9 666,3	9 943,0	9 944,9	277,5	278,6	2,9%	2,9%
<i>Ceiling</i>	10 346,0		10 786,0					
<i>Of which offset against Contingency Margin</i>	- 318,0		- 253,9					
<i>Margin</i>	362,5		589,1					
Of which: Administrative expenditure of the institutions	7 579,9	7 580,7	7 747,3	7 749,2	167,4	168,5	2,2%	2,2%
<i>Sub-ceiling</i>	8 360,0		8 700,0					
<i>Of which offset against Contingency Margin</i>	- 318,0		- 253,9					
<i>Sub-margin</i>	462,1		698,8					
Appropriations for headings 1 to 6	159 998,0	144 216,7	165 028,4	147 787,4	5 030,4	3 570,8	3,1%	2,5%
<i>Of which under Flexibility Instrument</i>	837,2	678,3	985,6	909,8				
<i>Of which under Global Margin for Commitments</i>	1 355,6		1 464,7					
<i>Of which under Contingency Margin</i>								
<i>Ceiling</i>	159 514,0	154 565,0	164 123,0	166 709,0				
<i>Of which offset against Contingency Margin</i>	- 318,0		- 253,9					
<i>Margin</i>	1 390,9	11 026,7	1 291,1	19 831,4				
Appropriations as % of GNI ⁽²⁾	1,02%	0,92%	1,00%	0,90%				
Other Special instruments ⁽³⁾	698,5	551,2	577,2	411,5	- 121,3	- 139,7	-17,4%	-25,3%
Total appropriations	160 696,5	144 767,9	165 605,6	148 198,9	4 909,2	3 431,0	3,1%	2,4%
Appropriations as % of GNI ⁽²⁾	1,02%	0,92%	1,00%	0,90%				

(1) Budget 2018 includes amending budgets 1 to 5 and draft amending budget 6.

(2) The second draft budget 2019 is based on the forecast of GNI as included in the technical adjustment of the MFF adopted on 23 May 2018 (COM(2018) 282).

(3) 'Other Special instruments' includes the 'Emergency Aid Reserve (EAR)', the 'European Globalisation Adjustment Fund (EGF)' and the 'European Union Solidarity Fund (EUSF)'.

In terms of **commitment appropriations** (including special instruments), the total expenditure proposed in the second draft budget (DB) 2019 is **EUR 165 605,6 million**, corresponding to **1,00 % of GNI**, that is EUR 4 909,2 million more than in 2018 (+ 3,1 %), when including amending budgets 1 to 5/2018 and draft amending budget 6/2018. Overall, this leaves a combined margin of EUR 1 291,1 million under the various ceilings of the MFF taking into account the use of the Global margin for commitments (EUR 1 464,7 million), the mobilisation of the Flexibility Instrument (EUR 985,6 million) and the offset of the use of the Contingency Margin for migration-related expenditure mobilised in 2017 (EUR 253,9 million).

For **payment appropriations** (including special instruments), the requested total expenditure is **EUR 148 198,9 million**, corresponding to **0,90 % of GNI**. This is an increase of EUR 3 431,0 million compared to 2018 (+ 2,4 %) when including amending budgets 1 to 5/2018 and draft amending budget 6/2018. This leaves a margin of EUR 19 831,4 million under the MFF ceiling, taking into account the impact on the 2019 payment appropriations of the mobilisations of the Flexibility Instrument in 2016, 2017, 2018 and 2019 (EUR 909,8 million).

Commitment appropriations for **Competitiveness for Growth and Jobs (heading 1a)** are set at EUR 23 145,4 million. This is an increase of 5,2 % compared to 2018, which mainly relates to the Connecting Europe Facility (CEF), Horizon 2020, Erasmus and the European Defence Industrial Development Programme (EDIDP), leaving no margin under this heading and requiring the use of the Global margin for commitments (EUR 63,4 million). Payment appropriations increase by 2,1 % to EUR 20 521,5 million.

For **Economic, Social and Territorial Cohesion (heading 1b)** commitment appropriations increase by 3,0 % to EUR 57 192,0 million, leaving no margin under this heading after the use of the Global Margin for Commitments to finance the Youth Employment Initiative (EUR 350,0 million). Payment appropriations increase by 1,1 % to EUR 47 035,4 million.

Commitment appropriations of EUR 59 642,1 million are proposed for **Sustainable Growth: Natural Resources (heading 2)**. This level of expenditure represents a 0,7 % increase compared to 2018, leaving a significant margin of EUR 701,9 million under the ceiling. Payment appropriations amount to EUR 57 399,9 million, increasing by 2,4 % compared to 2018. Integrating the latest update on assigned revenue, the funding for market-related expenditure and direct aids is EUR 43 191,9 million in commitment appropriations, and EUR 43 116,4 million in payment appropriations.

Security and Citizenship (heading 3) sees a 8,4 % increase in commitment appropriations to EUR 3 786,6 million, leaving no margin under this heading after the mobilisation of the Flexibility Instrument (EUR 985,6 million). Payment appropriations increase by 18,3 % to EUR 3 527,4 million.

Global Europe (Heading 4) sees an increase in commitment appropriations of 12,4 % to EUR 11 319,3 million (including the impact of the extension of the Facility for Refugee in Turkey), leaving no margin under this heading and requiring the use of the Global margin for commitments (EUR 1 051,3 million). Payment appropriations increase by 5,1 % to EUR 9 358,3 million.

Commitment and payment appropriations for **Administration (heading 5)** for all institutions combined including pensions and European schools increase by 2,9 % for both commitments (EUR 9 943,0 million) and payments (EUR 9 944,9 million). The resulting unallocated margin is EUR 589,1 million after the offset of the use of the Contingency Margin for migration-related expenditure mobilised in 2017 (EUR 253,9 million).

3. KEY ELEMENTS OF THE SECOND DRAFT BUDGET PROPOSAL

Overall, the second draft budget builds on the progress made during the Conciliation Committee. The details of the amendments proposed to the original draft budget, as modified by Amending letter 1/2019, are outlined hereafter.

3.1. Horizontal issues

3.1.1. Decentralised agencies

For decentralised agencies, the EU contribution (in commitment appropriations and in payment appropriations) and the number of posts are proposed to be set at the level of the original draft budget as amended by Amending letter 1/2019, with the following amendments:

- Under heading 1a:
 - The European GNSS Agency (GSA, budget article 02 05 11) for which 5 additional posts are proposed to be allocated and the level of commitment and payment appropriations is proposed to be increased by EUR 357 500.
 - The European Labour Authority (ELA, budget article 04 03 15) for which the level of commitment and payment appropriations is proposed to be decreased by EUR 8 947 000.
 - The European Network and Information Security Agency (ENISA, budget article 09 02 03), for which the level of commitment and payment appropriations is proposed to be increased by EUR 400 000.

