



EUROPEAN COMMISSION

DOCUMENTS

DRAFT **Union annual budget for** **the financial year 2023**

GENERAL INTRODUCTION

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All amounts in this budget document are expressed in euro unless otherwise indicated.

Budgetary remarks are only executable insofar as they do not modify or extend the scope of an existing legal base, impinge on the administrative autonomy of institutions and can be covered by available resources.

EUROPEAN UNION

DRAFT
Union annual budget for
the financial year 2023

GENERAL INTRODUCTION

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1. PRIORITIES FOR THE 2023 DRAFT BUDGET

1.1. Introduction

Russia's unprovoked and unjustified military aggression against Ukraine has brought human tragedy to Europe's doorstep. The Union has responded swiftly and decisively, by providing humanitarian aid, emergency assistance and large-scale support to Member States to support people fleeing Ukraine. Coordinated sanctions are in place, combined with measures to cope with all-time high energy prices and ending Europe's dependency on Russian oil and gas, including through REPowerEU ⁽¹⁾, which will form, inter alia, an integral part of the recovery and resilience plans of the Member States.

As set out in the Communication on Ukraine relief and reconstruction ⁽²⁾, a major long-term reconstruction effort to rebuild Ukraine will be required, whereas additional support will also be needed in the short-term. This should include macro-financial assistance to the Ukrainian government, complemented by providing emergency assistance and humanitarian aid. Given the prevailing uncertainties about the scale and nature of the support required, notably for the reconstruction phase, the Commission will present an amending letter to the Draft Budget for this purpose later this year.

At the same time, the year 2023 should see the Union and its Member States recover further from the economic, social and health crisis caused by the COVID-19 pandemic. Economic recovery from the pandemic is underway as societies have reopened across Europe, thanks to the large-scale rollout of vaccines. However, pressure on healthcare systems, staff shortages, supply bottlenecks and rapidly increasing energy prices have all contributed to high inflationary pressures. Against the backdrop of the uncertainties surrounding the ways in which the economic impact of Russia's invasion of Ukraine will evolve, this implies that the full deployment of the EU budget and the European Union Recovery Instrument, NextGenerationEU ⁽³⁾, will be key to providing a boost to the EU's economy.

The draft budget 2023 reflects these challenges alongside the priorities of the Union under the multiannual financial framework (MFF) for 2021-2027 ⁽⁴⁾, underpinning the green and digital transitions to make the European economy fairer, more resilient and more sustainable for future generations. This is even more important in the current context of geopolitical instability and rising global challenges. To harness the full potential of the EU budget to mobilise investment and frontload financial support to provide a boost to the economy in the crucial first years of recovery, the draft budget is boosted by additional funding from NextGenerationEU. As an exceptional instrument put in place for a temporary period, NextGenerationEU gives the EU budget the additional firepower to drive essential crisis response and recovery measures. Commitments from NextGenerationEU are available until 2023, whereas payments can be made until the end of 2026. The non-repayable part of NextGenerationEU constitutes external assigned revenue. The corresponding appropriations are entered on the relevant budget lines and are used to frontload financial support and target reform priorities, in particular through the Recovery and Resilience Facility (RRF). Moreover, it reinforces programmes that are key to recovery and to the digital and green transitions, such as Horizon Europe, InvestEU, the enhanced EU Civil Protection Mechanism, including rescEU, and cohesion policy under the REACT-EU ⁽⁵⁾ as well as rural development and the Just Transition Mechanism (JTM).

⁽¹⁾ COM(2022) 230 and 231, 18.5.2022.

⁽²⁾ COM(2022) 233, 18.5.2022.

⁽³⁾ Council Regulation (EU) 2020/2094 establishing a European Union Recovery Instrument to support the recovery in the aftermath of the COVID-19 crisis.

⁽⁴⁾ Council Regulation (EU) 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021 to 2027 ('MFF Regulation').

⁽⁵⁾ Regulation (EU) 2020/2221 of the European Parliament and of the Council of 23 December 2020 amending Regulation (EU) No 1303/2013 as regards additional resources and implementing arrangements to provide assistance for fostering crisis repair in the context of the COVID-19 pandemic and its social consequences and preparing a green, digital and resilient recovery of the economy (REACT-EU).

The draft budget 2023 sets appropriations of EUR 185,6 billion in commitments, and EUR 166,3 billion in payments, including special instruments. NextGenerationEU provides an additional EUR 807 billion in current prices over the period 2021-2023, and will reinforce the key programmes by an estimated additional EUR 113,9 billion in commitment appropriations as assigned revenue to the 2023 budget. Overall, in 2023 EUR 299,5 billion will be available in commitment appropriations. Moreover, the remaining loans under NextGenerationEU of EUR 225,6 billion are likely to be fully used by 2023.

Further to the entry into force of the new Own Resources Decision ⁽¹⁾ on 1 June 2021, the Commission has been raising the necessary funds for NextGenerationEU related payments through major borrowing operations, based on the diversified funding strategy ⁽²⁾ aimed at financing up to EUR 150 billion per year over the period until the end of 2026, of which 30 % through green bonds issuance. By increasing the volume of euro-denominated safe assets, this has strengthened the international role of the euro and contributed to the development of European debt capital. In order to facilitate the repayment of EU borrowing for NextGenerationEU, the Commission has presented proposals ⁽³⁾ to introduce new own resources (complementing the newly introduced own resource based on non-recycled plastic packaging waste). A proposal for a second basket of own resources will follow by the end of 2023. This is in line with the mandate from the European Council ⁽⁴⁾ and commitments taken in the inter-institutional agreement accompanying the multiannual financial framework ⁽⁵⁾. These new own resources will also better align the sources of revenue to the EU budget with the EU priorities and objectives, including in the context of achieving the emission reduction targets for 2030.

Since the beginning of 2021, the Commission has also been applying the Regulation on a general regime of conditionality for the protection of the Union's budget (the 'Conditionality Regulation') ⁽⁶⁾, which complements existing tools and forms an additional layer of protection of the EU budget in the case of breaches of the principles of the rule of law in the Member States. The Commission's guidelines ⁽⁷⁾ explain in detail how the Commission is applying the Conditionality Regulation. In parallel, the Commission proposed a recast of the Financial Regulation ⁽⁸⁾ to align the Union's financial rules with the 2021-2027 MFF, allow better crisis management and improve the protection of the Union's financial interests.

1.2. Responding to the consequences of Russia's invasion of Ukraine

While major financial support will be required to assist Ukraine in its reconstruction efforts, the EU budget already enables the Union to provide substantial financial support to address the consequences of Russia's invasion of Ukraine for immediate relief in the EU and its neighbourhood. A series of initiatives are providing support to Member States, regions and specific sectors, whereas external financing instruments and the Union Civil Protection Mechanism / rescEU are making funding and assistance available for Ukraine and the neighbouring partner countries. In terms of budgetary impact, these actions include the following proposals:

⁽¹⁾ Council Decision (EU, Euratom) 2020/2053 of 14 December 2020 on the system of own resources of the European Union.

⁽²⁾ COM(2021) 250, 14.4.2021.

⁽³⁾ COM(2021) 570, 22.12.2021.

⁽⁴⁾ European Council conclusions, 17-21 July 2020, EUCO 10/20.

⁽⁵⁾ Interinstitutional Agreement between the European Parliament, the Council of the European Union and the European Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources, OJ L 433 I, 22.12.2020, p. 28.

⁽⁶⁾ Regulation (EU, Euratom) 2020/2092 of the European Parliament and of the Council of 16 December 2020 on a general regime of conditionality for the protection of the Union budget.

⁽⁷⁾ C(2022) 1382, 2.3.2022.

⁽⁸⁾ COM(2022) 223, 16.5.2022.

- On 8 March, the Commission proposed the Cohesion's Action for Refugees in Europe (CARE), allowing Member States and regions to provide emergency support to people fleeing Ukraine by redirecting the resources remaining available under the 2014-2020 programmes and REACT-EU. On 23 March, the Commission put forward another amendment ⁽¹⁾ of the Common Provisions Regulation for the 2014-2020 period, which provides additional liquidity of EUR 3,5 billion to all Member States in the form of additional initial pre-financing paid under REACT-EU, with a special focus on the nine Member States receiving a significant share of people fleeing Ukraine as a proportion to their own population: 62 % of the additional liquidity went to the nine Member States which received numbers of refugees representing more than 1 % of their population. All respective payments were carried out in the second half of April 2022, immediately after the entry in force of the corresponding legislative act. The second modification also includes special provisions for acceleration of the disbursement of cohesion policy funds to support people fleeing Ukraine.
- On 23 March, the Commission also presented a range of short-term actions to enhance global food security and to support farmers and consumers in the EU in light of rising food prices and input costs, such as energy and fertilisers, which showed the need, in the medium and long-term, for EU agriculture and global food supply chains to become more sustainable and resilient. Against this background, the Commission proposed a package of emergency measures for farmers, amounting to EUR 530 million in 2022 and 2023. On 20 May, this package was complemented by lump-sum payments to farmers and SMEs in the food-processing sector, with an estimated impact of EUR 450 million in 2023.
- The Union Civil Protection Mechanism / RescEU has delivered unprecedented in-kind assistance in Ukraine and neighbouring countries, setting transport hubs and logistical operations with a view to ensuring swift delivery of a wide array of support measures, including in the health, energy, food and agriculture sectors, and providing shelters, machinery as well as medical equipment and evacuations.
- On 8 March, the Commission also proposed to amend the 2014-2020 programmes of the Asylum, Migration and Integration Fund (AMIF) and the Internal Security Fund (ISF), to provide more flexibility for Member States in using remaining funding by prolonging the implementation period with one year as well as making unspent earmarked resources available for actions to address pressing needs arising from the invasion of Ukraine. A further amendment to the 2021-2027 basic act of AMIF aims to provide Member States and other public or private donors with the possibility to make additional financial contributions to asylum and migration management in the form of external assigned revenue.
- As part of the EUR 1 billion pledge made on 9 April, on 22 April the Commission proposed EUR 400 million of emergency assistance for migration and border management, to help the most affected Member States cope with the large influx of people fleeing Ukraine.
- The pledges made on 9 April and 5 May also covered substantial amounts of funding for Ukraine. Total funding for Ukraine from the EU budget currently amounts to some EUR 1,4 billion in grants, in particular in the form of humanitarian aid and support under the Neighbourhood, Development and International Cooperation Instrument (including from the emerging challenges and priorities cushion). An emergency macro-financial assistance (MFA) loan of EUR 1,2 billion has already been provided to the country, whereas an amount of EUR 668 million in European Investment Bank (EIB) loans to Ukraine has been provided under the external lending mandate, backed by the EU budget. Furthermore, the EU is ready to grant Ukraine new exceptional MFA loans of up to EUR 9 billion ⁽²⁾. In parallel, some EUR 250 million in grants and budget support as well as EUR 120 million in MFA loans has been made available to Moldova.
- Finally, substantial support has also been provided to Ukraine under the European Peace Facility, currently amounting to EUR 2 billion.

⁽¹⁾ Regulation (EU) 2022/613 of the European Parliament and of the Council of 12 April 2022 amending Regulations (EU) No 1303/2013 and (EU) No 223/2014 as regards increased pre-financing from REACT-EU resources and the establishment of a unit cost.

⁽²⁾ European Council conclusions of 30-31 May 2022.

A major global financial effort is required to support Ukraine during this war, as well as to rebuild the country and provide new opportunities to its citizens, under strong EU leadership and in close cooperation with the Ukrainian government. The Commission will propose to make the best possible use of the limited remaining flexibilities in the short term in an amending letter later this year, so as to address the evolving needs. However, the current programmes and flexibilities cannot cover the major financial support required for the reconstruction of Ukraine.

The Communication of 18 May ⁽¹⁾ outlines the ways in which the Commission proposes to frame the reconstruction effort. Swift endorsement of the proposed approach by the European Parliament, the European Council and the Council will send another strong signal of the Union's unwavering commitment to stand with Ukraine in its pursuit of its European path.

1.3. Funding the priorities under the MFF

While the MFF has improved the flexibility of the EU budget and its ability to invest in crisis preparedness and resilience, the current geopolitical context shows that more may be needed. The EU spending programmes and instruments offer a vital opportunity to reinforce the EU budget contribution to the European recovery. At the same time, the programmes put into practice the Union's commitment to harness the green and digital transitions. This supports our commitment to a sustainable model of economic growth and prosperity: the path out of the crisis will be built on the Sustainable Development Goals (SDGs) and will support the transition towards a green, climate neutral and digital Europe while making European industry more resilient, strategically autonomous and competitive.

1.3.1. Recovery and resilience

As part of the European recovery plan, NextGenerationEU provides support in the form of non-repayable and loan support to Member States under the Recovery and Resilience Facility ⁽²⁾, and it also provides top-ups of certain EU programmes. Overall, in 2023 an additional EUR 113,9 billion will be available in commitment appropriations, of which EUR 103,5 billion in non-repayable support under the RRF. A further EUR 225,6 billion will be available as repayable support in 2023.

The RRF, the largest spending programme, is fully performance-driven by design, since payments are linked to the achievement of milestones and targets set in the Council implementing decisions approving the national plans of the Member States. These plans outline a comprehensive set of reforms and investments, which address all or a significant subset of challenges identified in the relevant country-specific recommendations. To underline the importance of the green and digital transitions, the actual recovery and resilience plans approved so far dedicate at least 37 % of the expenditure to measures contributing to the green transition, and a further 20 % to digitalisation ⁽³⁾. Furthermore, NextGenerationEU increases support to regions and sectors hit by the crisis through strengthened cohesion policy measures under REACT-EU. The cohesion policy will give additional support to recovery investments, for example in the resilience of national healthcare systems, in sectors such as tourism and culture, in support for small and medium-sized enterprises, youth employment measures, support to short-term work schemes, education and skills, and measures combatting child poverty.

The Commission proposal for REPowerEU ⁽⁴⁾ sets additional objectives for the recovery and resilience plans of the Member States, for which the necessary reforms and investments would be outlined in a dedicated chapter. Together with Member States, the Commission will ensure that there are synergies and complementarities between measures funded under the RRF, including its REPowerEU chapter, and actions supported via other national or Union funds.

⁽¹⁾ COM(2022) 233, 18.5.2022.

⁽²⁾ Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing a Recovery and Resilience Facility.

⁽³⁾ COM(2022) 75, 1.3.2022, first RRF annual report.

⁽⁴⁾ COM(2022) 231, 18.5.2022.

To provide a boost to the economy and help private investment, the voted EU budget and NextGenerationEU provide major investment support under the InvestEU budgetary guarantees to help companies to emerge from the crisis. With its leverage effect, over the 2021-2027 period the InvestEU guarantee is expected to mobilise more than EUR 372 billion of investment support in key policy priority areas of the Union, including the green and digital transitions, research and innovation, the health sector and strategic technologies.

The crisis has shown that funding for health must be given higher priority in the future also to prevent, detect, and rapidly respond to health emergencies. In 2023, the EU4Health programme will provide EUR 0,7 billion of dedicated support for the health challenges ahead. The programme aims to create a comprehensive framework for EU health crisis prevention, preparedness and response, complementing and reinforcing efforts at national level and regional support to healthcare systems under cohesion policy. It will help ensure that the EU is equipped with the critical capacity to react to future health crises rapidly and with the necessary scale.

