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BUDGET 8

EXPLANATORY MEMORANDUM

Subject: Draft amending budget No 1 to the general budget for 2023: Technical adjustments stemming from the political agreements reached on several legislative proposals, including with respect to REPowerEU, the Carbon Border Adjustment Mechanism and the Union Secure Connectivity programme: Council position of 16 May 2023

I. INTRODUCTION

On 16 March 2023, the Commission submitted to the Council draft amending budget (DAB) No 1 to the general budget for 2023 concerning technical adjustments stemming from the political agreements reached on several legislative proposals, including with respect to REPowerEU, the Carbon Border Adjustment Mechanism (CBAM) and the Union Secure Connectivity programme¹.

¹ Doc. 7494/23.

The aim of this proposal is to:

- (a) adjust the budgetary nomenclature and remarks following the adoption of the REPowerEU plan² and Regulation³ with targeted amendments to the Recovery and Resilience Facility Regulation (RRF)⁴, the Emissions Trading Schemes (ETS) Directive⁵, as well as the Brexit Adjustment Reserve (BAR) Regulation⁶;
- (b) transfer the operational line of the CBAM from heading 1 to heading 3 of the multiannual financial framework (MFF), in line with the final agreement reached in December 2022 by the European Parliament and the Council on the establishment of the CBAM, while adjusting the staffing and other administrative appropriations under heading 7 as per the revised legislative financial statement;
- (c) reinforce the Space Secure Connectivity programme for an amount of EUR 50 million in commitment appropriations, in order to complete the financing of the programme for the period until the end of 2027⁷;
- (d) adjust the EU contribution and/or staff numbers of the Anti-Money Laundering Authority (AMLA), the European Union Agency for the Cooperation of Energy Regulators (ACER), the Agency for support to the Body of European Regulators for Electronic Communications (BEREC) and the European Chemicals Agency (ECHA) to take account of changes in their mandates;

² Doc. 9787/22 (COM(2022) 230 final).

³ Regulation (EU) 2023/435 of the European Parliament and of the Council of 27 February 2023 amending Regulation (EU) 2021/241 as regards REPowerEU chapters in recovery and resilience plans and amending Regulations (EU) No 1303/2013, (EU) 2021/1060 and (EU) 2021/1755, and Directive 2003/87/EC (OJ L 63, 28.2.2023, p. 1).

⁴ Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility (OJ L 57, 18.2.2021, p. 17).

⁵ Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Union and amending Council Directive 96/61/EC (OJ L 275, 25.10.2003, p. 32).

⁶ Regulation (EU) 2021/1755 of the European Parliament and of the Council of 6 October 2021 establishing the Brexit Adjustment Reserve (OJ L 357, 8.10.2021, p. 1).

⁷ Regulation (EU) 2023/588 of the European Parliament and of the Council of 15 March 2023 establishing the Union Secure Connectivity Programme for the period 2023-2027 (OJ L 79, 17.3.2023, p. 1).

- (e) adjust the establishment plan of the Health and Digital Executive Agency (HaDEA) to take account of a minor change in the staff structure of the executive agency;
- (f) increasing the level of appropriations of the European Data Protection Supervisor (EDPS) to finance legal fees following an increase of litigation cases relating to the application of the General Data Protection Regulation⁸,

as recorded in document 7494/23.

Overall, the net impact of DAB 1 on expenditure amounts to an increase of EUR 52.6 million in commitment appropriations. No additional payment appropriations are requested.

II. CONCLUSION

On 16 May 2023, the Council adopted its position on DAB No 1 to the general budget for 2023 as set out in the technical annex contained in Addendum 1 to this explanatory memorandum.

⁸ Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ L 119, 4.5.2016, p. 1).