- The Body of European Regulators for Electronic Communications (BEREC, budget article 09 02 04) for which 2 additional posts are proposed to be allocated and the level of commitment and payment appropriations is proposed to be increased by EUR 143 000.
- The European Banking Authority (EBA, budget article 12 02 04) for which the establishment plan is proposed to be reduced by 2 posts.
- The European Insurance and Occupational Pension Authority (EIOPA, budget article 12 02 05) for which the establishment plan is proposed to be reduced by 4 posts and the level of commitment and payment appropriations is proposed to be decreased by EUR 1 100 000.
- The European Securities and Markets Authority (ESMA, budget article 12 02 06) for which the establishment plan is proposed to be reduced by 23 posts and the level of commitment and payment appropriations is proposed to be decreased by EUR 11 000 000.
- Under heading 3:
 - The European Union Agency for Law Enforcement Cooperation (EUROPOL, budget article 18 02 04) for which 10 additional posts are proposed to be allocated and the level of commitment and payment appropriations is proposed to be increased by EUR 8 357 500.
 - The European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice (eu-LISA, budget article 18 02 07) for which the level of commitment and payment appropriations is proposed to be increased by EUR 4 000 000.
 - The European Asylum Support Office (EASO, budget article 18 03 02) for which commitment and payment appropriations are proposed to be set at the level proposed by the Commission in the original draft budget. The European Commission will review the funding requirements of EASO for the financial year 2019, once the legislative proposal of 12 September 2018 to reinforce the Agency's operational support capabilities is adopted. If needed, the Commission will propose corresponding budgetary proposals.
 - The European Body for the Enhancement of Judicial Cooperation (EUROJUST, budget article 33 03 04) for which 5 additional posts are proposed to be allocated and the level of commitment and payment appropriations is proposed to be increased by EUR 357 500.

3.1.2. Executive agencies

For executive agencies, the EU contribution (in commitment appropriations and in payment appropriations) and the number of posts are proposed to be set at the level of the original draft budget, as amended by Amending letter 1/2019.

3.1.3. Pilot Projects and Preparatory Actions

The second draft budget includes 75 pilot projects and preparatory actions for a total amount of EUR 114,9 million in commitment appropriations, reflecting the European Parliament's reading of the original draft budget.

3.2. General approach for commitment appropriations

3.2.1. Heading 1a — Competitiveness for Growth and Jobs

For heading 1a, commitment appropriations are proposed to be set at the level of the original draft budget, as modified by Amending letter 1/2019, with the amendments included in the table below:

In EUR

Budget line / Programme	Name	Reinforcement in commitment appropriations		
		DB 2019 (incl. AL1)	Second Draft Budget 2019	Difference
1.1.12	<i>International Thermonuclear Experimental Reactor (ITER)</i>			-3 500 000
32 05 01 02	Construction, operation and exploitation of the ITER facilities — European Joint Undertaking for ITER — Fusion for Energy (F4E)	354 658 200	351 158 200	-3 500 000
1.1.13	<i>European Earth Observation Programme (Copernicus)</i>			-17 500 000
02 06 01	Delivering operational services relying on space-borne observations and in-situ data (Copernicus)	189 755 000	188 255 000	-1 500 000
02 06 02	Building an autonomous Union's Earth observation capacity (Copernicus)	686 315 000	670 315 000	-16 000 000
1.1.4	<i>Competitiveness of enterprises and small and medium-sized enterprises (COSME)</i>			5 000 000
02 02 01	Promoting entrepreneurship and improving the competitiveness and access to markets of Union enterprises	128 039 000	130 039 000	2 000 000
02 02 02	Improving access to finance for small and medium-sized enterprises (SMEs) in the form of equity and debt	221 430 000	224 430 000	3 000 000
1.1.5	<i>Education, Training and Sport (Erasmus+)</i>			200 000 000
15 02 01 01	Promoting excellence and cooperation in the European education and training area and its relevance to the labour market	2 217 836 200	2 411 836 200	194 000 000
15 02 01 02	Promoting excellence and cooperation in the European youth area and the participation of young people in European democratic life	169 070 000	175 070 000	6 000 000
1.1.6	<i>Employment and Social Innovation (EaSI)</i>			6 300 000
04 01 04 02	Support expenditure for the programme Employment and Social Innovation	2 950 000	3 400 000	450 000
04 03 02 01	Progress — Supporting the development, implementation, monitoring and evaluation of Union employment and social policy and working conditions legislation	77 373 225	78 873 225	1 500 000
04 03 02 02	EURES — Promoting workers' voluntary geographical mobility and boosting employment opportunities	28 626 491	32 976 491	4 350 000
1.1.DAG	<i>Decentralised agencies</i>			-20 146 500
02 05 11	European GNSS Agency	32 270 863	32 628 363	357 500
09 02 03	European Union Agency for Network and Information Security (ENISA)	15 424 465	15 824 465	400 000
09 02 04	Body of European Regulators for Electronic Communications (BEREC) — Office	5 534 665	5 677 665	143 000
12 02 05	European Insurance and Occupational Pensions Authority (EIOPA)	13 474 234	12 374 234	-1 100 000
12 02 06	European Securities and Markets Authority (ESMA)	38 235 160	27 235 160	-11 000 000
04 03 15	European Labour Authority (ELA)	11 071 650	2 124 650	-8 947 000
1.1.OTH	<i>Other actions and programmes</i>			227 000

In EUR

Budget line / Programme	Name	Reinforcement in commitment appropriations		
		DB 2019 (incl. AL1)	Second Draft Budget 2019	Difference
04 03 01 03	Free movement of workers, coordination of social security schemes and measures for migrants, including migrants from third countries	7 998 950	9 285 950	1 287 000
29 02 01	Providing quality statistical information, implementing new methods of production of European statistics and strengthening the partnership within the European Statistical System	73 245 000	72 185 000	-1 060 000
1.1.PPPA	Pilot projects and preparatory actions			72 258 000
1.1.SPEC	Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission			-1 210 000
01 02 01	Coordination and surveillance of, and communication on, the economic and monetary union, including the euro	12 000 000	11 730 000	-270 000
04 03 01 06	Information, consultation and participation of representatives of undertakings	7 903 000	7 103 000	-800 000
04 03 01 08	Industrial relations and social dialogue	16 000 000	15 000 000	-1 000 000
06 02 05	Support activities to the European transport policy and passenger rights including communication activities	11 500 000	12 860 000	1 360 000
09 02 01	Definition and implementation of the Union's policy in the field of electronic communications	3 765 000	3 265 000	-500 000
	Total			241 428 500

As a consequence, the level of commitment appropriations is proposed to be set at EUR 23 145,4 million, with no margin left under the expenditure ceiling of heading 1a and the use of the Global margin for commitments for an amount of EUR 63,4 million.