Additionally, the Commission's Health Emergency Preparedness and Response Authority (HERA) was created in the aftermath of the COVID-19 pandemic, as a key pillar of the European Health Union. HERA is already up and running, and in 2023 it will address specific identified health threats and gaps in the EU's health emergency response and preparedness, in particular by focussing on the accessibility and availability of medical countermeasures with the potential to address in priority serious cross-border health threats. An efficient and effective approach towards ensuring medical countermeasures will require actions in the fields of research and innovation, development, stockpiling, market surveillance and logistics, in cooperation with other Commission services. This requires investments in strengthening knowledge and skills, including through international cooperation. In addition, the HERA Emergency Office will work on the identified threats and develop response plans to support a faster and more efficient common EU response, should any of these threats materialise. With this in mind, in 2023 HERA will provide EUR 1,3 billion of dedicated support under Horizon Europe, the Union Civil Protection Mechanism and EU4Health to strengthen health crisis preparedness in the long-term.

In this context, the Union's Civil Protection Mechanism enhances prevention and preparedness on natural and man-made threats, in particular by building-up the necessary assets under RescEU. NextGenerationEU gives UCPM a significant boost (EUR 0,7 billion in 2023, which is managed jointly with HERA), in order to provide the Union with the capacity and the logistical infrastructure needed to cater for different types of emergencies, including those with a medical component, thus complementing HERA's activities under the EU4Health programme.

1.3.2. *The green transition – the European Green Deal*

The European Green Deal ⁽¹⁾ is Europe's growth strategy, to reduce to zero net emissions of greenhouse gases in 2050 and decouple economic growth from resource use while creating jobs, in a socially fair and cost-efficient manner. At its core, an industrial strategy that enables businesses to innovate and to develop new technologies while creating new markets. The European Climate Law ⁽²⁾ and the 'FitFor55' proposals that cover a wide range of policy areas including climate, energy, transport and taxation ⁽³⁾, incorporate and translate into concrete action the European Green Deal's goal for Europe's economy and society to reduce net greenhouse gas emissions by at least 55 % by 2030 and become climate neutral by 2050.

As set out in more detail in section 4.5, the mainstreaming of climate and biodiversity in a wide range of EU programmes and instruments (covering both the MFF and NextGenerationEU) will allow the Union to meet its climate spending target of 30 %, whereas Member States should dedicate sufficient funding to biodiversity in the context of the finalisation of the European Structural and Investment Funds and the Common Agricultural Policy (CAP) in order to achieve the ambition set out in the IIA to reach annual spending levels of up to 10 % in 2026 and 2027.

⁽¹⁾ COM(2019) 640 final, 11.12.2019.

⁽²⁾ Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999.

⁽³⁾ The overview of the legislative proposals already adopted can be found on the website: Delivering the European Green Deal (europa.eu).

The implementation of the reformed CAP will deliver higher environmental and climate-related ambitions. The new CAP will start in 2023 and it will strengthen support to farmers and rural areas to deliver the green transition and support investments and reforms essential to Europe's ambitious environmental targets, in particular as regards the achievement of the targets in the new biodiversity and Farm to Fork strategies.

The Just Transition Mechanism helps Member States address the social and economic impacts of the transformation towards a green and climate-neutral economy. The Mechanism supports the most affected regions of Europe and the most coal and carbon-intensive sectors of the economy, facilitating transition that is socially fair and leaves no one behind. It consists of three pillars: a Just Transition Fund ⁽¹⁾ (JTF) implemented under shared management, a dedicated just transition scheme under InvestEU ⁽²⁾, and a public sector loan facility ⁽³⁾ to mobilise additional investments for regions concerned. The 2023 budget allocates EUR 1,5 billion to the JTF under the MFF, which will be further significantly increased by NextGenerationEU with EUR 5,5 billion.

1.3.3. *The digital transition and an economy that works for people*

The EU budget invests in connectivity, technology and human capital, as well as in smart energy and transport infrastructures. Most of the targeted support for digital programmes comes via heading 1, where the Digital Europe programme, the Connecting Europe Facility and InvestEU form a programme cluster dedicated to technological infrastructure and cross-border networks. The proposed EUR 12,3 billion from the 2023 budget for the EU's flagship research and innovation programme, Horizon Europe, is boosted by another EUR 1,8 billion under NextGenerationEU, to fund vital research in health, resilience and the green and digital transitions. MFF heading 1 also finances the dedicated single market programme to support the frictionless functioning of the single market, Europe's most valuable asset to increase competitiveness and generate prosperity.

Semiconductor chips are the essential building blocks of digital products. They determine the performance characteristics of digital systems, among them security and energy-efficiency – essential to the EU's digital and green transitions. In the fast-growing market of semiconductors, the EU has set an ambitious goal to double its current market share to 20 % in 2030. The Commission proposal for the European Chips Act ⁽⁴⁾ includes EU budget funding for the Chips for Europe Initiative amounting to up to EUR 3,3 billion. In 2023, an amount of EUR 415 million is proposed to be made available for this purpose within Horizon Europe, whereas a further amount of EUR 293 million is redeployed from Horizon Europe, the Connecting Europe Facility or reallocated within the Digital Europe programme.

The need for secure and resilient global connectivity increases with the digitisation of the economy and society, and the increasing geopolitical and cybersecurity threats. The Commission proposal ⁽⁵⁾ for an EU space-based secure communication system aims to ensure worldwide uninterrupted access to secure and cost-effective governmental satellite communication services for the protection of critical infrastructures, surveillance, external actions and crisis management. It will also allow for the provision of commercial services by the private sector to provide high-speed broadband connections to all citizens and business across Europe. The total estimated cost of the infrastructure is EUR 6 billion, of which EUR 2,4 billion is proposed to be financed from the EU budget. For 2023, the Commission proposes a total amount of EUR 138 million on the budget lines for the Secure connectivity programme, in addition to EUR 126 million earmarked for this purpose within Horizon Europe and the European Space Programme.

⁽¹⁾ Regulation (EU) 2021/1056 of the European Parliament and of the Council of 24 June 2021 establishing the Just Transition Fund.

⁽²⁾ Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017.

⁽³⁾ Regulation (EU) 2021/1229 of the European Parliament and of the Council of 14 July 2021 on the public sector loan facility under the Just Transition Mechanism.

⁽⁴⁾ COM(2022) 46, 8.2.2022.

⁽⁵⁾ COM(2022) 57, 15.2.2022.

The European digital transformation must enhance our democratic values, respect our fundamental rights, and contribute to a sustainable, climate-neutral, resource-efficient and circular economy. To help empower people through employment, education and skills, the European Social Fund+ is the main driver for strengthening the social dimension of the Union and ensuring a socially sustainable recovery. Its design is fully aligned with delivering on the European Pillar of Social Rights, under the same cluster as the successful education and youth programmes Erasmus+ ⁽¹⁾ and the European Solidarity Corps ⁽²⁾. Erasmus+ has proven its ability to cope with the COVID-19 pandemic, and the Commission proposes to increase its budget by a total amount of EUR 146,8 million compared to 2022. Over and above this planned increase, a further frontloading of Erasmus+ may be included in an amending letter later this year, in particular to support pupils, students and teachers fleeing Ukraine.

1.3.4. *Increased security and defence focus, reinforced migration and border management, and a stronger Europe in the world*

The 2021-2027 MFF brings together most of the Union's external action instruments, as well as the previously extra-budgetary European Development Fund, into one comprehensive instrument with global reach, the Neighbourhood, Development and International Cooperation Instrument (NDICI – Global Europe) ⁽³⁾. The instrument has ring-fenced budget allocations per geographical region, but provides for more flexibility, in particular in situations where a rapid response is necessary.

The war against Ukraine has engendered global energy and food security pressures. This is having a particularly negative impact on less developed countries and populations, requiring a comprehensive response, including immediate action through humanitarian aid. Coupled with the continuing need to support Syrian and other refugees, action on the EU migration agenda and COVID-19 prevention and recovery related activities, this means that heading 6 (Neighbourhood and the world) is under unprecedented pressure. The Commission will keep the evolving needs under close review, including in the course of 2023, and it may propose further measures as appropriate.

The 2021-2027 MFF also contains two stand-alone headings devoted to security and defence, and to migration and border management. These are policy areas where the 2014-2020 MFF relied strongly on the substantial use of special flexibility instruments. The massive arrivals of people fleeing Ukraine and coming to the EU has put significant pressure on Member States' reception and border management systems. The swift adoption of national programmes under the Asylum, Migration and Integration Fund (AMIF) ⁽⁴⁾ and the Border Management and Visa Instrument (BMVI) ⁽⁵⁾ in the course of 2022 will ensure that these funds can be used to finance, among other things, the costs of border management and first reception. Further support may prove necessary, depending on how the situation will evolve.

The EU Strategic Compass on Security and Defence adopted on 21 March 2022 sets out an ambitious plan of action for strengthening the EU's security and defence policy by 2030. The European Defence Fund, which fosters the capacity of the defence industry, is key to help fulfil this ambition, but more is necessary: in the context of the Russian invasion of Ukraine, there is a need to reinforce spending in the area of defence, and to collectively address Europe's short-term and medium-term defence investment gaps, as set out in the Joint Communication on the Defence investment gaps analysis and way forward ⁽⁶⁾. As an immediate follow-up, the Commission will propose a short-term instrument, designed in a spirit of solidarity, to reinforce European defence industrial capacities through joint procurement between the Member States in order to fill the most urgent and critical gaps, for which EUR 500 million should be invested over two years between 2022 and 2024. The impact for the 2023 budget would be included in an amending letter later this year, following the adoption of the legislative proposal.

⁽¹⁾ Regulation (EU) 2021/817 of the European Parliament and of the Council of 20 May 2021 establishing 'Erasmus+': the Union programme for education, training, youth and sport and repealing Regulation (EU) No 1288/2013.

⁽²⁾ Regulation (EU) 2021/888 of the European Parliament and of the Council of 20 May 2021 establishing the European Solidarity Corps programme and repealing Regulation (EU) 2018/1475 and Regulation (EU) No 375/2014.

⁽³⁾ Regulation (EU) 2021/947 of the European Parliament and of the Council of 9 June 2021 establishing the Neighbourhood, Development and International Cooperation Instrument – Global Europe.

⁽⁴⁾ Regulation (EU) 2021/1147 of the European Parliament and of the Council of 7 July 2021 establishing the Asylum, Migration and Integration Fund.

⁽⁵⁾ Regulation (EU) 2021/1148 of the European Parliament and of the Council of 7 July 2021 establishing, as part of the Integrated Border Management Fund, the Instrument for Financial Support for Border Management and Visa Policy.

⁽⁶⁾ Join(2022) 24, 18.5.2022.

As to the medium-term, in the third quarter of this year the Commission will propose to establish a joint European Defence Investment Programme (EDIP), so as to create a fully fit-for-purpose capacity for joint procurement at the level of the EU. This new programme will complement the existing incentives for joint and collective research and development up to the prototype level through the European Defence Fund, and to reinforce the existing role of the European Defence Agency in conducting joint procurement. EDIP's overall aim will be to establish the conditions and criteria for Member States to form consortia that qualify as a European Defence Capability Consortium for joint procurement, and to serve as an anchor for future joint development and procurement projects of high common interest.

1.4. Implementing the 2023 budget

1.4.1. *Putting performance at the heart of budget implementation*

The 2021-2027 MFF and NextGenerationEU are at the heart of the EU's economic policy framework. The Commission will continue putting performance front and centre in all its work on the EU budget, so as to ensure that the EU budget is not only implemented with the highest standards of sound financial management, but also that it effectively achieves its key objectives and delivers for all EU citizens. A sound framework to assess how the EU budget contributes to the EU's political objectives is crucial to ensure effective and coherent policy action at EU level. Together with the Draft Budget, the Commission also publishes further details on the methodologies related to the contribution of the EU budget to climate action, biodiversity and gender equality.

Detailed performance information can be found in Working Document I (Programme Statements) accompanying the 2023 draft budget. It will report for the first time on the financial implementation and performance of the 2021-2027 programmes and instruments. The Programme Performance Overview, which summarises performance information from the Programme Statements in relation to each programme and instrument, is annexed to the Annual Management and Performance Report 2021 ⁽¹⁾.

1.4.2. *Fulfilling the EU's obligations*

The 2023 draft budget shows not only the amounts needed to put the 2021-2027 spending programmes and instruments into action, but also the need to bring the 2014-2020 programmes and instruments progressively to a successful closure. Payment needs for 2023 will be a mixture of on the one hand payments on new commitments, notably pre-financing payments and non-differentiated expenditure (such as agriculture) and on the other hand interim and final payments on outstanding commitments from the 2014-2020 period. An adequate level of payment appropriations is proposed to meet the EU's obligations to the beneficiaries of EU funding.

Based on these assumptions, the level of payment appropriations for 2023 in the budget is set at EUR 163,6 billion before special instruments are used. This leaves EUR 5,5 billion of margin below the payment ceiling for 2023. This level of payments represents the Commission's best estimate of the overall payment needs, taking account of timing of submission of payment claims from Member States and the launch of new programmes. In turn, this also leaves the necessary room under the payment ceiling for further proposals to provide relief from the consequences of Russia's invasion of Ukraine, which would follow in the amending letter.

The initiatives and proposals detailed in the sections above will seek to address very significant challenges: the human and economic impact of the invasion of Ukraine, the green and digital transitions, security and defence etc. The Commission is committed to face these challenges and to react swiftly to new developments. This requires significant flexibility in terms of both budget and human resources.

The Commission continues to respect the principles of stable staffing and does not request any additional establishment plan posts in this Draft Budget, despite the significantly increased workload generated by a continuously increasing number of new initiatives and emergencies. The Commission has also called on all institutions to follow this approach.

⁽¹⁾ COM(2022) 401, 7.6.2022.

Heading 7 will be under particular pressure in both 2022 and 2023 due to the high levels of inflation and the rising energy prices, which have a direct impact on the costs of administration. Nevertheless, despite the efforts to maintain stable staffing and limit the increases in non-salary expenditure under challenging conditions, the margin under the sub-ceiling for administrative expenditure of the institutions is fully depleted, and recourse to special instruments is necessary in order to respect all legal obligations.

The Commission has integrated the statement of estimates from the European Parliament, the Council, and the Committee of the Regions without any changes. The statement of estimates of the European Parliament includes a request for 52 additional establishment plan posts, and an increase in non-salary expenditure of 5,7 %. This is due to the application of the salary update to the Members (EUR 16,7 million), which is classified as non-salary expenditure in all institutions, increases for IT infrastructure to strengthen cybersecurity (EUR 11,5 million), and communication in the lead up to the next election period (EUR 27,5 million). The Commission notes that the 52 additional posts requested by the European Parliament for 2023, over and above the additional posts authorised in the 2022 budget, effectively reinstate three quarters of the 5 % staff reduction which it implemented over the 2014-2020 period. This sets the European Parliament on a different trajectory compared to the institutions adhering to the principle of stable staffing.

The estimates of the six other institutions have been adjusted, to respect the commitments not to increase the number of posts. Furthermore, the commitment to the 2 % limit on the growth of non-salary related expenditure is in general maintained – the European External Action Service does comply with the 2 % limit due to the specific exemptions of some one-off costs related to the new building and the Diplomatic Academy pilot project, amounting to EUR 8,4 million in total.