Further to de-commitments made in 2017 (EUR 412,8 million) as a result of total or partial non-implementation of research projects, and in accordance with Article 15.3 of the Financial Regulation¹⁴ which exclusively applies to research, the Commission proposes to make EUR 100 million commitment appropriations available again for the reinforcement of the pilot initiative on the European Innovation Council within the SME instrument¹⁵ on budget line 08 02 08:

In EUR

Budget line / Programme	Name	Appropriations to be made available again
1.1.31	Horizon 2020	100 000 000
08 02 08	SME instrument	100 000 000
	Total	100 000 000

The budget remark is proposed to be adjusted accordingly.

¹⁴ Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union (OJ L 193, 30.7.2018, p. 1).

¹⁵ In June 2018, the European Council invited the Commission to launch a new pilot initiative on breakthrough innovation within the remaining period of H2020. The Council conclusions read: "We need a stronger, inclusive innovation ecosystem to foster breakthrough and market-creating innovation and provide comprehensive support for businesses, including SMEs, with disruptive potential to successfully enter global markets".

3.2.2. Heading 1b — Economic, Social and Territorial Cohesion

For heading 1b, commitment appropriations are proposed to be set at the level of the original draft budget, as modified by Amending letter 1/2019, with the amendments included in the table below:

In EUR

Budget line / Programme	Name	Reinforcement in commitment appropriations		
		DB 2019 (incl. AL1)	Second draft budget 2019	Difference
1.2.31	Technical assistance			-1 744 903
04 02 63 01	European Social Fund — Operational technical assistance	25 078 000	23 333 097	-1 744 903
1.2.5	Youth Employment initiative (specific top-up allocation)			116 666 667
04 02 64	Youth Employment Initiative	233 333 333	350 000 000	116 666 667
1.2.PPPA	Pilot projects and preparatory actions			3 675 000
	Total			118 596 764

As a consequence, the level of commitment appropriations is proposed to be set at EUR 57 192,0 million, with no margin left under the expenditure ceiling of heading 1b and the use of the Global margin for commitments for an amount of EUR 350,0 million.

3.2.3. Heading 2 — Sustainable Growth: Natural Resources

For heading 2, commitment appropriations are proposed to be set at the level of the original draft budget, as modified by Amending letter 1/2019, with the amendments included in the table below:

In EUR

Budget line / Programme	Name	Reinforcement in commitment appropriations		
		DB 2019 (incl. AL1)	Second draft budget 2019	Difference
2.0.10	European Agricultural Guarantee Fund (EAGF) — Market related expenditure and direct payments			-237 500 000
05 02 06 99	Other measures for olive oil	100 000	600 000	500 000
05 02 15 99	Other measures for pigmeat, poultry, eggs, bee-keeping, other animal products	13 000 000	28 000 000	15 000 000
05 03 01 10	Basic payment scheme (BPS)	16 464 000 000	16 211 000 000	-253 000 000
2.0.4	Environment and climate action (LIFE)			4 000 000
07 02 01	Contributing to a greener and more resource-efficient economy and to the development and implementation of Union environmental policy and legislation	148 835 000	150 335 000	1 500 000
07 02 02	Halting and reversing biodiversity loss	211 620 000	213 620 000	2 000 000
07 02 03	Supporting better environmental governance and information at all levels	47 500 000	48 000 000	500 000
2.0.PPPA	Pilot projects and preparatory actions			13 500 000
	Total			-220 000 000

The decrease of commitment appropriations is fully attributed to higher assigned revenue arising from the EAGF surplus of 31 October 2018 which will cover the full needs of the sector as updated in Amending letter 1/2019.

As a consequence, the level of commitments is proposed to be set at EUR 59 642,1 million, leaving a margin of EUR 701,9 million under the expenditure ceiling of heading 2.

3.2.4. Heading 3 — Security and Citizenship

For heading 3, commitment appropriations are proposed to be set at the level of the original draft budget, as modified by Amending letter 1/2019, with the amendments included in the table below:

In EUR

Budget line / Programme	Name	Reinforcement in commitment appropriations		
		DB 2019 (incl. AL1)	Second draft budget 2019	Difference
3.0.11	<i>Creative Europe</i>			3 000 000
09 05 01	MEDIA Sub-programme — Operating transnationally and internationally and promoting transnational circulation and mobility	117 260 000	120 260 000	3 000 000
3.0.2	<i>Internal Security Fund</i>			5 000 000
18 02 01 01	Support of border management and a common visa policy to facilitate legitimate travel	330 317 547	335 317 547	5 000 000
3.0.8	<i>Food and feed</i>			-8 000 000
17 04 01	Ensuring a higher animal health status and high level of protection of animals in the Union	163 500 000	155 500 000	-8 000 000
3.0.DAG	<i>Decentralised agencies</i>			-42 285 000
18 02 04	European Union Agency for Law Enforcement Cooperation (Europol)	128 789 065	137 146 565	8 357 500
18 02 07	European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice ('eu-LISA')	291 350 509	295 350 509	4 000 000
18 03 02	European Asylum Support Office (EASO)	149 032 843	94 032 843	-55 000 000
33 03 04	The European Union's Judicial Cooperation Unit (Eurojust)	37 316 059	37 673 559	357 500
3.0.PPPA	<i>Pilot projects and preparatory actions</i>			15 075 000
3.0.SPEC	<i>Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission</i>			3 000 000
09 05 05	Multimedia actions	20 346 000	23 546 000	3 200 000
16 03 01 03	Information outlets	15 800 000	15 600 000	-200 000
	Total			-24 210 000

As a consequence, the level of commitments is proposed to be set at EUR 3 786,6 million, with no margin left under the expenditure ceiling of heading 3 and the mobilisation of the Flexibility Instrument for an amount of EUR 985,6 million.