1.4.3. Conclusion

The draft budget for 2023 is the next step in the implementation of the 2021-2027 MFF and an opportunity to keep the EU budget at the heart of the recovery, at a time of serious economic uncertainty. In this respect, NextGenerationEU provides extraordinary support to investments and reforms across the EU, including through specific REPowerEU chapters in the recovery and resilience plans of the Member States. The smooth adoption of an ambitious 2023 budget by the European Parliament and the Council will create the appropriate framework to respond to the immediate fallout of Russia's invasion of Ukraine, while giving the European recovery new impetus and helping prepare the EU for a more sustainable, digital and resilient future.

2. THE MULTIANNUAL FINANCIAL FRAMEWORK AND THE 2023 DRAFT BUDGET

2.1. Ceilings of the multiannual financial framework for the 2023 budget

For 2023, the overall ceiling for commitment appropriations is set at EUR 182 667,0 million and the ceiling for payment appropriations at EUR 168 575,0 million. The ceilings for the whole seven-year period are presented in the table below. It includes the adjustments of the commitment ceilings of three headings (1, 2 and 4) and the corresponding adjustment of the payment ceiling following the 2023 programme-specific adjustments stemming from Article 5 of the MFF Regulation ⁽¹⁾. As a new element, the table also includes the reprofiling of the payment ceilings further to the application of Article 11(1)b of the MFF Regulation, for what concerns the Single Margin Instrument for unexecuted payments in 2021, which are carried over in equal proportions to 2022 and 2023.

(Multiannual financial framework ceilings in million EUR, at current prices)

Heading	2021	2022	2023	2024	2025	2026	2027	Total
COMMITMENT APPROPRIATIONS								
1. Single Market, Innovation and Digital	20 919	21 878	21 727	20 984	21 272	21 847	22 077	150 102
2. Cohesion, Resilience and Values	6 364	67 806	70 137	72 367	74 993	66 536	70 283	427 582
2a. Economic, social and territorial cohesion	1 769	61 345	62 939	64 683	66 479	56 725	58 639	372 579
2b. Resilience and values	4 595	6 461	7 198	7 684	8 514	9 811	11 644	55 003
3. Natural Resources and Environment	56 841	56 965	57 295	57 449	57 558	57 332	57 557	400 997
of which: Market related expenditure and direct payments	40 368	40 639	40 693	41 649	41 782	41 913	42 047	289 091
4. Migration and Border Management	1 791	3 360	3 814	3 866	4 387	4 315	4 465	25 847
5. Security and Defence	1 696	1 896	1 946	2 004	2 243	2 435	2 705	14 925
6. Neighbourhood and the World	16 247	16 802	16 329	15 830	15 304	14 754	15 331	110 597
7. European Public Administration	10 635	11 058	11 419	11 773	12 124	12 506	12 959	82 474
of which: Administrative expenditure of the institutions	8 216	8 528	8 772	9 006	9 219	9 464	9 786	62 991
TOTAL COMMITMENTS	114 493	179 765	182 667	184 273	187 881	179 725	185 377	1 212 524
TOTAL PAYMENTS	166 140	170 558	168 575	168 853	172 230	175 674	179 187	1 196 835

⁽¹⁾ Technical adjustment of the financial framework for 2023 in accordance with Article 4 of Council Regulation (EU, Euratom) 2020/2093 laying down the multiannual financial framework for the years 2021 to 2027, COM(2022) 266, 7.6.2022.

2.2. Overview of the 2023 draft budget

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

	Draft budget 2023		Budget 2022 ⁽¹⁾		Share in DB 2023		Difference 2023 - 2022		Difference 2023 / 2022	
	(1)		(2)				(1 - 2)		(1 / 2)	
	CA	PA	CA	PA	CA	PA	CA	PA	CA	PA
1. Single Market, Innovation and Digital	21 567,6	20 901,1	21 775,1	21 473,5	11,6 %	12,5 %	- 207,5	- 572,4	-1,0 %	-2,7 %
<i>Ceiling</i>	21 727,0		21 878,0							
<i>Margin</i>	159,4		102,9							
2. Cohesion, Resilience and Values	70 086,7	55 840,5	67 644,4	62 052,8	37,7 %	33,5 %	2 442,3	- 6 212,3	3,6 %	-10,0 %
<i>Ceiling</i>	70 137,0		67 806,0							
<i>Margin</i>	50,3		161,6							
2.a Economic, social and territorial cohesion	62 923,0	49 131,1	61 314,2	56 350,9	33,8 %	29,5 %	1 608,8	- 7 219,8	2,6 %	-12,8 %
<i>Ceiling</i>	62 939,0		61 345,0							
<i>Margin</i>	16,0		30,8							
2.b Resilience and values	7 163,7	6 709,4	6 330,2	5 701,8	3,9 %	4,0 %	833,5	1 007,6	13,2 %	17,7 %
<i>Ceiling</i>	7 198,0		6 461,0							
<i>Margin</i>	34,3		130,8							
3. Natural Resources and Environment	57 222,6	57 445,4	56 681,1	56 601,8	30,8 %	34,5 %	541,4	843,6	1,0 %	1,5 %
<i>Ceiling</i>	57 295,0		56 965,0							
<i>Margin</i>	72,4		283,9							
Of which: Market related expenditure and direct payments	40 692,2	40 698,2	40 368,9	40 393,0	21,9 %	24,4 %	323,4	305,1	0,8 %	0,8 %
<i>EAGF sub-ceiling</i>	41 518,0		41 257,0							
<i>Rounding difference excluded for calculating the sub-margin</i>	0,8		0,8							
<i>Net transfers between EAGF and EAFRD</i>	- 825,8		- 618,8							

	Draft budget 2023		Budget 2022 ⁽¹⁾		Share in DB 2023		Difference 2023 - 2022		Difference 2023 / 2022	
	(1)		(2)				(1 - 2)		(1 / 2)	
	CA	PA	CA	PA	CA	PA	CA	PA	CA	PA
Net balance available for EAGF expenditure	40 692,2		40 638,2							
Adjusted EAGF sub-ceiling corrected by transfers between EAGF and EAFRD	40 693,0		40 639,0							
EAGF sub-margin	0,8		270,1							
EAGF sub-margin (excluding the rounding difference)			269,3							
4. Migration and Border Management	3 727,3	3 067,4	3 360,0	3 254,3	2,0 %	1,8 %	367,3	- 186,9	10,9 %	-5,7 %
Ceiling	3 814,0		3 360,0							
Margin	86,7									
5. Security and Defence	1 901,1	1 111,4	1 812,3	1 237,9	1,0 %	0,7 %	88,8	- 126,5	4,9 %	-10,2 %
Ceiling	1 946,0		1 896,0							
Margin	44,9		83,7							
6. Neighbourhood and the World	16 781,9	13 773,9	17 170,4	12 916,1	9,0 %	8,3 %	- 388,6	857,9	-2,3 %	6,6 %
Of which under Flexibility Instrument	452,9		368,4							
Ceiling	16 329,0		16 802,0							
Margin										
7. European Public Administration	11 448,8	11 448,8	10 620,1	10 620,2	6,2 %	6,9 %	828,7	828,6	7,8 %	7,8 %
Of which under Flexibility Instrument	62,5									
Ceiling	11 419,0		11 058,0							
Margin	32,7		437,9							
of which: Administrative expenditure of the institutions	8 834,5	8 834,5	8 287,9	8 288,0	4,8 %	5,3 %	546,5	546,4	6,6 %	6,6 %
Sub-ceiling	8 772,0		8 528,0							
Sub-margin			240,1							
Appropriations for headings	182 735,9	163 588,4	179 063,5	168 156,5	102,1 %	97,3 %	3 672,4	- 4 568,0	2,1 %	-2,7 %

	Draft budget 2023		Budget 2022 ⁽¹⁾		Share in DB 2023		Difference 2023 - 2022		Difference 2023 / 2022	
	(1)		(2)				(1 - 2)		(1 / 2)	
	CA	PA	CA	PA	CA	PA	CA	PA	CA	PA
<i>Of which under Flexibility Instrument</i>	515,4	527,1	368,4	467,2						
<i>Of which under Single Margin Instrument 11(1)(a)/11(1)(b)</i>		1 376,0		1 349,0						
<i>Ceiling</i>	182 667,0	168 575,0	179 765,0	170 558,0						
<i>Margin</i>	446,4	5 513,7	1 070,0	2 868,8						
Appropriations as % of GNI	1,12 %	1,00 %	1,16 %	1,09 %						
Thematic special instruments	2 855,2	2 679,8	2 799,2	2 622,8	1,5 %	1,6 %	56,0	57,0	2,0 %	2,2 %
Total appropriations	185 591,1	166 268,2	181 862,6	170 779,3	100,0 %	100,0 %	3 728,4	- 4 511,1	2,1 %	-2,6 %
Appropriations as % of GNI	1,14 %	1,02 %	1,18 %	1,10 %						

- Budget 2022 includes amending budget 1/2022 and draft amending budgets 2 and 3/2022.
- The draft budget is based on the latest forecast of EU27 GNI as presented in the Spring Economic Forecast published on 16 May 2022 and used for the preparation of the Technical Adjustment of the MFF for 2023.
- 'Thematic Special instruments' include the Solidarity and Emergency Aid Reserve (SEAR), the European Globalisation Adjustment Fund for Displaced Workers (EGF) and the Brexit Adjustment Reserve (BAR). The corresponding appropriations are entered in the budget over and above the MFF ceilings and are therefore excluded for the purpose of the calculation of the corresponding margins. This is also the case for the appropriations related to the Flexibility Instrument.

Total *commitment* appropriations in the 2023 draft budget (including the special instruments) are set at EUR 185 591,1 million, corresponding to 1,14 % of GNI. Total commitment appropriations increase by 2,1 % compared to commitment appropriations in the 2022 budget. The resulting total margin under the 2023 ceiling for commitments in the MFF stands at EUR 446,4 million. The Commission proposes to mobilise the Flexibility Instrument in accordance with Article 12 of the MFF Regulation for an amount of EUR 515,4 million in headings 6 and 7.

Payment appropriations amount to EUR 166 268,2 million, corresponding to 1,02 % of GNI. This represents a -2,6 % decrease compared to payment appropriations in the 2022 budget, which is due to a decrease in the payments on outstanding commitments for the 2014-2020 Cohesion programmes, following high amounts of payments in recent years. Of this overall amount, EUR 111 282,0 million will be needed for payments relating to the outstanding commitments of the 2014-2020 MFF and for direct payments for agriculture. An estimated EUR 36 278,3 million will be needed to implement programmes and instruments under the 2021-2027 MFF. The remaining amount relates to special instruments, administrative support expenditure, decentralised agencies, pilot projects, preparatory actions, actions financed under the prerogatives of the Commission and other actions. The margin left under the payment ceiling of the MFF for 2023 amounts to EUR 5 513,7 million. This also leaves some room for manoeuvre to finance possible additional measures in response to the crisis in Ukraine, which may need to be included in an amending letter later in the year.

The European Union Recovery Instrument, 'NextGenerationEU', will have a total volume of EUR 807 billion in current prices from 2021 to 2023. NextGenerationEU is an exceptional instrument, put in place for a temporary period (up to the end of 2023 for commitment appropriations) and to be used exclusively for crisis response, recovery and resilience measures. The non-repayable part of NextGenerationEU constitutes external assigned revenue ⁽¹⁾ and is used to frontload financial support and target reform priorities, in particular through the Recovery and Resilience Facility, and to reinforce a number of programmes that are key to recovery. The RRF assists Member States with non-repayable support and loans of long maturity. The table below shows the overall amounts available from NextGenerationEU to programmes by heading, and the planned contribution both from the voted budget and NextGenerationEU in 2023.

(Commitment appropriations, in EUR million, current prices)

Heading	Total NextGenerationEU contribution 2021-2023	NextGenerationEU contribution – estimated annual instalment 2023	Draft budget 2023	Total 2023
1. Single Market, Innovation and Digital	11 439,6	4 299,3	21 567,6	25 866,9
2.a Economic, social and territorial cohesion	50 622,6	2,9	62 923,0	62 925,9
2.b Resilience and values	339 369,6	104 146,3	7 163,7	111 310,0
3 Natural Resources and Environment	21 117,3	5 472,2	57 222,6	62 694,7
4 Migration and Border Management			3 727,3	3 727,3
5 Security and Defence			1 901,1	1 901,1
6 Neighbourhood and the World			16 781,9	16 781,9
7 European Public Administration			11 448,8	11 448,8
S Thematic special instruments			2 855,2	2 855,2
Total	421 070,1	113 920,8	185 591,1	299 511,8

⁽¹⁾ Article 3 (3) of Regulation 2020/2094 states that: 'Commitment appropriations covering support as referred to in point (a) and (c) of Article 2 (2) shall be made available automatically up to the respective amounts referred to in those points as of the date of entry into force of the Own Resources Decision which provides for the empowerment referred to in Article 2 (1) of this Regulation'.

Heading	Total NextGenerationEU contribution 2021-2023	NextGenerationEU contribution – estimated annual instalment 2023	Draft budget 2023	Total 2023
Loans under the Recovery and Resilience Facility (outside EU budget)	391 022,4	225 639,7		
Total proceeding from NextGenerationEU	812 092,5	339 560,5		

To present the impact of NextGenerationEU in a transparent manner, information on the expected implementation of the external assigned revenue is shown together with the expenditure from the voted 2023 budget under the MFF. More detailed information is given in the relevant parts of Section 3. While NextGenerationEU is the centrepiece of the crisis response, various innovative new and redesigned programmes also contribute to this overall objective, as outlined below.

Heading 1, Single market, innovation and digital, is a strong centre for funding dedicated to innovation, strategic infrastructure and digital transformation. Horizon Europe will increase European support for health and climate and environment-related research and innovation activities. It will receive EUR 1 828,3 million in funding from NextGenerationEU in 2023 to scale up the research effort for challenges such as the COVID-19 pandemic, and for research and innovation in climate and environment-related domains. In addition, longer-term support to strategically important companies is provided through the InvestEU programme. The reinforcement of InvestEU from NextGenerationEU amounts to EUR 2 471,0 million in 2023. This heading also includes the proposed financing of the Commission's proposals for the European Chips Act ⁽¹⁾ and the Union secure connectivity programme ⁽²⁾.

In sub-heading 2a, Economic, social and territorial cohesion, expenditure for crisis repair measures from the REACT-EU initiative remains eligible until the end of 2023. This is in addition to the envelopes financed under the MFF. Moreover, in addition to the already available 5 % transfer possibility set out in Article 26 of the Common Provisions Regulation, the REPowerEU proposal allows Member States to transfer on a voluntary basis up to 7,5 % of their initial ERDF, CF and ESF+ allocations to the REPowerEU chapter of the RRF.

Sub-heading 2b, Resilience and values, contains the non-repayable part of the Recovery and Resilience Facility, for which EUR 103 463,2 million from NGEU should be committed in 2023, and the cost of the financing of NGEU, covered by the MFF appropriations. Based on the REPowerEU proposal, an amount of EUR 20 billion from auctioning of allowances from the Market Stability Reserve under the emission trading scheme would complement the RRF funding under the REPowerEU module of the RRF. This sub-heading also includes flagship European programmes such as EU4Health, Erasmus+, Creative Europe, the Citizens, Equality, Rights and Values programme, and the Union Civil Protection Mechanism (UCPM)/rescEU, which will benefit from additional funding through NextGenerationEU in 2023 (EUR 683,1 million). To increase emergency and crisis preparedness in the Union, the Commission proposes to frontload an amount of EUR 45 million for UCPM, which will be compensated by an equivalent reduction in 2024-2027. The increase in 2023 will be fully covered by savings in the same heading.