3.2.5. Heading 4 — Global Europe

For heading 4, commitment appropriations are proposed to be set at the level of the original draft budget, as modified by Amending letter 1/2019, with the amendments included in the table below:

In EUR

Budget line / Programme	Name	Reinforcement in commitment appropriations		
		DB 2019 (incl. AL1)	Second draft budget 2019	Difference
4.0.1	<i>Instrument for Pre-accession assistance (IPA II)</i>			-138 700 000
05 05 04 02	Turkey - Support for economic, social and territorial development and related progressive alignment with the Union acquis	56 800 000	40 000 000	-16 800 000
22 02 01 01	Western Balkans - Support for political reforms and related progressive alignment with the Union acquis	189 267 000	193 267 000	4 000 000
22 02 01 02	Western Balkans - Support for economic, social and territorial development and related progressive alignment with the Union acquis	306 439 000	310 439 000	4 000 000
22 02 03 01	Turkey - Support for political reforms and related progressive alignment with the Union acquis	244 100 000	160 000 000	-84 100 000

Budget line / Programme	Name	Reinforcement in commitment appropriations		
		DB 2019 (incl. AL1)	Second draft budget 2019	Difference
22 02 03 02	Turkey - Support for economic, social and territorial development and related progressive alignment with the Union acquis	944 500 000	898 700 000	-45 800 000
4.0.10	Macro-financial Assistance (MFA)			-15 000 000
01 03 02	Macro-financial assistance	42 000 000	27 000 000	-15 000 000
4.0.11	Guarantee Fund for external actions (GF)			-48 222 935
01 03 06	Provisioning of the Guarantee Fund for external actions	48 222 935	0	-48 222 935
4.0.2	European Neighbourhood Instrument (ENI)			97 119 000
22 04 01 01	Mediterranean countries — Human rights, good governance and mobility	125 838 308	133 923 308	8 085 000
22 04 01 02	Mediterranean countries — Poverty reduction and sustainable development	629 108 985	668 160 985	39 052 000
22 04 01 03	Mediterranean countries — Confidence building, security and the prevention and settlement of conflicts	415 324 409	423 718 409	8 394 000
22 04 01 04	Support to the peace process and financial assistance to Palestine and to the United Nations Relief and Works Agency for Palestine Refugees (UNRWA)	308 811 939	329 811 939	21 000 000
22 04 02 01	Eastern Partnership — Human rights, good governance and mobility	241 931 953	250 016 953	8 085 000
22 04 02 02	Eastern Partnership — Poverty reduction and sustainable development	371 016 900	380 730 900	9 714 000
22 04 02 03	Eastern Partnership — Confidence building, security and the prevention and settlement of conflicts	12 231 062	12 770 062	539 000
22 04 20	Erasmus+ — Contribution from the European Neighbourhood Instrument (ENI)	84 544 000	86 794 000	2 250 000
4.0.3	Development Cooperation Instrument (DCI)			31 556 000
21 02 02	Cooperation with Asia	810 388 665	794 388 665	-16 000 000
21 02 04	Cooperation with the Middle East	194 531 328	178 531 328	-16 000 000
21 02 07 01	Environment and climate change	215 593 156	224 576 156	8 983 000
21 02 07 02	Sustainable energy	95 819 181	99 412 181	3 593 000
21 02 07 03	Human development	205 589 346	238 149 346	32 560 000
21 02 07 05	Migration and asylum	54 951 845	56 748 845	1 797 000
21 02 08 01	Civil society in development	219 626 756	230 999 756	11 373 000
21 02 20	Erasmus+ — Contribution from the development cooperation instrument (DCI)	98 638 290	103 888 290	5 250 000
4.0.OTH	Other actions and programmes			2 000 000
13 07 01	Financial support for encouraging the economic development of the Turkish Cypriot community	33 122 000	35 122 000	2 000 000
4.0.PPPA	Pilot projects and preparatory actions			6 325 000
	Total			-64 922 935

As a consequence, the level of commitments is proposed to be set at EUR 11 319,3 million, with no margin left under the expenditure ceiling of heading 4 and the use of the Global margin for commitments for an amount of EUR 1 051,3 million.

3.2.6. Heading 5 — Administration

For heading 5, the number of posts in the establishment plans of the Institutions and the appropriations are proposed to be set at the level of the original draft budget, as amended by Amending letter 1/2019 with the following exceptions:

- The section of the Parliament, for which its reading of the original draft budget is approved taking account of the adjustments included in the Amending letter 1/2019 concerning the Authority for European Political Parties and European Political Foundations;
- The section of the Council, for which its reading of the original draft budget is approved;
- The section of the European Data Protection Supervisor, for which the Council's reading of the original draft budget is approved.

Moreover, the following amendments are proposed on the number of posts in the establishment plans and the appropriations included in the original draft budget, as amended by Amending letter 1/2019, for the following Institutions:

- The section of the Court of Justice of the European Union, for which 5 additional posts are proposed to be allocated¹⁶ and the level of commitment and payment appropriations are proposed to be increased by EUR 415 016 (EUR 246 875 on budget line 1 2 0 0 *Remunerations and allowances* and EUR 168 141 on budget line 2 1 0 0 *Purchase, servicing and maintenance of equipment and software*);
- The section of the European External Action Service, for which the level of commitment and payment appropriations is proposed to be decreased by EUR 3 050 000, being the combined result of a proposed increase of EUR 1 200 000 on budget line 2 2 1 4 *Strategic Communication Capacity* and proposed decreases of - EUR 4 250 000 on the following budget lines: 1 1 0 0 *Basic salaries* (-EUR 3 280 000), 1 1 0 1 *Entitlements under the Staff Regulations related to the post held* (-EUR 10 000), 1 1 0 2 *Entitlements under the Staff Regulations related to the personal circumstances of the staff member* (-EUR 840 000) and 1 1 0 3 *Social security cover* (-EUR 120 000).

The impact in the 2019 budget of the automatic salary update to be applied from 1 July 2018 (1.7 % instead of 2.0 %) is proposed to be integrated in all sections of the draft budget as follows:

	<i>in EUR</i>
European Parliament	-2 851 238
European Council and Council	-965 489
European Commission (including pensions)	-13 781 615
Court of Justice of the European Union	-891 000
European Court of Auditors	-359 000
European Economic & Social Committee	-220 825
European Committee of the Regions	-160 594
European Ombudsman	-26 880
European Data Protection Supervisor	-14 568
European External Action Service	-911 839
Total	-20 183 048

¹⁶ 1 AD post for data protection and 4 AD posts for IT.

Finally, additional reductions of EUR 0,8 million were identified and proposed across all Institutions, with the exception of the European Parliament, for expenditure related to buildings, as follows:

	<i>in EUR</i>
European Council and Council	-20 052
European Commission	-557 239
Court of Justice of the European Union	-77 689
European Court of Auditors	-482
European Economic & Social Committee	-27 215
European Committee of the Regions	-20 008
European Ombudsman	-2 287
European Data Protection Supervisor	-4 026
European External Action Service	-41 002
Total	-750 000

As a consequence, and after taking into account pilot projects and preparatory actions (EUR 4,1 million) proposed under section 3.1.3 above, the level of commitment appropriations is proposed to be set at EUR 9 943,0 million, leaving a margin of EUR 589,1 million under the expenditure ceiling of heading 5, after the use of EUR 253,9 million of the margin to offset the mobilisation of the Contingency margin in 2017.