Heading 3, Natural resources and environment, aims to make a substantial contribution to the European Green Deal, and includes the funding for the Just Transition Fund, both under the MFF and NextGenerationEU, which will reinforce the JTF by EUR 5 472,2 million in 2023. The year 2023 will also be the first year of implementation of the reformed Common Agricultural Policy (CAP). The CAP Strategic Plans of the Member States will cover the years 2023-2027, with largely consolidated interventions under the European Agricultural Guarantee Fund (EAGF) and the European Agricultural Fund for Rural Development (EAFRD) under common objectives set at Union level. Moreover, the REPowerEU proposal allows Member States to transfer on a voluntary basis up to 12,5 % of their initial EAFRD allocations to the REPowerEU chapter of the RRF.

⁽¹⁾ COM(2022) 46, 8.2.2022.

⁽²⁾ COM(2022) 57, 15.2.2022.

Heading 4, Migration and border management, brings together all funding dedicated to protection of the external borders of the EU, with the Integrated Border Management Fund, and support to Member States in the area of asylum and migration. Russia's invasion of Ukraine, which resulted in millions of people fleeing Ukraine and seeking safety in the Member States, again underlined the importance of these policies. The agencies working in this field represent a substantial proportion of the heading, and the EU contribution increases notably for the European Border and Coast Guard Agency (FRONTEX, + EUR 134,2 million) in connection with its new mandate, including the build-up of the standing corps of Border Guards.

Heading 5, Security and defence, contributes to the new Secure Connectivity programme, and brings together the Internal Security Fund, the European Defence Fund, the nuclear safety and decommission activities and the agencies active in the area of security. This concerns in particular EUROPOL, for which a reinforced mandate was recently agreed. The crisis in Ukraine reinforces the importance of defence, as set out in the Commission's analysis of the defence investment gaps ⁽¹⁾, and further measures will be included in an amending letter, in particular in light of the upcoming proposal to create a dedicated short-term instrument to incentivise Member States to pursue joint procurement between the Member States to fill the most urgent and critical gaps.

Heading 6, Neighbourhood and the world, reflects the full extent of the Union's external policies expenditure, for which the introduction of the Neighbourhood, Development and International Cooperation Instrument – Global Europe has brought about a major restructuring and streamlining. The heading finances actions to address global challenges, including assistance related to the invasion of Ukraine, humanitarian aid, support for Syrian refugees and Afghanistan, as well as measures to fight the COVID-19 pandemic. The Flexibility Instrument is proposed to be mobilised for an amount of EUR 452,9 million, specifically to provide the necessary funding for Syrian refugees in Turkey.

Heading 7, European public administration, allows for the proper functioning of the European institutions, as well as financing pensions and supporting the running of the European schools. Heading 7 will be under particular pressure in both 2022 and 2023 due to the high levels of inflation and the rising energy prices, which have a direct impact on the costs of administration. The commitment to the 2 % limit on the growth of non-salary related expenditure is maintained – with the exception of the European Parliament – by very severe measures of reprioritisation. Nevertheless, in order to respect all legal obligations, the margin under the sub-ceiling is fully depleted, and recourse to special instruments is necessary. As a consequence, the Flexibility Instrument is proposed to be mobilised for an amount of EUR 62,5 million.

The Commission has integrated the statement of estimates from the European Parliament, the Council and the Committee of the Regions without any changes. The estimates of the other six institutions have been adjusted, to respect the commitments not to increase the number of posts. Details are presented in section 3.7.3 below.

Staffing adjustments in the Commission result mostly from the offsetting of additional staff in the executive agencies, which the Commission uses more extensively to increase efficiency and effectiveness in the management of spending programmes. The six new executive agencies have become operational as from 1 April 2021, and the 2023 draft budget includes their activities in line with the delegation package adopted by the College in February 2021, after consulting the European Parliament and the Council.

The draft budget request for decentralised agency staffing and appropriations takes account of the agreement reached on the 2022 budget. While the evolution varies across agencies, overall the EU contribution from the budget increases by 6,8 % relative to the 2022 budget. This is mostly due to the programmed reinforcement of FRONTEX, in view of its border guards mandate, whereas the Commission also proposes to take account of the impact of inflation on staff expenditure in the budgets of the decentralised agencies. The number of agency establishment plan posts increases by 188 posts for all (fully or partially) EU-financed decentralised agencies. This is mostly due to the expanded mandates of EUROPOL and the European Union Agency for the Space Programme (EUSPA), as well as the proposed reinforcement of the European Medicines Agency (EMA).

(1) JOIN(2022) 24, 18.5.2022.

Section 3 of this budget document provides more details on the main programmes, instruments and actions financed within each expenditure heading. The tables by cluster give an exhaustive picture of all programmes and instruments, including for information purposes the contribution from NextGenerationEU, and present the support and completion activities relating to each programme in the same place. The outstanding commitments of each programme are also shown in detail in these tables, to which the request for payment appropriations can be easily compared.

Section 4 presents in more detail the request for human resources in the EU institutions, Commission administrative expenditure outside heading 7, agencies and other bodies, actions without a specific legal base, and information on the contribution of the budget to climate action and biodiversity over the 2021-2027 period. As a new element, this section also presents information related to gender equality, for which the Commission has developed a new methodology.

Section 5 gives an overview of instruments relevant to the budget outside the MFF ceilings, which are grouped within one title (Title 16) of the budget.

3. KEY ASPECTS OF THE 2023 DRAFT BUDGET BY FINANCIAL FRAMEWORK HEADINGS

3.1. Heading 1 – Single market, innovation and digital

Over the past two years, almost all sectors of the European economy have been heavily impacted by the COVID-19 pandemic, and they are currently further affected by the consequences of the war in Ukraine and rapidly rising price levels, especially for energy. Europe's success in launching a wide recovery effort and building its future prosperity depends on today's investment decisions, for which the EU budget and NextGenerationEU provide a vital source of funding. Smarter investments will boost the modernisation and greening of our economy, in particular by reducing energy consumption and addressing Europe's dependence on fossil energy sources. Stepping up investment now in areas such as research and innovation, strategic infrastructure, digital transformation, secure connectivity, space and the Single Market will be key to unlocking future growth and tackling common challenges such as open strategic autonomy, decarbonisation and demographic change.

3.1.1. Summary table for commitment (CA) and payment (PA) appropriations

(in million EUR, rounded figures at current prices)

Heading 1 Single Market, Innovation and Digital by clusters	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
— Research and Innovation	13 639,2	12 909,8	13 236,8	13 558,0	402,4	- 648,2	3,0 %	-4,8 %	25 371,7
<i>Contribution from NextGenerationEU</i>	1 828,3	1 752,7	1 772,3	1 977,1	56,0	- 224,4	3,2 %	-11,4 %	
<i>Re-use of decommitments under FR Article 15(3)</i>	158,8		117,3		41,5		35,4 %		
<i>Total Research and Innovation</i>	15 626,4	14 662,5	15 126,4	15 535,2	500,0	- 872,6	3,3 %	-5,6 %	25 371,7
— European Strategic Investments	4 775,1	4 787,2	5 509,2	4 855,5	- 734,1	- 68,3	-13,3 %	-1,4 %	16 814,3
<i>Contribution from NextGenerationEU</i>	2 471,0	1 230,0	1 818,0	1 240,5	653,0	- 10,5	35,9 %	-0,8 %	
<i>Total European Strategic Investment</i>	7 246,1	6 017,2	7 327,2	6 096,0	- 81,1	- 78,8	-1,1 %	-1,3 %	16 814,3
— Single Market	927,1	940,1	952,6	903,7	- 25,5	36,5	-2,7 %	4,0 %	1 150,0
— Space	2 226,2	2 264,0	2 076,5	2 156,4	149,6	107,6	7,2 %	5,0 %	1 379,1
Total voted appropriations	21 567,6	20 901,1	21 775,1	21 473,5	- 207,5	- 572,4	-1,0 %	-2,7 %	44 715,2
Ceiling	21 727,0		21 878,0						
Margin	159,4		102,9						
<i>Contribution from NextGenerationEU</i>	4 299,3	2 982,7	3 590,3	3 217,6					
<i>Re-use of decommitments under FR Article 15(3)</i>	158,8		117,3						
Total available	26 025,7	23 883,8	25 482,7	24 691,2	543,0	- 807,4	2,1 %	-3,3 %	44 715,2

3.1.2. Research and innovation cluster

(in million EUR, rounded figures at current prices)

Research and Innovation cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
Horizon Europe	12 342,9	11 903,6	12 239,2	12 559,3	103,7	- 655,8	0,8 %	-5,2 %	23 694,5
— Excellent Science (Pillar I)	3 301,6	2 248,9	3 238,4	1 313,8	63,2	935,0	2,0 %	71,2 %	2 997,6
— Global Challenges and European Industrial Competitiveness (Pillar II)	6 068,1	4 237,6		4 150,3	24,3	87,3	0,4 %	2,1 %	5 576,3
— Innovative Europe (Pillar III)	1 619,4	1 084,9	1 598,4	1 274,8	21,1	- 189,9	1,3 %	-14,9 %	1 343,8
— Widening participation and strengthening the European Research Area	432,6	303,2	462,9	333,7	- 30,3	- 30,5	-6,6 %	-9,1 %	363,1
— Horizontal operational activities	157,7	117,8	161,7	147,1	- 4,0	- 29,3	-2,5 %	-19,9 %	88,2
— Support expenditure for Horizon Europe	763,6	763,6	734,1	734,1	29,5	29,5	4,0 %	4,0 %	
— Completion of previous programmes and activities	p.m.	3 147,6	p.m.	4 605,6		- 1 457,9		-31,7 %	13 325,4
Euratom Research and Training Programme	276,5	274,3	270,7	314,5	5,8	- 40,2	2,1 %	-12,8 %	237,1
— Fusion research and development	110,6	107,5	106,8	101,6	3,8	5,9	3,5 %	5,8 %	3,0
— Nuclear fission, safety and radiation protection (indirect actions)	50,5	0,4	48,8	52,1	1,7	- 51,7	3,5 %	-99,2 %	46,1
— Nuclear direct actions of the Joint Research Centre	8,1	7,0	8,1	7,0		- 0,0		-0,4 %	6,9
— Support expenditure	107,3	107,3	107,0	107,0	0,3	0,3	0,3 %	0,3 %	5 576,3
— Completion of previous programmes and activities	p.m.	52,1	p.m.	46,7		5,4		11,6 %	181,1
International Thermonuclear Experimental Reactor (ITER)	1 019,8	721,2	710,1	667,8	309,8	53,4	43,6 %	8,0 %	1 311,7
— Construction, operation and exploitation of the ITER facilities — European Joint Undertaking for ITER — and the Development of Fusion Energy	1 012,1	563,5	703,0	273,5	309,1	290,0	44,0 %	106,0 %	600,1

Research and Innovation cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
— Support expenditure	7,7	7,7	7,1	7,1	0,6	0,6	8,5 %	8,5 %	
— Completion of previous programmes and activities	p.m.	150,0	p.m.	387,2		- 237,2		-61,3 %	711,7
Pilot projects, preparatory actions, prerogatives and other actions	p.m.	10,7	16,8	16,4	- 16,8	- 5,7	-100,0 %	-34,6 %	128,5
— Pilot projects	p.m.	5,8	8,8	6,5	- 8,8	- 0,7	-100,0 %	-10,8 %	10,6
— Preparatory actions	p.m.	4,9	8,0	9,9	- 8,0	- 5,0	-100,0 %	-50,3 %	11,5
— Other actions	p.m.	p.m.	p.m.	p.m.					106,1
— Research programme for steel	p.m.	p.m.	p.m.	p.m.					54,7
— Research programme for coal	p.m.	p.m.	p.m.	p.m.					18,1
— Provision of services and work on behalf of outside bodies — Joint Research Centre	p.m.	p.m.	p.m.	p.m.					2,7
— Scientific and technical support for Union policies on a competitive basis — Joint Research Centre	p.m.	p.m.	p.m.	p.m.					30,2
— Operation of the high-flux reactor (HFR) — HFR supplementary research programme	p.m.	p.m.	p.m.	p.m.					0,4
Completion of previous programmes and activities	p.m.	p.m.	p.m.	p.m.					0,3
Total Research and Innovation cluster	13 639,2	12 909,8	13 236,8	13 558,0	402,4	- 648,2	3,0 %	-4,8 %	25 371,7

3.1.2.1. Priorities for 2023

Europe's success increasingly depends on its ability to transform excellent scientific results into innovation that has a beneficial impact on our economy and quality of life, and creates new markets with more skilled jobs. To achieve this aim, **Horizon Europe** supports the whole research and innovation (R&I) cycle in an integrated manner, focusing on four key strategic orientations as defined in the strategic plan for 2021-2024:

- **Promoting an open strategic autonomy** by leading the development of key digital, enabling and emerging technologies, sectors and value chains to accelerate and steer the digital and green transitions through human-centred technologies and innovations;
- **Restoring Europe's ecosystems and biodiversity**, and managing sustainably natural resources to ensure food security and a clean and healthy environment;
- **Making Europe the first digitally enabled circular, climate-neutral and sustainable economy** through the transformation of its mobility, energy, construction and production systems; and
- **Creating a more resilient, inclusive and democratic European society**, prepared and responsive to threats and disasters (including pandemic risks, for which HERA will steer the related research activities), addressing inequalities and providing high-quality health care, and empowering all citizens to act in the green and digital transitions.

Horizon Europe consists of three interconnected pillars and a fourth component:

- The *Excellent Science* pillar I supports frontier research projects designed and driven by researchers through the European Research Council (ERC). It also funds fellowships and mobility of researchers through Marie Skłodowska-Curie actions, and invests in world-class research infrastructures.
- The *Global Challenges and European Industrial Competitiveness* pillar II supports research into societal challenges, reinforces technological and industrial capacities, and sets missions with ambitious goals tackling some of the EU's most challenging problems, such as health, climate change, clean energy, mobility, security, digital and materials. It will also support partnerships with Member States, industry and other stakeholders. It includes action by the Joint Research Centre that supports EU and national policymakers with independent scientific evidence and technical support.
- The *Innovative Europe* pillar III aims to make Europe a frontrunner in market-creating innovation and SME growth through the European Innovation Council (EIC). The EIC is a key novelty of Horizon Europe: a one-stop shop to bring the most promising ideas and innovations from lab to real-world application and help the most innovative start-ups and companies to scale up. The European Institute of Innovation and Technology (EIT) will continue to foster the integration of business, research, higher education and entrepreneurship.
- A fourth component, *Widening participation and strengthening the European Research Area* underpins the whole of Horizon Europe. It will support Member States to unlock their national research and innovation potential and will especially help low research and innovation performing Member States to increase their participation in Horizon Europe.

EU Missions are a key novelty brought by Horizon Europe to create concrete solutions to some of our greatest challenges. The five running Missions cover the following areas of key importance: 'adaptation to climate change including societal transformation', 'cancer', 'healthy oceans, seas, coastal and inland waters', 'climate-neutral and smart cities' and 'health soil and food'. All these EU Missions have ambitious goals and will deliver concrete results by 2030, by putting research and innovation into a new role, combined with new forms of governance and collaboration, as well as by closely engaging citizens. For instance, since climate mitigation is heavily dependent on urban action, cities need to be supported in accelerating their green and digital transformation. In particular, European cities can substantially contribute to the Green Deal target of reducing emissions of greenhouse gases by 55 % by 2030 and, in more practical terms, to offer cleaner air, safer transport and less congestion and noise to their citizens.

Horizon Europe is also based on significantly strengthened international cooperation; a commitment to the principle of open science which goes beyond the open access policy of Horizon 2020; a more impact-focussed approach to partnerships ⁽¹⁾, with the aim of consolidating and rationalising their number.

European support for health, digital and climate related research and innovative activities will be further reinforced by NextGenerationEU external assigned revenue of about EUR 1,8 billion in 2023, bringing the overall available commitment appropriations for the Horizon Europe programme in 2023 to EUR 14,2 billion. The split among the clusters stems directly from Articles 12 and 13 of the Horizon Europe basic act ⁽²⁾.

(in million EUR, rounded figures at current prices)

Programme	Name	Line	Draft budget 2023		Contribution from NextGenerationEU		Total	
			CA	PA	CA	PA	CA	PA
Horizon Europe			12 342,9	11 903,6	1 828,3	1 752,7	14 171,2	13 656,3
Of which:	Cluster Health	01 02 02 10	536,1	160,6	454,2	299,3	990,3	459,9
	Cluster Digital, Industry and Space	01 02 02 40	1 073,3	990,8	453,7	331,2	1 527,0	1 322,0
	Cluster Climate, Energy and Mobility	01 02 02 50	1 108,9	524,1	453,0	553,2	1 561,8	524,1
	European Innovation Council	01 02 03 01	1 159,8	688,8	449,8	551,5	1 609,6	1 240,3
	Support expenditure for "Horizon Europe"	01 01 01	763,6	763,6	17,6	17,6	781,2	781,2

For 2023, it is proposed to make available again commitment appropriations on the research budget lines for a total of EUR 78,8 million. The allocation by cluster respects the political agreement reached on the basic act of Horizon Europe in May 2021 ⁽³⁾, for the tranche of EUR 78,8 million corresponding to the MFF agreement (to top up Horizon Europe by EUR 500 million in 2018 prices in accordance with Article 15(3) of the Financial Regulation).

(in million EUR, rounded figures at current prices)

Programme	Name	Line	2023 Draft budget	Re-use of decommitments under FR Article 15(3)	Total
			CA	CA	CA
Horizon Europe			12 342,9	78,8	12 421,7
Of which:	Cluster Culture, Creativity and Inclusive Society	01 02 02 20	263,0	15,8	278,8
	Cluster Digital, Industry and Space	01 02 02 40	1 073,3	47,3	1 120,6
	Cluster Climate, Energy and Mobility	01 02 02 50	1 108,9	15,8	1 124,6

⁽¹⁾ This includes institutionalised cooperation using TFEU Article 185 and 187 bodies, the Knowledge and Innovation Communities under the EIT and other, non-institutionalised types of cooperation.

⁽²⁾ Regulation (EU) 2021/695 of the European Parliament and of the Council of 28 April 2021 establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination, and repealing Regulations (EU) No 1290/2013 and (EU) No 1291/2013.

⁽³⁾ As per the joint political statement on the re-use of decommitted funds in Horizon Europe endorsed by the European Parliament, the Council and the Commission (OJ C 185, 12.5.2021, p. 1–3).

Moreover, in the context of the European Chips Act, the Commission has proposed to make available again to Horizon Europe an additional amount of EUR 400 million in current prices over 2023-2027 of which EUR 80 million in 2023. This is intended to compensate Horizon Europe for the redeployment of EUR 400 million from its cluster 4 'Digital, Industry and Space' to the Digital Europe Programme.

(in million EUR, rounded figures at current prices)

Programme	Name	Line	2023 Draft budget	Re-use of commitments under FR Article 15(3) - MFF agreement	Re-use of commitments under FR Article 15(3) - Chips Act	Total
			CA	CA	CA	CA
Horizon Europe			12 342,9	78,8	80,0	12 501,7
Of which:	Cluster Culture, Creativity and Inclusive Society	01 02 02 20	263,0	15,8		278,8
	Cluster Digital, Industry and Space	01 02 02 40	1 073,3	47,3	80,0	1 200,6
	Cluster Climate, Energy and Mobility	01 02 02 50	1 108,9	15,8		1 124,7

Additionally, the total (voted) appropriations of Horizon Europe include the specific reinforcement under Article 5 of the MFF Regulation, which have been established with the technical adjustment of the MFF for 2023 as foreseen in Article 4(1)(e) of the MFF Regulation. For Horizon Europe, this represents EUR 451,5 million in commitment appropriations. The table below shows the details of this reinforcement by budget line, which is also in line with the Horizon Europe basic act.

(in million EUR, rounded figures at current prices)

Programme	Name	Line	Draft budget 2023	Of which, allocation under MFFR Article 5
			CA	CA
Horizon Europe			12 342,9	451,5
Of which:	European Research Council	01 02 01 01	2 126,2	122,3
	Marie Skłodowska-Curie actions	01 02 01 02	864,1	33,4
	Research infrastructures	01 02 01 03	311,3	27,3
	Cluster Culture, Creativity and Inclusive Society	01 02 02 20	263,0	97,1
	Cluster Civil Security for Society	01 02 02 30	164,2	36,4
	Cluster Digital, Industry and Space	01 02 02 40	1 073,3	24,3
	Cluster Climate, Energy and Mobility	01 02 02 50	1 108,9	24,3
	European Innovation Ecosystems	01 02 03 02	67,6	8,5
	European Institute of Innovation and Technology (EIT)	01 02 03 03	392,0	30,4
	Widening Participation and Spreading Excellence	01 02 04 01	382,7	14,0
	Reforming and Enhancing the European R&I System	01 02 04 02	49,9	8,5
	Horizontal Operational Activities	01 02 05	157,7	4,9
	Support expenditure for "Horizon Europe"	01 01 01	763,6	20,1

Finally, following the request of Member States to transfer resources pursuant to Article 26 of the Common Provisions Regulation (CPR) ⁽¹⁾, additional resources can be implemented under Horizon Europe in accordance with the rules of the instrument, for the benefit of the Member State concerned. The appropriations are inscribed or transferred to these budget lines depending on the adoption date of the corresponding Partnership Agreements.

Programme	Name	Line	Draft budget 2023	
			CA	PA
Horizon Europe			p.m.	p.m.
Of which:	Horizon Europe — Contribution from the ERDF	05 02 09	p.m.	p.m.
	Horizon Europe — Contribution from the CF	05 03 07	p.m.	p.m.
	Horizon Europe — Contribution from the ESF+	07 02 11	p.m.	p.m.

The **Euratom** research and training programme ⁽²⁾ supports nuclear research and training activities. The programme aims at enhancing nuclear safety and protection from ionising radiation, including through safe waste management and decommissioning research activities. The programme also focuses on the development of fusion energy, a potentially low carbon base-load power source. Through the Joint Research Centre (JRC), the programme also provides independent scientific advice in support of the implementation of European policies in the field of nuclear safety, spent fuel, radioactive waste management and radiation protection. It also provides support to the EU nuclear safeguards system to build up nuclear security. In addition, the JRC provides support to the EU nuclear safeguards system and helps to build up nuclear security.

The EU budget also continues to fund the European Union's contribution to the development of the **International Thermonuclear Experimental Reactor** (ITER) ⁽³⁾ project constructing an international experimental facility, which will develop fusion as a viable source of safe and environmentally friendly energy for the future.

⁽¹⁾ Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy, OJ L 231, 30.6.2021, p. 159.

⁽²⁾ Council Regulation (Euratom) 2021/765 of 10 May 2021 establishing the Research and Training Programme of the European Atomic Energy Community for the period 2021-2025 complementing Horizon Europe – the Framework Programme for Research and Innovation and repealing Regulation (Euratom) 2018/1563.

⁽³⁾ Council Decision (Euratom) 2021/281 of 22 February 2021 amending Decision 2007/198/Euratom establishing the European Joint Undertaking for ITER and the Development of Fusion Energy and conferring advantages upon it.

3.1.3. European strategic investments cluster

(in million EUR, rounded figures at current prices)

European Strategic Investments cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
InvestEU Fund	340,7	389,8	1 196,6	1 032,4	- 855,9	- 642,6	-71,5 %	-62,2 %	4 033,9
— Guarantee for the InvestEU Fund	p.m.	p.m.	p.m.	p.m.					
— EU guarantee – from the InvestEU Fund – Provisioning of the common provisioning fund	339,7	100,0	1 163,7	50,0	- 824,0	50,0	-70,8 %	100,0 %	2 118,1
— InvestEU Advisory Hub, InvestEU Portal and accompanying measures	p.m.	12,8	31,9	21,8	- 31,9	- 9,0	-100,0 %	-41,4 %	18,0
— Support expenditure	1,0	1,0	1,0	1,0					
— Completion of previous financial instruments — Provisioning of the common provisioning fund	p.m.	276,1	p.m.	959,7		- 683,6		-71,2 %	1 897,8
Connecting Europe Facility (CEF)	2 897,5	2 866,4	2 841,6	2 732,5	55,9	133,9	2,0 %	4,9 %	11 519,3
— Connecting Europe Facility (CEF) — Transport	1 783,1	974,0	1 749,0	858,7	34,1	115,3	1,9 %	13,4 %	1 791,2
— Connecting Europe Facility (CEF) — Energy	810,6	246,0	795,7	245,6	15,0	0,4	1,9 %	0,2 %	788,1
— Connecting Europe Facility (CEF) — Digital	283,7	197,6	277,2	194,2	6,4	3,5	2,3 %	1,8 %	274,4
— Support expenditure for the Connecting Europe Facility — Transport	9,7	9,7	9,3	9,3	0,4	0,4	4,6 %	4,6 %	
— Support expenditure for the Connecting Europe Facility — Energy	5,0	5,0	4,8	4,8	0,2	0,2	4,8 %	4,8 %	
— Support expenditure for the Connecting Europe Facility — Digital	5,4	5,4	5,7	5,7	- 0,2	- 0,2	-4,4 %	-4,4 %	
— Completion of previous programmes and activities	p.m.	1 428,6	p.m.	1 414,3		14,3		1,0 %	8 665,6
Digital Europe Programme	1 310,4	1 288,2	1 247,8	848,5	62,7	439,6	5,0 %	51,8 %	1 133,0
— Cybersecurity	203,4	240,9	271,3	128,0	- 67,9	112,9	-25,0 %	88,2 %	240,9
— High-performance computing	343,8	271,4	357,6	287,2	- 13,8	- 15,8	-3,9 %	-5,5 %	312,7

European Strategic Investments cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
— Artificial intelligence	226,3	383,9	332,5	214,8	- 106,2	169,0	-31,9 %	78,7 %	330,6
— Skills	66,9	71,5	92,9	49,0	- 26,0	22,5	-28,0 %	45,8 %	85,7
— Deployment	162,6	146,2	172,9	144,7	- 10,3	1,5	-5,9 %	1,0 %	156,7
— Semiconductors	286,9	153,7			286,9	153,7	100 %	100 %	
— Support expenditure	20,5	20,5	20,5	20,5	- 0,0	- 0,0	-0,0 %	-0,0 %	
— Completion of previous programmes and activities	p.m.	0,2	p.m.	4,3		- 4,1		-95,8 %	6,4
Decentralised agencies	202,4	202,4	192,7	192,7	9,7	9,7	5,0 %	5,0 %	35,7
— European Union Aviation Safety Agency (EASA)	43,0	43,0	39,1	39,1	3,9	3,9	9,9 %	9,9 %	
— European Maritime Safety Agency (EMSA)	85,5	85,5	82,7	82,7	2,8	2,8	3,4 %	3,4 %	35,7
— European Union Agency for Railways (ERA)	27,3	27,3	26,2	26,2	1,2	1,2	4,5 %	4,5 %	
— European Union Agency for Cybersecurity (ENISA)	24,2	24,2	22,9	22,9	1,3	1,3	5,5 %	5,5 %	
— Agency for Support for BEREC (BEREC Office)	7,6	7,6	7,3	7,3	0,3	0,3	4,2 %	4,2 %	
— European Union Agency for the Cooperation of Energy Regulators (ACER)	14,7	14,7	14,5	14,5	0,2	0,2	1,5 %	1,5 %	
Pilot projects, preparatory actions, prerogatives and other actions	24,0	40,4	30,5	49,3	- 6,4	- 9,0	-21,2 %	-18,2 %	92,4
— Pilot projects	p.m.	9,5	4,0	16,0	- 4,0	- 6,5	-100,0 %	-40,6 %	27,6
— Preparatory actions	p.m.	7,1	2,9	10,1	- 2,9	- 3,0	-100,0 %	-29,7 %	23,9
— Other actions	p.m.	p.m.	p.m.	p.m.					
— European Investment Fund — Provision of paid-up shares of subscribed capital	p.m.	p.m.	p.m.	p.m.					
— Nuclear safety — Cooperation with the European Investment Bank	p.m.	p.m.	p.m.	p.m.					
— Support expenditure for other actions	p.m.	p.m.							

European Strategic Investments cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
— Actions financed under the prerogatives of the Commission and specific powers conferred to the Commission	24,0	23,8	23,6	23,2	0,4	0,5	1,8 %	2,3 %	40,9
Total European Strategic Investments cluster	4 775,1	4 787,2	5 509,2	4 855,5	- 734,1	- 68,3	-13,3 %	-1,4 %	16 814,3

3.1.3.1. Priorities for 2023

The InvestEU programme ⁽¹⁾ is a crucial component of the Recovery Plan for Europe. It will be endowed with an EU budgetary guarantee of EUR 26,2 billion, covered by EUR 10,5 billion provisioned from the MFF and NextGenerationEU over the period. The InvestEU guarantee is expected to mobilise more than EUR 372 billion over the period to support investment in key EU policy priority areas, including the green and digital transitions, research and innovation, the European health sector and strategic technologies. The funding profile of voted budget appropriations for InvestEU in 2022 and 2023 takes account of the additional funding available under NextGenerationEU, which increases substantially in 2023 as compared to 2022.

Following the request of Member States to transfer resources pursuant to Article 14 of the CPR, additional resources can be implemented under InvestEU in accordance with the rules of the instrument, for the benefit of the Member State concerned. The appropriations are inscribed or transferred to these budget lines depending on the adoption date of the corresponding Partnership Agreements. On a voluntary basis, Member States can allocate to InvestEU up to 5 % of their shared management funds and, in addition, up to 4 % of the recovery and resilience plan's total financial allocation under the Recovery and Resilience Facility.

Programme	Name	Line	Draft budget 2023	
			CA	PA
InvestEU Fund			p.m.	p.m.
Of which:	InvestEU Fund — Contribution from the ERDF	05 02 06	p.m.	p.m.
	InvestEU Fund — Contribution from the CF	05 03 04	p.m.	p.m.
	InvestEU Fund — Contribution from the ESF+	07 02 08	p.m.	p.m.
	InvestEU Fund — Contribution from the EAFRD	08 03 04	p.m.	p.m.
	InvestEU Fund — Contribution from the EMFAF	08 04 04	p.m.	p.m.

The InvestEU Fund and the InvestEU Hub will receive EUR 6,1 billion of external assigned revenues from NextGenerationEU, of which EUR 2,5 billion is planned in 2023.