3.2.7. *Special instruments: EGF, EAR and EUSF*

Commitment appropriations for the European Globalisation Adjustment Fund (EGF), for the Emergency Aid Reserve (EAR) and for the European Union Solidarity Fund (EUSF) are proposed to be set at the level of the original draft budget, as amended by Amending letter 1/2019.

3.3. **General approach for payment appropriations**

The overall level of payment appropriations is proposed to be set at the level of the original draft budget, as amended by Amending letter 1/2019, with the following amendments:

1. Firstly, account is taken of the proposed level of commitment appropriations for non-differentiated expenditure, for which the proposed level of payment appropriations is equal to the level of commitment appropriations. This includes the additional reduction of agricultural expenditure by EUR 253,0 million. This approach is applied, by analogy, to the EU contribution to decentralised agencies and the Guarantee Fund for external actions. The combined effect is a proposed decrease of EUR 375,0 million;
2. The payment appropriations for all *new* pilot projects and preparatory actions included in the second draft budget are proposed to be set at 50% of the corresponding commitment appropriations, or at the level proposed by Parliament in its reading of the original draft budget, if lower. In the case of extension of *existing* pilot projects and preparatory actions, the level of payment appropriations is proposed to be that defined in the original draft budget plus 50% of the corresponding new proposed commitment appropriations, or at the level proposed by Parliament in its reading of the original draft budget, if lower. The combined effect is a proposed increase of EUR 57,5 million;

3. The amendments on the following budget lines are proposed as a result of the evolution in commitment appropriations for differentiated expenditure:

In EUR

Budget line / Programme	Name	Reinforcement in commitment appropriations		
		DB 2019 (incl. AL1)	Second Draft Budget 2019	Difference
1.1.12	<i>International Thermonuclear Experimental Reactor (ITER)</i>			-3 500 000
32 05 01 02	Construction, operation and exploitation of the ITER facilities — European Joint Undertaking for ITER — Fusion for Energy (F4E)	366 696 185	363 196 185	-3 500 000
1.1.13	<i>European Earth Observation Programme (Copernicus)</i>			-12 500 000
02 06 01	Delivering operational services relying on space-borne observations and in-situ data (Copernicus)	140 000 000	139 000 000	-1 000 000
02 06 02	Building an autonomous Union's Earth observation capacity (Copernicus)	472 000 000	460 500 000	-11 500 000
1.1.31	<i>Horizon 2020</i>			30 000 000
08 02 08	SME instrument	482 502 033	512 502 033	30 000 000
1.1.5	<i>Education, Training and Sport (Erasmus+)</i>			170 000 000
15 02 01 01	Promoting excellence and cooperation in the European education and training area and its relevance to the labour market	2 096 100 000	2 261 000 000	164 900 000
15 02 01 02	Promoting excellence and cooperation in the European youth area and the participation of young people in European democratic life	170 850 000	175 950 000	5 100 000
3.0.8	<i>Food and feed</i>			-6 500 000
17 04 01	Ensuring a higher animal health status and high level of protection of animals in the Union	134 040 000	127 540 000	-6 500 000
4.0.1	<i>Instrument for Pre-accession assistance (IPA II)</i>			-90 000 000
05 05 04 02	Turkey - Support for economic, social and territorial development and related progressive alignment with the Union acquis	50 000 000	35 000 000	-15 000 000
22 02 03 01	Turkey - Support for political reforms and related progressive alignment with the Union acquis	150 719 568	105 719 568	-45 000 000
22 02 03 02	Turkey - Support for economic, social and territorial development and related progressive alignment with the Union acquis	708 080 653	678 080 653	-30 000 000
4.0.10	<i>Macro-financial Assistance (MFA)</i>			-15 000 000
01 03 02	Macro-financial assistance	42 000 000	27 000 000	-15 000 000
	Total			72 500 000

4. An additional reduction in payment appropriations is proposed on budget line 01 04 05 where it is proposed that the provisioning of the EFSI guarantee fund be reduced by the amount frontloaded in the budgetary authority transfer (DEC) No 22/2018 as follows:

In EUR

Budget line / Programme	Name	DB 2019 (incl. AL1)	Budget 2019	Difference
1.1.10	<i>European Fund for Strategic Investments (EFSI)</i>			-150 000 000
01 04 05	Provisioning of the EFSI guarantee fund	1 150 000 000	1 000 000 000	-150 000 000
	Total			-150 000 000

3.4. Reserves

Reserves are proposed to be set in accordance with the Council's reading of the original draft budget, taking into account the changes proposed in the Amending letter 1/2019, with the following amendments:

- The modalities for lifting the reserve on budget line 18 03 01 01 are proposed as follows:

"An amount of EUR 460 million foreseen in the legislative financial statement of the Commission proposal to recast the Dublin III Regulation (COM(2016)270 final of 4 May 2016) is put in reserve pending the adoption of that legislative proposal. This reserve may be released by means of a transfer in accordance with Article 30.2(a) of the Financial Regulation following the adoption of the basic act.

If the act has not been adopted by 1 February 2019, the Commission may present one or more proposals for transfers in accordance with Article 31 of the Financial Regulation to make alternative use of that amount for the benefit of budget line 18 03 01 01."

It is proposed to modify the budget remark of budget item 18 03 01 01 accordingly.

- Given the adoption, on 28 September 2018, of the legal base of the European High Performance Computing Joint Undertaking¹⁷, the reserves on the budget lines 09 03 05 31, 09 04 07 33 and 09 04 07 34 are proposed to be lifted.

3.5. Changes in nomenclature and budget remarks

3.5.1. Budget remarks

Besides the amendment proposed to the text of the budget remark of article 08 02 08 in section 3.2.1 above, it is also proposed to include amendments introduced by the European Parliament to the text of budget remarks in its reading of the original draft budget in the second draft budget, with the exception of those on budget lines listed in the table below. This is on the understanding that amendments introduced by the European Parliament cannot modify or extend the scope of an existing legal base, or impinge on the administrative autonomy of institutions, and that the action can be covered by available resources.