(in million EUR, rounded figures at current prices)

Programme	Name	Line	Draft budget 2023		Contribution from NextGenerationEU		Total	
			CA	PA	CA	PA	CA	PA
InvestEU Fund			340,7	389,8	2 471,0	1 230,0	2 811,7	1 619,8
Of which:	InvestEU Guarantee - Provisioning of the Common Provisioning Fund (CPF)	02 02 02	339,7	100,0	2 420,0	1 200,0	2 759,7	1 300,0
	InvestEU Advisory Hub, Portal and accompanying measures	02 02 03	p.m.	12,8	50,5	29,5	50,5	42,3
	Support expenditure for "InvestEU"	02 01 10	1,0	1,0	0,5	0,5	1,5	1,5

Additionally, the total voted appropriations of InvestEU include the specific reinforcement stemming from Article 5 of the MFF Regulation, which have been established with the technical adjustment of the MFF for 2023 as foreseen in Article 4(1)(e) of the MFF Regulation. For InvestEU, this represents EUR 150,5 million in commitment appropriations.

⁽¹⁾ Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017.

(in million EUR, rounded figures at current prices)

Programme	Name	Line	Draft budget 2023	Of which, allocation under MFFR Article 5
			CA	CA
InvestEU Fund			340,7	150,5
Of which:	Support expenditure for the InvestEU Programme	02 01 10	1,0	
	InvestEU Guarantee - Provisioning of the Common Provisioning Fund (CPF)	02 02 02	339,7	150,5
	InvestEU Advisory Hub, Portal and accompanying measures	02 02 03	p.m.	

The European Investment Bank Group is InvestEU's main implementing partner, complemented by other partners such as national promotional banks or international financial institutions. InvestEU anchors all centrally managed financial instruments inside the EU in a single, streamlined structure, so as to reduce overlaps, simplify access to funding and reduce administrative burden.

Finally, InvestEU contributes to the Just Transition Mechanism through a dedicated Just Transition scheme established horizontally across all policy windows under the InvestEU Fund.

Cross-border infrastructure is the backbone of the Single Market, allowing goods, services, businesses and citizens to move freely across borders. Through the **Connecting Europe Facility** (CEF), the Union continues to invest in trans-European transport, digital and energy networks, by exploiting the synergies between transport, digital and energy infrastructure, for example through developing alternative fuels infrastructure or sustainable and smart grids underpinning the Digital Single Market and the Energy Union. Part of the Cohesion Fund allocation (EUR 11,2 billion in total, of which EUR 1 541,2 million in 2023), will be implemented under the Connecting Europe Facility for transport projects offering high European added value.

The COVID-19 pandemic has further highlighted the critical role of digital technologies and infrastructures and it has demonstrated how our societies and economies rely on digital solutions. In order to bridge the current digital investment gap, the **Digital Europe Programme** ⁽¹⁾ helps shaping Europe's digital future, a key priority of the Union. In particular, the Digital Europe programme reinforces EU critical digital capacities by focusing on the key areas of artificial intelligence, cybersecurity, advanced computing, data infrastructure, governance and processing, and their interoperability and deployment and best use in critical sectors like energy and environment, manufacturing, agriculture and health. Given that the programme is strategic in supporting the digital transformation of Europe's society and economy, in the context of the European Chips Act the Commission has proposed to enhance the Digital Europe Programme with a new, sixth objective dedicated to semiconductors. The corresponding amendment to the basic acts of the Digital Europe Programme and the Joint Undertakings will *inter alia* allow the programme to contribute to the Chips Joint Undertaking (former Key Digital Industries Joint Undertaking), jointly with Horizon Europe, to enable the Union double to its market share on semiconductors to 20 % by 2030.

In the Draft Budget 2023, the Commission proposes to make an amount of EUR 415 million available for this purpose within Horizon Europe, whereas a further amount of EUR 287 million is redeployed from Horizon Europe, the Connecting Europe Facility or redeployed within the Digital Europe Programme. EU funding will support the Chips for Europe Initiative, which aims to support large-scale technological capacity building and innovation in the Union. The Initiative will support the development of pilot lines to prototype and scale up innovation, to bridge from the lab to the fab. The pilot lines will be open to users on a non-discriminatory basis and will provide benefits to all actors across the European Union, including researchers, designers and SMEs. The initiative will also support design capacities and a network of competence centres across the Union.

⁽¹⁾ Regulation (EU) 2021/694 of the European Parliament and of the Council of 29 April 2021 establishing the Digital Europe Programme and repealing Decision (EU) 2015/2240.

Following the request of Member States to transfer resources pursuant to Article 26 of the CPR, additional resources can be implemented under the Digital Europe Programme in accordance with the rules of the instrument, for the benefit of the Member State concerned. The appropriations are inscribed or transferred to these lines depending on the adoption date of the corresponding Partnership Agreements.

Programme	Name	Line	Draft budget 2023	
			CA	PA
Digital Europe Programme			p.m.	p.m.
Of which:	Digital Europe — Contribution from the ERDF	05 02 10	p.m.	p.m.
	Digital Europe — Contribution from the CF	05 03 08	p.m.	p.m.
	Digital Europe — Contribution from the ESF+	07 02 12	p.m.	p.m.

Decentralised agencies (European Union Aviation Safety Agency (EASA), European Maritime Safety Agency (EMSA), European Union Agency for Railways (ERA), European Union Agency for Cybersecurity (ENISA), Body of European Regulators for Electronic Communications (BEREC) and European Union Agency for the Cooperation of Energy Regulators (ACER)) contribute to the security and transparent functioning of EU cross-border networks in the areas of transport, energy, electronic communications and information. More detailed information on the role of the agencies, their staffing and the EU contribution to their budgets can be found in section 4.3.1.

3.1.4. Single market cluster

(in million EUR, rounded figures at current prices)

Single Market cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Out-standing commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
Single Market Programme (incl. SMEs)	592,8	610,3	613,5	580,0	- 20,7	30,3	-3,4 %	5,2 %	941,3
— Making the internal market more effective	74,4	76,2	77,6	58,0	- 3,2	18,2	-4,2 %	31,4 %	67,3
— Improving the competitiveness of enterprises, particularly SMEs, and supporting their access to markets	126,4	132,1	151,4	67,6	- 25,1	64,5	-16,6 %	95,4 %	108,2
— European standardisation and international financial reporting and auditing standards	32,3	27,6	30,1	19,5	2,2	8,1	7,2 %	41,6 %	20,9
— Empowering consumer and civil society and ensuring high level of consumer protection and product safety including the participation of end users in financial services policy-making	25,1	18,8	25,0	19,0	0,1	- 0,1	0,6 %	-0,8 %	22,9
— Producing and disseminating high quality statistics on Europe	75,7	42,5	75,0	37,0	0,7	5,5	0,9 %	14,9 %	74,3
— Contributing to a high level of health and welfare for humans, animals and plants	231,3	202,0	225,8	170,0	5,5	32,0	2,4 %	18,8 %	209,5
— Support expenditure	27,6	27,6	28,5	28,5	- 0,9	- 0,9	-3,3 %	-3,3 %	
— Completion of previous programmes and activities	p.m.	83,5	p.m.	180,4		- 96,9		-53,7 %	438,1
EU Anti-Fraud Programme	24,8	26,4	24,4	31,1	0,5	- 4,7	2,0 %	-15,2 %	32,8
— Preventing and combatting fraud, corruption and any other illegal activities affecting the financial interests of the Union	15,7	16,1	15,4	12,7	0,2	3,4	1,5 %	27,1 %	14,9
— Support the reporting of irregularities, including fraud	1,0	1,0	0,9	0,9	0,0	0,0	2,7 %	3,3 %	0,9
— Provide funding for actions carried out in accordance with Regulation (EC) No 515/97	8,2	7,8	8,0	7,7	0,2	0,2	2,7 %	2,0 %	5,7
— Completion of previous programmes and activities	p.m.	1,4	p.m.	9,8		- 8,4		-85,2 %	11,3
Cooperation in the field of taxation (FISCALIS)	37,7	36,2	36,9	35,9	0,7	0,3	2,0 %	0,8 %	32,9
— Cooperation in the field of taxation (Fiscalis)	37,4	34,4	36,6	27,4	0,7	7,0	2,0 %	25,5 %	24,4

Single Market cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Out-standing commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
— Support expenditure	0,3	0,3	0,3	0,3					
— Completion of previous programmes and activities	p.m.	1,5	p.m.	8,2		- 6,7		-81,8 %	8,5
Cooperation in the field of customs (CUSTOMS)	133,1	119,9	130,4	114,7	2,6	5,2	2,0 %	4,5 %	121,6
— Cooperation in the field of customs (Customs)	132,8	114,9	130,1	88,5	2,6	26,4	2,0 %	29,8 %	103,2
— Support expenditure	0,3	0,3	0,3	0,3					
— Completion of previous programmes and activities	p.m.	4,7	p.m.	25,8		- 21,2		-82,0 %	18,4
Decentralised agencies	126,7	126,7	119,7	119,7	7,0	7,0	5,8 %	5,8 %	
— European Chemical Agency (ECHA)	74,9	74,9	72,2	72,2	2,6	2,6	3,6 %	3,6 %	
— European Banking Authority (EBA)	19,0	19,0	18,3	18,3	0,7	0,7	3,8 %	3,8 %	
— European Insurance and Occupational Pensions Authority (EIOPA)	13,4	13,4	12,9	12,9	0,5	0,5	4,0 %	4,0 %	
— European Securities and Markets Authority (ESMA)	18,3	18,3	16,3	16,3	2,0	2,0	12,6 %	12,6 %	
— Anti-Money Laundering Authority (AMLA)	1,1	1,1			1,1	1,1			
Pilot projects, preparatory actions, prerogatives and other actions	12,0	20,7	27,6	22,3	- 15,6	- 1,5	-56,6 %	-6,9 %	21,4
— Pilot projects	p.m.	3,3	3,2	5,1	- 3,2	- 1,8	-100,0 %	-34,9 %	7,7
— Preparatory actions	p.m.	5,5	14,1	8,2	- 14,1	- 2,7	-100,0 %	-33,2 %	8,1
— Other actions	12,0	12,0	10,3	9,0	1,6	3,0	16,0 %	32,8 %	5,5
— Procedures for awarding and advertising public supply, works and service contracts	9,7	9,7	10,3	9,0	- 0,6	0,7	-5,8 %	7,8 %	5,5
— Carbon Border Adjustment Mechanism	2,2	2,2			2,2	2,2			
Total Single Market cluster	927,1	940,1	952,6	903,7	- 25,5	36,5	-2,7 %	4,0 %	1 150,0

3.1.4.1. Priorities for 2023

The **Single Market programme** ⁽¹⁾ supports the effective functioning of the Single Market, Europe's best asset to generate growth in globalised markets. The programme helps companies and consumers to exploit better the potential of the Single Market of goods and services, by putting in place information tools, developing standards, and supporting cooperation between administrations. Increased support is provided to small business to scale up and expand across borders. The Single Market programme plays a key role in the economic recovery process and in implementing the European Green Deal priorities.

The programme also supports the design, implementation and enforcement of the Union legislation underpinning the proper functioning of the single market for goods and services and empowers actors in the single market through actions such as market surveillance, company law, contract and extra-contractual law, standardisation, support for competition policy, customs and taxation. It contributes to a high level of health for humans, animals and plants along the food chain and delivers high-quality statistics on Europe.

The **Customs** programme supports the further digitisation and modernisation of the customs union. In parallel, the **Fiscalis** programme underpins deepened cooperation between tax administrations, including shared efforts to combat tax fraud and tax avoidance.

Three new budget lines are proposed to be created in this cluster, one for the Carbon Border Adjustment Mechanism (CBAM), with amounts in reserve to cover the costs of setting up the mechanism and the necessary IT system, another new budget line linked to the implementation of the Digital Services Act, pending its adoption by the European Parliament and the Council, and a new budget line for the proposed new Anti-Money Laundering Authority (AMLA).

Decentralised agencies (European Chemicals Agency (ECHA), as well as European Banking Authority (EBA), European Insurance and Occupational Pensions Authority (EIOPA), European Securities and Markets Authority (ESMA) and the new Anti-Money Laundering Authority (AMLA)) contribute respectively to the consistent application of the Regulation on chemicals across the EU and the implementation of coherent supervision of the financial sector.

⁽¹⁾ Regulation (EU) 2021/690 of the European Parliament and of the Council of 28 April 2021 establishing a programme for the internal market, competitiveness of enterprises, including small and medium-sized enterprises, the area of plants, animals, food and feed, and European statistics (Single Market Programme) and repealing Regulations (EU) No 99/2013, (EU) No 1287/2013, (EU) No 254/2014 and (EU) No 652/2014.

3.1.5. Space cluster

(in million EUR, rounded figures at current prices)

Space cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
European Space Programme	2 045,1	2 090,7	2 008,2	2 088,1	36,9	2,6	1,8 %	0,1 %	1 363,8
— Galileo / EGNOS	1 247,9	1 094,0	1 151,0	970,0	96,9	124,0	8,4 %	12,8 %	16,9
— Copernicus	750,0	710,0	700,0	600,0	50,0	110,0	7,1 %	18,3 %	448,3
— GOVSATCOM/SSA	40,3	59,1	150,0	40,8	- 109,7	18,3	-73,1 %	44,8 %	31,3
— Support expenditure	7,0	7,0	7,3	7,3	- 0,3	- 0,3	-4,3 %	-4,3 %	
— Completion of previous programmes and activities	p.m.	220,6	p.m.	470,0		- 249,4		-53,1 %	867,3
Union Secure Connectivity Programme	106,3	98,6			106,3	98,6			
— Union Secure Connectivity — Contribution from Heading 1	106,0	98,3			106,0	98,3			
— Support expenditure for the Union Secure Connectivity programme	0,2	0,2			0,2	0,2			
Decentralised agencies	74,8	74,8	68,3	68,3	6,5	6,5	9,5 %	9,5 %	15,4
— European Union Agency for the Space Programme	74,8	74,8	68,3	68,3	6,5	6,5	9,5 %	9,5 %	15,4
Total Space cluster	2 226,2	2 264,0	2 076,5	2 156,4	149,6	107,6	7,2 %	5,0 %	1 379,1

3.1.5.1. Priorities for 2023

EU space policy aims to address some of the most pressing challenges of today, such as fighting climate change, helping to stimulate technological innovation, and providing socio-economic benefits to citizens. The **European Space programme** ⁽¹⁾ brings together the EU's activities in this strategic field. Galileo/EGNOS and Copernicus are delivering services that benefit millions of people in Europe. The Space Situational Awareness (SSA) component supports the long-term sustainability and security of space activities by ensuring protection against space hazards and continuing the development of the surveillance and tracking of space objects in orbit around the Earth. This provides a coherent framework for future investment, offering increased visibility and more flexibility. By improving efficiency, it will ultimately help roll out new space-driven services.

The Commission proposal establishing the **Union Secure Connectivity Programme** for the period 2023-2027 ⁽²⁾ aims to ensure worldwide access to secure governmental satellite communication services for the protection of critical infrastructures, surveillance, external actions and crisis management. Its objective is also to allow for the provision of commercial services by the private sector to enable the availability of high-speed broadband and seamless connectivity throughout Europe, removing dead zones. The total estimated cost of the infrastructure is EUR 6 billion, of which EUR 2,4 billion is proposed to be financed from the EU budget, in addition to possible contributions from Member States, private investments as well as from the European Space Agency.

The **European Union agency for the Space Programme (EUSPA)** implements the core tasks entrusted to the agency under the space programme. The Space Regulation establishes the legal framework for the cooperation with EUSPA and the European Space Agency (ESA) for the further development of the infrastructure and operations of the Galileo/EGNOS and Copernicus programmes.

3.1.6. Payment appropriations for this heading

Summary payment appropriations	Payment appropriations in DB 2023	DB 2023 - Share of total payment appropriations in Heading 1	Payment appropriations in Budget 2022
Payments on spending programmes	19 469,7	93,2 %	20 078,9
<i>of which for the multiannual financial framework 2021-2027</i>	14 103,4	67,5 %	11 967,1
<i>of which for the multiannual financial framework 2014-2020 and earlier</i>	5 366,2	25,7 %	8 111,8
Other payments ¹	1 431,4	6,8 %	1 394,7
Total	20 901,1	100,0 %	21 473,5
1. Payment appropriations related to administrative support expenditure, decentralised agencies, pilot projects, preparatory actions, actions financed under the prerogatives of the European Commission and other actions.			

The table above shows the total payment appropriations requested for the heading, broken down according to whether they will be needed to fund programmes under the 2021-2027 MFF, or the outstanding commitments of the previous MFF period.

The level of payments on commitments for 2021-2027 programmes of EUR 14,1 billion takes into account the planning and programming of the related activities. The payment appropriations for Horizon Europe also include the financing of the research de-commitments made available again according to Article 15(3) of the Financial Regulation.

The level of payments on outstanding commitments (prior to 2021) amounts to EUR 5,4 billion. The reduction compared to the corresponding amount in the 2022 budget (EUR 8,1 billion) is in line with the expected phasing out of outstanding commitments stemming from the previous period. Estimates were carefully set on the basis of the experience built over the current MFF period and taking into account the latest project information.

⁽¹⁾ Regulation (EU) 2021/696 of the European Parliament and of the Council of 28 April 2021 establishing the Union Space Programme and the European Union Agency for the Space Programme and repealing Regulations (EU) No 912/2010, (EU) No 1285/2013 and (EU) No 377/2014 and Decision No 541/2014/EU.

⁽²⁾ COM(2022) 57, 15.2.2022.

3.2. **Heading 2 – Cohesion, Resilience and Values**

Heading 2 provides funding for key programmes to stimulate Europe's economic and social recovery after the COVID-19 pandemic, covering the cohesion policy, major initiatives such as the Recovery and Resilience Facility, and strengthened EU4Health, UCPM/rescEU, Erasmus and the Citizens, Equality, Rights and Values programmes.

3.2.1. Summary table for commitment (CA) and payment (PA) appropriations

(in million EUR, rounded figures at current prices)

Heading 2 Cohesion, Resilience and Values	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 – 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
— Regional Development and Cohesion							2,7 %	-14,1 %	109 698,3
<i>Contribution from NextGenerationEU</i>									
<i>Total Regional Development and Cohesion</i>	46 184,0	46 634,1	52 570,8	42 697,7	- 6 386,8	3 936,4	-12,1 %	9,2 %	109 698,3
— Recovery and resilience							53,1 %	109,0 %	53 142,4
<i>Contribution from NextGenerationEU</i>									
<i>Total Recovery and resilience</i>	106 455,3	111 860,6	120 579,2	64 526,8	- 14 123,9	47 333,8	-11,7 %	73,4 %	
— Investing in People, Social Cohesion and Values							2,1 %	-7,5 %	46 276,0
<i>Contribution from NextGenerationEU</i>									
<i>Total Investing in People, Social Cohesion and Values</i>	21 596,7	22 454,6	24 389,9	20 923,2	- 2 793,1	1 531,4	-11,5 %	7,3 %	46 276,0
Total voted appropriations	70 086,7	55 840,5	67 644,4	62 052,8	2 442,3	- 6 212,3	3,6 %	-10,0 %	209 116,7
Ceiling	70 137,0		67 806,0						
Margin	50,3		161,6						
<i>Contribution from NextGenerationEU</i>									
Total available	174 236,0	180 949,3	197 539,9	180 949,3	- 23 303,9	52 801,5	-11,8 %	41,2 %	209 116,7

3.3. **Sub-heading 2a – Economic, social and territorial cohesion**

Cohesion policy investments in the 2021-2027 period play their long-term role as growth and convergence-enhancing instruments, in the aftermath of the COVID-19 pandemic. The 2021-2027 cohesion policy is shaped on future-proof growth strategies, notably through the thematic concentration focusing on economic competitiveness, the European Green Deal agenda and the implementation of the European Pillar of Social Rights. Due consideration is also given to addressing demographic challenges as well as to the specificities of the outermost regions and sparsely populated areas.

Following the entry into force of the MFF Regulation and the sector-specific legislation, the unused 2021 funds have been reprogrammed to the years 2022-2025 in accordance with Article 7 of the MFF Regulation. The immediate priority in 2022 will be the finalisation of the programming exercise, the adoption of the new programmes before the end of 2022 and starting the implementation on the ground.

3.3.1. Summary table for commitment (CA) and payment (PA) appropriations

(in million EUR, rounded figures at current prices)

Sub-heading 2a Economic, social and territorial cohesion by cluster	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 – 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
— Regional Development and Cohesion (Sub-heading 2a)							2,7 %	-14,1 %	109 582,2
Contribution from NextGenerationEU									
Total Regional Development and Cohesion (Sub-heading 2a)	46 150,3	46 597,2	52 536,5	42 660,8	- 6 386,2	3 936,4	-12,2 %	9,2 %	109 582,2
— Investing in People, Social Cohesion and Values (Sub-heading 2a)							2,5 %	-8,7 %	43 254,9
Contribution from NextGenerationEU									
Total Investing in People, Social Cohesion and Values (Sub-heading 2a)	16 775,6	18 065,4	19 602,0	16 350,8	- 2 826,4	1 714,6	-14,4 %	10,5 %	43 254,9
Total voted appropriations	62 923,0	49 131,1	61 314,2	56 350,9	1 608,8	- 7 219,8	2,6 %	-12,8 %	152 837,0
Ceiling	62 939,0		61 345,0						
Margin	16,0		30,8						
Contribution from NextGenerationEU									
Total available	62 925,9	64 662,6	72 138,5	59 011,6	- 9 212,6	5 650,9	-12,8 %	9,6 %	152 837,0

3.3.2. Regional development and cohesion cluster

(in million EUR, rounded figures at current prices)

Regional Development and Cohesion cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
European Regional Development Fund (ERDF)	38 392,6	26 225,9	37 424,2	29 597,5	968,4	- 3 371,6	2,6 %	-11,4 %	84 148,0
— ERDF — Operational expenditure			37 235,1	2 237,3	850,9	480,3	2,3 %	21,5 %	75,8
— ERDF — Operational technical assistance			96,9	43,9	7,2	20,4	7,5 %	46,6 %	73,4
— European Urban Initiative			61,9	49,5	1,2	- 5,3	2,0 %	-10,8 %	60,6
— Just Transition Fund (JTF) — Contribution from the ERDF		p.m.	14,4	p.m.	60,9		424,0 %		
— ERDF — Financing under REACT-EU	p.m.	p.m.	p.m.	p.m.					19 111,8
— Border Management and Visa Instrument (BMVI) — Contribution from the ERDF				p.m.	47,9	17,2	424,0 %		
— Support expenditure					0,1	0,1	2,8 %	2,8 %	
— Completion of previous programmes and activities	p.m.		p.m.			- 3 884,4		-14,2 %	64 826,4
Cohesion Fund (CF)	7 755,9	10 354,7	7 528,6	13 013,8	227,3	- 2 659,1	3,0 %	-20,4 %	25 427,2
— Cohesion Fund (CF) — Operational expenditure			6 014,4	342,0	160,6	94,4	2,7 %	27,6 %	
— Cohesion Fund (CF) — Operational technical assistance			15,4	8,3	0,4	3,1	2,8 %	37,8 %	11,6
— Connecting Europe Facility (CEF) — Transport — Cohesion Fund (CF) allocation			1 487,8	841,2	53,4	64,8	3,6 %	7,7 %	1 431,5
— Border Management and Visa Instrument (BMVI) — Contribution from the Cohesion Fund (CF)			3,0		12,7	4,5	424,0 %		
— Support expenditure					0,2	0,2	1,9 %	1,9 %	
— Completion of previous programmes and activities	p.m.		p.m.			- 2 826,1		-23,9 %	23 984,1
Pilot projects, preparatory actions, prerogatives and other actions	p.m.	4,2	2,7	3,3	- 2,7	0,9	-100,0 %	28,0 %	6,9
— Pilot projects	p.m.						-100,0 %	23,2 %	4,4
— Preparatory actions	p.m.		p.m.					58,0 %	2,5
Total Regional Development and Cohesion cluster	46 148,5	36 584,8	44 955,5	42 614,6	1 193,0	- 6 029,8	2,7 %	-14,1 %	109 575,3

3.3.2.1. Priorities for 2023

Cohesion policy is delivered through three main funds, the **European Regional Development Fund** (ERDF), the **European Social Fund+** (ESF) and the **Cohesion Fund** (CF), which offer essential support to EU Member States and regions and play a key role in the economic recovery, complemented by the Just Transition Fund under heading 3.

Following the Russian invasion of Ukraine, Cohesion policy provides support to large numbers of refugees and can support measures such as investments in infrastructure, support in the areas of education, employment, social inclusion and health. This complements support provided by other EU instruments, in particular the Asylum, Migration and Integration Fund (AMIF). In order to further support Member States in addressing these challenges, the Commission put forward a set of proposals to amend the 2014-2020 Common Provisions Regulation and provide additional flexibilities under the ERDF, the ESF and the Fund for European Aid to the Most Deprived (FEAD), including for operations financed under REACT-EU. In particular, Member States will be able to claim expenditure based on a unit cost per person per week, for all persons granted temporary protection or other adequate protection under national law.

The ERDF aims to strengthen economic, territorial and social cohesion in the European Union by correcting development imbalances between its regions. The CF supports environmental infrastructure and priority EU projects in Trans-European Transport Networks ⁽¹⁾. It also covers projects of energy efficiency, use of renewable energy or sustainable urban mobility presenting clear environmental benefits.

The ERDF focuses its investments on several key priority areas known as 'thematic concentration', which include innovation and research, the digital agenda, support for small and medium-sized enterprises (SMEs), environment and the net-zero-carbon economy. The aim is to support Member States on their path to a green, digital and innovative Europe. The thematic concentration allows 30 % of the ERDF allocation to be devoted to environment and climate measures, with an overarching objective to support transition to a climate neutral economy. In this context, the ERDF focuses on supporting a low-carbon Europe by promoting clean and fair energy transition. This means in particular supporting the energy efficiency and renewable energy, diversification of regions dependent on energy intensive industries and providing incentives for delivering a transition that is fair for all. As regards mobility, cohesion policy and especially the ERDF will seek to support a successful transition to alternative fuels and powertrains and will continue to sustain 'clean vehicles'. The Cohesion Fund has an even more ambitious climate target, with 37 % of its allocation devoted to environment and climate measures.

REACT-EU ⁽²⁾, financed by NextGenerationEU, continues and extends the crisis response and crisis repair delivered through the Coronavirus Response Investment Initiatives. It has a total allocation of EUR 50,6 billion (EUR 47,5 billion in 2018 prices) and is implemented through budgetary commitments made in 2021-2022. The funding constitutes external assigned revenue and has been used to top up 2014-2020 operational programmes by EUR 39,8 billion in 2021 and EUR 10,8 billion in 2022. As set out above, Member States can use funding under REACT-EU in the context of the flows of people fleeing Ukraine following the Russian invasion.

The table provides an indicative split of the ERDF part.

⁽¹⁾ Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund.

⁽²⁾ Regulation (EU) 2020/2221 of the European Parliament and of the Council of 23 December 2020 amending Regulation (EU) No 1303/2013 as regards additional resources and implementing arrangements to provide assistance for fostering crisis repair in the context of the COVID-19 pandemic and its social consequences and for preparing a green, digital and resilient recovery of the economy (REACT-EU), OJ L 437, 28.12.2020, p. 30.

(in million EUR, rounded figures at current prices)

Programme	Name	Line	Draft budget 2023		Contribution from NextGenerationEU		Total	
			CA	PA	CA	PA	CA	PA
ERDF - REACT-EU			4,8	4,8	1,9	10 012,4	6,7	10 017,2
Of which:	ERDF — Operational expenditure — Financing under REACT-EU	05 02 05 01	p.m.	p.m.		9 985,7	p.m.	9 985,7
	ERDF — Operational technical assistance — Financing under REACT-EU	05 02 05 02	p.m.	p.m.		24,9	p.m.	24,9
	ETC — Operational expenditure — Financing under REACT-EU	05 02 05 03	p.m.	p.m.			p.m.	p.m.
	Support expenditure for the "European Regional Development Fund (ERDF)"	05 01 01	4,8	4,8	1,9	1,9	6,7	6,7

3.3.3. Investing in people, social cohesion and values cluster

(in million EUR, rounded figures at current prices)

Investing in People, Social Cohesion and Values cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
European Social Fund Plus (ESF+)	16 774,5	12 546,3	16 358,7	13 736,3	415,8	- 1 190,1	2,5 %	-8,7 %	43 439,6
— ESF+ shared management strand — Operational expenditure		1 167,1	16 318,3	1 000,0	364,7	167,1	2,2 %	16,7 %	26,5
— ESF+ shared management strand — Operational technical assistance		22,0	23,9	18,0	0,1	4,0	0,5 %	22,2 %	21,7
— Just Transition Fund (JTF) — Contribution from the ESF+		p.m.	3,6	p.m.	15,2		424,0 %		p.m.
— European Social Fund (ESF) — Financing under REACT-EU	p.m.	p.m.	p.m.	p.m.					12 925,8
— Fund for European Aid to the Most Deprived (FEAD) — Financing under REACT-EU	p.m.	p.m.	p.m.	p.m.					427,8
— Instrument for Financial Support for Border Management and Visa Policy (BMVI) — Contribution from the ESF+		8,8	5,8	p.m.	24,5	8,8	424,0 %		p.m.
— Erasmus+ — Contribution from the ESF+		6,0	p.m.	p.m.	12,0	6,0			p.m.
— Support expenditure	6,5	6,5	7,2	7,2	- 0,7	- 0,7	-9,3 %	-9,3 %	p.m.
— Completion of previous programmes and activities	p.m.	11 335,9	p.m.	12 711,2		- 1 375,3		-10,8 %	29 853,0
Total Investing in People, Social Cohesion and Values cluster	16 774,5	12 546,3	16 358,7	13 736,3	415,8	- 1 190,1	2,5 %	-8,7 %	43 439,6

3.3.3.1. Priorities for 2023

The **European Social Fund Plus** (ESF+) ⁽¹⁾ provides support to Member States to achieve high employment levels, fair social protection and a skilled and resilient workforce ready for the transition to a green and digital economy. It is a key financial instrument to implement the European Pillar of Social Rights, to support jobs, fight poverty and create a fair and socially inclusive society. It also provides much needed resources to Member States for the recovery of our societies and economies after the COVID-19 pandemic. It can also support addressing the challenges stemming from the arrival of large numbers of refugees from Ukraine, in particular in relation to their social inclusion, education, training and employment.

The shared management strand of the ESF+ also includes an ambitious requirement for investing in young people and addressing child poverty. Member States which are above the EU average rate of young people not in employment, education or training, should devote at least 12,5 % of their ESF+ resources to help these young people find a qualification, or a good quality job. All other Member States must allocate an appropriate amount to targeted actions to support youth employment measures. Member States with a level of child poverty above the EU average should use at least 5 % of their ESF+ resources to address this issue, whereas all other Member States must allocate an appropriate amount of their ESF + resources to targeted actions to combat child poverty, in view of supporting the implementation of the European Child Guarantee.