Budget line	Name
02 02 77 40	Pilot project — Satellite broadband internet access for bringing educational multimedia content to unconnected schools
04 06 01	Promoting social cohesion and alleviating the worst forms of poverty in the Union
15 04 02	Culture sub-programme — Supporting cross-border actions and promoting transnational circulation and mobility
18 02 01 02	Prevention and fight against cross-border organised crime and better management of security- related risks and crisis
18 03 01 01	Strengthening and developing the common European asylum system and enhancing solidarity and responsibility-sharing between the Member States
18 03 01 02	Supporting legal migration to the Union and promoting the effective integration of third-country nationals and enhancing fair and effective return strategies
18 04 01 01	Europe for citizens — Strengthening remembrance and enhancing capacity for civic participation at the Union level
19 02 01	Response to crisis and emerging crisis
21 02 01	Cooperation with Latin America
21 02 07 03	Human development
21 02 08 01	Civil society in development
33 02 01	Ensuring the protection of rights and empowering citizens

¹⁷ Proposal for a Council Regulation, submitted by the Commission on 11 January 2018, on establishing the European High Performance Computing Joint Undertaking (COM(2018) 8).

3.5.2. Nomenclature

The budget nomenclature of the original draft budget, as amended by Amending letter 1/2019, is proposed in the second draft budget with the inclusion of the *new* pilot projects and preparatory actions with the following name changes:

Budget line	Name
02 04 77 07	Preparatory action — Preparing the new EU GOVSATCOM programme
05 08 77 18	Pilot project — Establishing an operational programme structuring the agri-food sectors to safeguard the handing-on of family farms and the sustainability of local agriculture

4. CONCLUDING REMARKS

By proposing a second 2019 draft budget, which builds on the progress made in the Conciliation Committee, the Commission seeks to create the conditions for a swift adoption of the 2019 budget, within the tight timeframe before the end of the year 2018.

The timely adoption and entry into force of the 2019 budget will ensure the proper implementation of the policies and programmes of the European Union. The Commission will do its utmost to achieve this goal.

5. 2019 SECOND DRAFT BUDGET BY FINANCIAL FRAMEWORK HEADINGS AND MAIN PROGRAMMES

(Commitment (CA) and payment (PA) appropriations in million EUR, rounded figures at current prices)

Heading	Budget 2018 ⁽¹⁾		Second Draft budget 2019		Difference 2019 / 2018		Difference 2019 / 2018	
	(1)		(2)		(2 – 1)		(2 / 1)	
	CA	PA	CA	PA	CA	PA	CA	PA
1. Smart and inclusive growth	77 531,8	66 622,6	80 337,4	67 556,9	2 805,7	934,4	3,6%	1,4%
<i>Of which under global margin for commitments</i>	<i>1 111,8</i>		<i>413,4</i>					
<i>Ceiling</i>	<i>76 420,0</i>		<i>79 924,0</i>					
<i>Margin</i>								
1a Competitiveness for growth and jobs	21 999,6	20 095,3	23 145,4	20 521,5	1 145,9	426,3	5,2%	2,1%
<i>Of which under global margin for commitments</i>	<i>760,6</i>		<i>63,4</i>					
<i>Ceiling</i>	<i>21 239,0</i>		<i>23 082,0</i>					
<i>Margin</i>								
Large infrastructure projects	1 814,4	1 826,2	1 959,4	2 142,0	145,0	315,8	8,0%	17,3%
European satellite navigation systems (EGNOS and Galileo)	807,9	718,0	690,7	923,0	-117,1	205,0	-14,5%	28,6%
International Thermonuclear Experimental Reactor (ITER)	376,4	500,6	407,2	616,6	30,9	116,0	8,2%	23,2%
European Earth Observation Programme (Copernicus)	630,2	607,6	861,5	602,4	231,3	-5,2	36,7%	-0,9%
Nuclear Safety and Decommissioning	141,1	152,4	143,9	158,1	2,8	5,8	2,0%	3,8%
European Fund for Strategic Investments (EFSI)	2 038,3	1 828,0	186,9	1 022,3	-1 851,4	-805,7	-90,8%	-44,1%
Common Strategic Framework (CSF) Research and Innovation	11 568,1	11 216,9	12 535,1	11 341,8	967,0	124,9	8,4%	1,1%
Horizon 2020	11 212,4	10 901,5	12 161,5	10 971,8	949,1	70,3	8,5%	0,6%
Euratom Research and Training Programme	355,7	315,5	373,6	370,0	17,9	54,5	5,0%	17,3%
Competitiveness of enterprises and small and medium-sized enterprises (COSME)	354,1	253,5	367,2	251,8	13,1	-1,6	3,7%	-0,6%
Education, Training and Sport (Erasmus+)	2 314,5	2 145,6	2 726,4	2 563,1	411,9	417,5	17,8%	19,5%
Employment and Social Innovation (EaSI)	131,7	118,5	136,1	118,4	4,3	-0,1	3,3%	-0,1%
Customs, Fiscalis and Anti-Fraud	135,0	124,8	135,2	134,2	0,2	9,4	0,1%	7,6%
Connecting Europe Facility (CEF)	2 748,4	1 523,0	3 764,0	1 701,2	1 015,6	178,3	37,0%	11,7%
Energy	680,5	217,7	948,7	326,8	268,2	109,1	39,4%	50,1%
Transport	1 897,6	1 163,3	2 640,2	1 222,8	742,5	59,5	39,1%	5,1%
Information and Communications Technology (ICT)	170,3	142,0	175,1	151,6	4,8	9,6	2,8%	6,8%
Energy projects to aid economic recovery (EERP)		210,0		61,0		-149,0	∞	-71,0%
European Solidarity Corps (ESC)	42,8	33,2	143,3	119,6	100,5	86,3	235,0%	259,8%
European Defence Industrial Development Programme (EDIDP)			245,0	147,0	245,0	147,0	∞	∞
Other actions and programmes	176,4	152,6	194,4	164,7	17,9	12,2	10,2%	8,0%
Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission	128,9	116,9	128,4	115,0	-0,5	-2,0	-0,4%	-1,7%
Pilot projects and preparatory actions	91,7	77,6	97,3	99,6	5,6	22,0	6,1%	28,3%
Decentralised agencies	314,1	316,2	382,9	381,7	68,8	65,5	21,9%	20,7%
1b Economic, social and territorial cohesion	55 532,2	46 527,3	57 192,0	47 035,4	1 659,8	508,1	3,0%	1,1%
<i>Of which under global margin for commitments</i>	<i>351,2</i>		<i>350,0</i>					
<i>Ceiling</i>	<i>55 181,0</i>		<i>56 842,0</i>					
<i>Margin</i>								
Investment for growth and jobs	50 798,0	43 447,4	52 357,5	43 736,6	1 559,5	289,2	3,1%	0,7%
Regional convergence (Less developed regions)	27 012,3	23 387,6	27 875,2	24 042,3	863,0	654,7	3,2%	2,8%
Transition regions	5 738,6	4 040,5	5 848,7	4 370,1	110,1	329,6	1,9%	8,2%
Competitiveness (More developed regions)	8 426,8	7 394,1	8 648,9	7 441,5	222,1	47,4	2,6%	0,6%
Outermost and sparsely populated regions	226,5	169,0	231,0	176,4	4,5	7,4	2,0%	4,4%
Cohesion fund	9 393,8	8 456,3	9 753,6	7 706,3	359,8	-750,0	3,8%	-8,9%
Connecting Europe Facility (CEF) — CF contribution	1 655,1	625,8	1 700,4	851,6	45,3	225,8	2,7%	36,1%

(Commitment (CA) and payment (PA) appropriations in million EUR, rounded figures at current prices)

Heading	Budget 2018 ⁽¹⁾		Second Draft budget 2019		Difference 2019 / 2018		Difference 2019 / 2018	
	(1)		(2)		(2 - 1)		(2 / 1)	
	CA	PA	CA	PA	CA	PA	CA	PA
European territorial cooperation	1 934,3	1 234,7	1 973,0	1 190,6	38,7	-44,1	2,0%	-3,6%
Youth Employment initiative (specific top-up allocation)	350,0	600,0	350,0	631,5		31,5		5,3%
Technical assistance and innovative actions	230,3	199,6	239,7	212,7	9,4	13,1	4,1%	6,6%
European Aid to the Most Deprived (FEAD)	556,9	401,4	567,8	401,2	10,9	-0,2	2,0%	0,0%
Pilot projects and preparatory actions	7,7	18,5	3,7	11,2	-4,0	-7,3	-52,3%	-39,5%
2. Sustainable growth: natural resources	59 238,6	56 041,0	59 642,1	57 399,9	403,5	1 358,9	0,7%	2,4%
<i>Ceiling</i>	<i>60 267,0</i>		<i>60 344,0</i>					
<i>Margin</i>	<i>1 028,4</i>		<i>701,9</i>					
Of which: European Agricultural Guarantee Fund (EAGF) — Market related expenditure and direct payments	43 233,1	43 187,3	43 191,9	43 116,4	-41,2	-70,9	-0,1%	-0,2%
<i>Sub-ceiling</i>	<i>44 163,0</i>		<i>43 881,0</i>					
European Agricultural Guarantee Fund (EAGF) — Market related expenditure and direct payments	43 233,1	43 187,3	43 191,9	43 116,4	-41,2	-70,9	-0,1%	-0,2%
European Agricultural Fund for Rural Development (EAFRD)	14 380,3	11 852,2	14 727,3	13 148,2	346,9	1 296,0	2,4%	10,9%
European Maritime and Fisheries Fund (EMFF)	1 027,9	602,8	1 090,0	712,8	62,1	109,9	6,0%	18,2%
Environment and climate action (LIFE)	522,8	316,1	558,1	341,6	35,3	25,5	6,7%	8,1%
Pilot projects and preparatory actions	15,6	17,7	13,5	19,6	-2,1	1,9	-13,5%	10,7%
Decentralised agencies	58,8	58,8	61,3	61,3	2,5	2,5	4,3%	4,3%
3. Security and citizenship	3 493,2	2 980,7	3 786,6	3 527,4	293,4	546,7	8,4%	18,3%
<i>Of which under Flexibility Instrument</i>	<i>837,2</i>		<i>985,6</i>					
<i>Ceiling</i>	<i>2 656,0</i>		<i>2 801,0</i>					
<i>Margin</i>								
Asylum, Migration and Integration Fund	719,2	594,4	1 120,8	952,6	401,7	358,2	55,9%	60,3%
Internal Security Fund	720,0	481,2	533,5	663,7	-186,5	182,5	-25,9%	37,9%
IT systems	26,3	13,2	0,1		-26,2	-13,2	-99,6%	-100,0%
Justice	47,1	35,9	44,6	38,1	-2,5	2,3	-5,4%	6,3%
Rights, Equality and Citizenship	63,4	46,6	65,7	58,0	2,3	11,4	3,7%	24,4%
Union Civil protection Mechanism	33,2	34,3	149,6	81,7	116,3	47,4	349,8%	138,3%
Europe for Citizens	27,6	28,6	28,7	29,2	1,1	0,6	4,1%	2,1%
Food and feed	280,2	248,4	289,7	239,3	9,5	-9,1	3,4%	-3,7%
Health	66,4	55,9	68,3	61,3	1,9	5,3	2,9%	9,6%
Consumer	28,0	23,1	29,3	23,6	1,3	0,5	4,6%	2,2%
Creative Europe	230,4	180,7	244,8	194,8	14,5	14,1	6,3%	7,8%
Instrument for Emergency Support within the Union (IES)	200,0	220,6	0,3	69,5	-199,8	-151,0	-99,9%	-68,5%
Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission	98,8	91,7	105,8	99,9	7,0	8,2	7,1%	8,9%
Of which 'Communication actions'	73,4	72,3	77,1	74,0	3,7	1,7	5,1%	2,3%
Pilot projects and preparatory actions	12,7	17,9	15,1	18,3	2,4	0,3	19,2%	1,9%
Decentralised agencies	940,1	908,3	1 090,4	997,6	150,3	89,3	16,0%	9,8%
4. Global Europe	10 068,8	8 906,1	11 319,3	9 358,3	1 250,4	452,2	12,4%	5,1%
<i>Of which under global margin for commitments</i>	<i>243,8</i>		<i>1 051,3</i>					
<i>Ceiling</i>	<i>9 825,0</i>		<i>10 268,0</i>					
<i>Margin</i>								
Instrument for Pre-accession assistance (IPA II)	2 078,8	1 451,6	2 423,4	1 707,5	344,6	255,9	16,6%	17,6%
European Neighbourhood Instrument (ENI)	2 436,6	2 278,0	2 677,3	2 060,3	240,6	-217,7	9,9%	-9,6%
Development Cooperation Instrument (DCI)	2 976,0	2 734,5	3 189,9	2 796,3	213,9	61,8	7,2%	2,3%
Partnership instrument for cooperation with third countries (PI)	140,2	100,7	154,0	99,6	13,8	-1,1	9,9%	-1,1%
European Instrument for Democracy and Human Rights (EIDHR)	192,8	169,3	196,7	159,3	3,9	-10,0	2,0%	-5,9%

(Commitment (CA) and payment (PA) appropriations in million EUR, rounded figures at current prices)

Heading	Budget 2018 ⁽¹⁾		Second Draft budget 2019		Difference 2019 / 2018		Difference 2019 / 2018	
	(1)		(2)		(2 – 1)		(2 / 1)	
	CA	PA	CA	PA	CA	PA	CA	PA
Instrument contributing to Stability and Peace (IcSP)	370,0	325,3	376,7	321,3	6,7	-4,0	1,8%	-1,2%
Humanitarian aid (HUMA)	1 085,4	1 095,0	1 651,8	1 603,0	566,4	508,1	52,2%	46,4%
Common Foreign and Security Policy (CFSP)	328,0	292,0	334,9	305,5	6,8	13,5	2,1%	4,6%
Instrument for Nuclear Safety Cooperation (INSC)	33,0	45,5	33,6	41,5	0,7	-4,0	2,0%	-8,8%
Macro-financial Assistance (MFA)	42,1	42,1	27,0	27,0	-15,1	-15,1	-35,8%	-35,8%
Guarantee Fund for external actions (GF)	137,8	137,8			-137,8	-137,8	-100,0%	-100,0%
Union Civil Protection Mechanism	16,1	15,5	23,5	20,7	7,4	5,2	46,1%	33,6%
EU Aid Volunteers initiative (EUAV)	20,3	16,9	19,5	16,1	-0,8	-0,8	-3,9%	-4,9%
European Fund for Sustainable Development (EFSD)	25,0	25,0	25,0	25,0				
Other actions and programmes	83,5	74,9	83,6	73,0	0,2	-1,9	0,2%	-2,6%
Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission	74,4	67,6	75,5	73,7	1,1	6,1	1,5%	9,1%
Pilot projects and preparatory actions	8,9	14,4	6,3	8,1	-2,6	-6,3	-28,9%	-43,7%
Decentralised agencies	20,1	20,1	20,5	20,5	0,4	0,4	2,2%	2,2%
5. Administration	9 665,5	9 666,3	9 943,0	9 944,9	277,5	278,6	2,9%	2,9%
<i>Ceiling</i>	<i>10 346,0</i>		<i>10 786,0</i>					
<i>Of which offset against Contingency Margin</i>	<i>-318,0</i>		<i>-253,9</i>					
<i>Margin</i>	<i>362,5</i>		<i>589,1</i>					
Of which: Administrative expenditure of the institutions	7 579,9	7 580,7	7 747,3	7 749,2	167,4	168,5	2,2%	2,2%
<i>Sub-ceiling</i>	<i>8 360,0</i>		<i>8 700,0</i>					
<i>Of which offset against Contingency Margin</i>	<i>-318,0</i>		<i>-253,9</i>					
<i>Margin</i>	<i>462,1</i>		<i>698,8</i>					
Pensions and European Schools	2 085,6	2 085,6	2 195,7	2 195,7	110,1	110,1	5,3%	5,3%
Pensions	1 892,8	1 892,8	2 003,6	2 003,6	110,8	110,8	5,9%	5,9%
European schools	192,8	192,8	192,1	192,1	-0,7	-0,7	-0,4%	-0,4%
Administrative expenditure of the institutions	7 579,9	7 580,7	7 747,3	7 749,2	167,4	168,5	2,2%	2,2%
European Parliament	1 950,2	1 950,2	1 996,4	1 996,4	46,1	46,1	2,4%	2,4%
European Council and Council	572,9	572,9	581,9	581,9	9,0	9,0	1,6%	1,6%
European Commission	3 565,5	3 566,3	3 632,7	3 634,7	67,2	68,4	1,9%	1,9%
Court of Justice of the European Union	410,0	410,0	429,4	429,4	19,4	19,4	4,7%	4,7%
European Court of Auditors	146,0	146,0	146,9	146,9	0,9	0,9	0,6%	0,6%
European Economic and Social Committee	135,6	135,6	138,5	138,5	2,9	2,9	2,1%	2,1%
European Committee of the Regions	96,1	96,1	98,8	98,8	2,7	2,7	2,8%	2,8%
European Ombudsman	10,6	10,6	11,3	11,3	0,7	0,7	6,1%	6,1%
European data-protection Supervisor	14,4	14,4	16,6	16,6	2,2	2,2	15,2%	15,2%
European External Action Service	678,5	678,5	694,8	694,8	16,3	16,3	2,4%	2,4%
Appropriations for headings	159 998,0	144 216,7	165 028,4	147 787,4	5 030,4	3 570,8	3,1%	2,5%
<i>Of which under Flexibility Instrument</i>	<i>837,2</i>	<i>678,3</i>	<i>985,6</i>	<i>909,8</i>				
<i>Of which under global margin for commitments</i>	<i>1 355,6</i>		<i>1 464,7</i>					
<i>Ceiling</i>	<i>159 514,0</i>	<i>154 565,0</i>	<i>164 123,0</i>	<i>166 709,0</i>				
<i>Of which offset against Contingency Margin</i>	<i>-318,0</i>		<i>-253,9</i>					
<i>Margin</i>	<i>1 390,9</i>	<i>11 026,7</i>	<i>1 291,1</i>	<i>19 831,4</i>				
Appropriations as % of GNI (2)	1,02%	0,92%	1,00%	0,90%				
Other special instruments (3)	698,5	551,2	577,2	411,5	-121,3	-139,7	-17,4%	-25,3%
Emergency Aid Reserve (EAR)	344,6	344,6	351,5	351,5	6,9	6,9	2,0%	2,0%
European Globalisation Adjustment Fund (EGF)	172,3	25,0	175,7	10,0	3,4	-15,0	2,0%	-60,0%
European Union Solidarity Fund (EUSF)	181,6	181,6	50,0	50,0	-131,6	-131,6	-72,5%	-72,5%
Total appropriations	160 696,5	144 767,9	165 605,6	148 198,9	4 909,2	3 431,0	3,1%	2,4%

(Commitment (CA) and payment (PA) appropriations in million EUR, rounded figures at current prices)

Heading	Budget 2018 ⁽¹⁾		Second Draft budget 2019		Difference 2019 / 2018		Difference 2019 / 2018	
	(1)		(2)		(2 – 1)		(2 / 1)	
	CA	PA	CA	PA	CA	PA	CA	PA
Appropriations as % of GNI (2)	1,02%	0,92%	1,00%	0,90%				

(1) Budget 2018 includes amending budgets 1 to 5 and draft amending budget 6.

(2) The second draft budget 2019 is based on the forecast of GNI as included in the technical adjustment of the MFF adopted on 23 May 2018 (COM(2018) 282).