The ESF+ should also contribute to the eradication of poverty by supporting relevant national schemes. A minimum of 4 % of its resources under shared management shall support the most deprived persons, including refugees. In particular, the ESF+ can finance food and basic material assistance and social inclusion activities, such as psychological support, basic language courses and legal interpretation.

⁽¹⁾ Regulation (EU) 2021/1057 of the European Parliament and of the Council of 24 June 2021 establishing the European Social Fund Plus (ESF+) and repealing Regulation (EU) No 1296/2013.

(in million EUR, rounded figures at current prices)

Programme	Name	Line	Draft budget 2023		Contribution from NextGenerationEU		Total	
			CA	PA	CA	PA	CA	PA
ESF+ - REACT-EU			6,5	6,5	1,1	5 519,1	7,6	5 525,6
	ESF — Operational expenditure — Financing under REACT-EU	07 02 05 01	p.m.	p.m.		5 336,3	p.m.	5 336,3
	ESF — Operational technical assistance — Financing under REACT-EU	07 02 05 02	p.m.	p.m.		16,7	p.m.	16,7
	FEAD — Operational expenditure — Financing under REACT-EU	07 02 06 01	p.m.	p.m.		165,0	p.m.	p.m.
	FEAD — Operational technical assistance — Financing under REACT-EU	07 02 06 02	p.m.	p.m.			p.m.	p.m.
	YEI — Operational expenditure — Financing under REACT-EU	07 02 07 01	p.m.	p.m.			p.m.	p.m.
	Support expenditure for the "European Social Fund+ (ESF+) — shared management"	07 01 01 01	6,5	6,5	1,1	1,1	7,6	7,6

3.3.4. Payment appropriations for this heading

Summary payment appropriations	Payment appropriations in DB 2023	DB 2023 - Share of total payment appropriations in Sub-heading 2a	Payment appropriations in Budget 2022
Payments on spending programmes	49 108,3	100,0 %	56 328,5
<i>of which for the multiannual financial framework 2021-2027</i>	5 390,3	11,0 %	4 506,6
<i>of which for the multiannual financial framework 2014-2020 and earlier</i>	43 718,0	89,0 %	51 821,9
Other payments ¹	22,8	0,0 %	22,4
Total	49 131,1	100,0 %	56 350,9
1. Payments related to administrative support expenditure, decentralised agencies, pilot projects, preparatory actions, actions financed under the prerogatives of the European Commission and other actions.			

For the **Cohesion policy** programmes, implementation for the 2014-2020 programming period continues at full speed. For the 2014-2020 European Structural Investment Funds, payment appropriations will cover the annual pre-financing of 2 % in line with the amendment of Regulation (EU) No 1303/2013 ⁽¹⁾. As in previous years, the Commission proposal for interim payments is the result of assessing the latest available Member States' forecast provided in January 2022, past experience regarding the pace of implementation of the programmes and available information regarding the implementation on the ground, as well as taking into account the assigned revenue of EUR 3,7 billion to be generated from the annual acceptance of accounts. As part of the CARE proposal, it also includes up to EUR 1 billion payments in relation to the extension of the 100 % co-financing for the accounting year ending 30 June 2022. This is with the aim to alleviate the additional burden on national budgets in view of the migratory challenges faced as a result of the military aggression of the Russian Federation in Ukraine.

The Commission continues its support to Member States in programming their REACT-EU allocations, in order to ensure that liquidity and crisis-response measures reach the regions and beneficiaries most in need without delay. Based on the payment applications by the Member States, the Commission will borrow the funds needed to make sure that corresponding payment needs can be met to address these immediate, crisis-triggered needs.

For the Cohesion policy programmes of the 2021-2027 period (other than the JTF), payment appropriations will cover the annual pre-financing corresponding to 0,5 % of the total support from the Funds set out in the decision approving the programmes. In total, EUR 1,8 billion will be needed to cover pre-financing payments. The remaining EUR 2,5 billion will be used to cover interim payments.

In order to provide additional liquidity to Member States, the total pre-financing from the REACT-EU was increased by EUR 3,5 billion in 2022, and a simplified cost option was introduced to enable an acceleration of the disbursement of remaining funds. This concerns a unit cost per person granted temporary protection, per week that this person is present in the Member State concerned, with a limited duration of the unit cost of a maximum of 13 weeks.

With the Cohesion's action for refugees in Europe (**CARE**) ⁽²⁾, Cohesion policy demonstrated its capability to react quickly and adequately to extraordinary situations. The CARE proposal has two main components:

- Flexibility for Member States to mobilise all available and remaining funds from the 2014-2020 programmes and the REACT-EU 2022 tranche to address the migratory challenges and host with dignity the refugees from Ukraine.

⁽¹⁾ Regulation (EU) 2020/1542, OJ L 356, 26.10.2020.

⁽²⁾ Regulation (EU) 2022/613 of the European Parliament and of the Council of 12 April 2022 amending Regulations (EU) No 1303/2013 and (EU) No 223/2014 as regards increased pre-financing from REACT-EU resources and the establishment of a unit cost.

- Extension of the exceptional 100 % EU co-financing rate to the ongoing accounting year, ending on 30 June 2022. This would alleviate the pressure on national budgets, as EUR 10 billion in total would be available to support national actions related to the needs of refugees, the ongoing pandemic or the rise of energy prices. In order to comply with the MFF payment ceilings, payments related to this measure will be made progressively, with EUR 5 billion in 2022, EUR 1 billion in 2023 and the remaining EUR 4 billion as of 2024 according to budgetary availabilities.

3.4. **Sub-heading 2b – Resilience and Values**

Key programmes under this sub-heading aim to boost the recovery and strengthen the resilience of European economies. The Recovery and Resilience Facility is at the centre of these actions. The EU4Health programme and the Union Civil Protection Mechanism (rescEU) support the Health Union and enhance the Union's capacity to respond to crises and build resilience to future shocks. At the same time, sub-heading 2b contains flagship programmes that have proven their EU added value over time, such as Erasmus+, the European Solidarity Corps, Creative Europe, the Employment and Social Innovation (EaSI) strand of ESF+ and the Citizens, Equality, Rights and Values programme.

3.4.1. Summary table for commitment (CA) and payment (PA) appropriations

(in million EUR, rounded figures at current prices)

Sub-heading 2b Resilience and Values by cluster	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 – 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
Total Regional Development and Cohesion (Sub-heading 2b)	33,6	36,9	34,3	36,9	- 0,7		-1,9 %		116,1
Recovery and resilience							53,1 %	109,0 %	5 3 142,4
Contribution from NextGenerationEU	104 146,3	109 577,3	119 071,2	63 434,3					
Total Recovery and resilience	106 455,3	p.m.	120 579,2	p.m.	- 14 123,9	47 333,8	-11,7 %	73,4 %	5 3 142,4
Total Investing in People, Social Cohesion and Values (Sub-heading 2b)							0,7 %	-4,0 %	2 836,4
Total voted appropriations	7 163,7	6 709,4	6 330,2	5 701,8	833,5	1 007,6	13,2 %	17,7 %	56 094,9
Ceiling	7 198,0		6 461,0						
Margin	34,3		130,8						
Contribution from NextGenerationEU	104 146,3	109 577,3	119 071,2	63 434,3					
Total available	111 310,0	116 286,7	125 401,4	69 136,1	- 14 091,3	47 150,6	-11,2 %	68,2 %	56 094,9

3.4.2. Regional development and cohesion cluster

(in million EUR, rounded figures at current prices)

Regional Development and Cohesion cluster by programmes and objectives (2b)	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
Support to the Turkish-Cypriot Community	33,6	36,9	34,3	36,9	- 0,7		-1,9 %		116,1
— Financial support for encouraging the economic development of the Turkish Cypriot community			32,4	5,0	- 0,7	5,0	-2,0 %	100,0 %	28,1
— Support expenditure							0	0	
— Completion of previous programmes and activities	p.m.		p.m.	30,0		- 5,0		-16,7 %	88,0
Total Regional Development and Cohesion cluster Sub-heading 2b	33,6	36,9	34,3	36,9	- 0,7		-1,9 %		116,1

3.4.2.1. Priorities for 2023

Part of this cluster – which is predominantly financed under sub-heading 2a – also provides financial assistance for the economic development of the **Turkish Cypriot community** with the aim to support the reunification of Cyprus. The programme encourages the economic development of the Turkish Cypriot community through the development of infrastructure, actions to promote social and economic development and the encouragement of reconciliation by building confidence, supporting civil society and bringing the Turkish Cypriot community closer to the EU.

3.4.3. Recovery and resilience cluster

(in million EUR, rounded figures at current prices)

Recovery and resilience cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
European Recovery and Resilience Facility and Technical Support Instrument	121,1	115,0	118,7	112,0	2,4	3,0	2,0 %	2,7 %	51 797,6
— Recovery and Resilience Facility — Non-repayable support	p.m.	p.m.	p.m.	p.m.					51 657,5
— Technical Support Instrument			116,7	78,1	2,3	19,6	2,0 %	25,0 %	88,4
— Support expenditure	2,1	2,1	2,0	2,0	0,0	0,0	2,0 %	2,0 %	p.m.
— Completion of previous programmes and activities	p.m.		p.m.			-16,6		-52,2 %	51,6
Protection of the euro against counterfeiting (the 'Pericles IV programme')	0,9	1,2	0,9	0,9	0,0	0,3	2,0 %	31,4 %	1,0
— Protection of the euro against counterfeiting			0,9	0,7	-0,2	0,0	-21,5 %	0,1 %	0,5
— Support expenditure	0,2	0,2	p.m.	p.m.	0,2	0,2			p.m.
— Completion of previous programmes and activities	p.m.		p.m.			0,1		51,8 %	0,5
Financing cost of the European Union Recovery Instrument (EURI)	1 035,8	1 035,8	145,0	145,0	890,8	890,8	614,3 %	614,3 %	
— Support expenditure	5,0	5,0	5,0	5,0					p.m.
— European Union Recovery Instrument (EURI) – Payment of periodic coupon and redemption at maturity			140,0	140,0	890,8	890,8	636,3 %	636,3 %	p.m.
Union Civil Protection Mechanism (RescEU)	146,6	242,0	101,3	186,9	45,3	55,2	44,8 %	29,5 %	596,2
— Union Civil Protection Mechanism			101,3	100,5	45,3	104,5	44,8 %	103,9 %	285,3
— Support expenditure	p.m.	p.m.	p.m.	p.m.					p.m.
— Completion of previous programmes and activities	p.m.		p.m.	86,3		-49,3		-57,1 %	310,9
EU4Health	731,8	619,3	839,7	353,3	-107,9	619,3	-12,9 %	75,3 %	408,4
— EU4Health Programme			815,2	310,8	-107,6	259,9	-13,2 %	83,6 %	322,9

Recovery and resilience cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
— Support expenditure	24,1	24,1	24,5	24,5	- 0,3	- 0,3	-1,3 %	-1,3 %	p.m.
— Completion of previous programmes and activities	p.m.		p.m.	18,0		6,5		36,1 %	85,5
Instrument for emergency support within the Union (ESI)	p.m.	5,9		8,1		- 2,2		-27,4 %	408,4
— Emergency support within the Union	p.m.			8,1		- 2,2		-27,4 %	310,6
— Support expenditure	p.m.	p.m.	p.m.	p.m.					p.m.
Decentralised agencies	260,9	253,2	290,6	275,9	- 29,7	- 22,7	-10,2 %	-8,2 %	19,6
— European Centre for Disease Prevention and Control			90,5	90,5	- 4,6	- 4,6	-5,1 %	-5,1 %	p.m.
— European Food Safety Authority			145,9	131,2	4,7	11,6	3,2 %	8,9 %	19,6
— European Medicines Agency			54,2	54,2	- 29,7	- 29,7	-54,9 %	-54,9 %	p.m.
Pilot projects, preparatory actions, prerogatives and other actions	12,0	11,0	12,0	10,6		0,4		3,8 %	9,0
— Pilot Projects	p.m.	p.m.	p.m.	p.m.					
— Preparatory actions	p.m.	p.m.	p.m.	p.m.					
— Actions financed under the prerogatives of the Commission and specific powers conferred to the Commission								3,8 %	9,0
Total Recovery and resilience cluster	2 308,9	2 283,3	1 508,0	1 092,6	800,9	1 190,8	53,1 %	109,0 %	53 142,4

3.4.3.1. Priorities for 2023

The **Recovery and Resilience Facility** (RRF) ⁽¹⁾ is the centrepiece of the European Union Recovery Instrument, and provides large-scale financial support for investments and reforms to the Member States, both through non-repayable financial support and loans. The Recovery and Resilience Facility can provide up to EUR 338 billion in non-repayable financial support over the period, of which EUR 103,5 billion in commitment appropriations is planned for 2023.

The key aim of the RRF is to support a sustainable recovery from the COVID-19 pandemic and build resilience against future shocks. Member States have put forward national Recovery and Resilience Plans, outlining the reforms and investments they intend to implement. For each reform and investment, Member States also provided details on the estimated cost, which will justify the financial support requested, and specific milestones and targets that the Member States commit to fulfil.

The RRF supports reforms and investments across a wide range of policy areas in six pillars defined in the Regulation. Responding to the economic and social consequences of the COVID-19 pandemic, the RRF is expected to make the EU economies more resilient and better prepared for the future, while accelerating the green and digital transitions, to which at least 37 % and 20 % of the expenditure under each plan should be dedicated. Moreover, each plan has to address all or a significant subset of the country-specific recommendations under the European Semester and fulfil key criteria to be assessed by the Commission, including a strong contribution to growth, jobs and cohesion, avoiding any significant harm to environmental objectives, and be managed with adequate monitoring and control systems.

(in million EUR, rounded figures at current prices)

Programme	Name	Line	Draft budget 2023		Contribution from NextGenerationEU		Total	
			CA	PA	CA	PA	CA	PA
RRF non-repayable support			2,1	2,1	103 463,2	109 240,1	103 465,3	109 242,2
Of which:	European Recovery and Resilience Facility (RRF) — Grants	06 02 01	p.m.	p.m.	103 451,0	109 227,9	103 451,0	109 227,9
	Support expenditure for the "European Recovery and Resilience Facility"	06 01 01	2,1	2,1	12,2	12,2	14,3	14,3

The REPowerEU proposal introduces a dedicated chapter that will form an integral part of Member States' recovery and resilience plans and will outline the necessary reforms and investments towards energy independency from Russian fossil resources and the diversification of the Union's energy supply. Additional funding sources to support the new REPowerEU objectives will also be provided. These include EUR 20 billion of the revenues resulting from the auctioning of emissions trading system (ETS) allowances currently held in the Market Stability Reserve, as well as increased flexibility to Member States to transfer resources allocated to them both under the Common Provisions Regulation and the Regulation on CAP strategic plans. As concerns the latter, Member States may transfer up to 12,5 % of their initial ERDF, CF and ESF+ resources pursuant to Articles 26 and 26a of the Common Provisions Regulation (CPR) ⁽²⁾ and up to 12,5 % of their initial EAFRD resources pursuant to Article 81a of Regulation (EU) 2021/2115 ⁽³⁾ to the REPowerEU module of the RRF. The appropriations are inscribed or transferred to these lines depending on the adoption date of the corresponding Partnership Agreements.

⁽¹⁾ Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility.

⁽²⁾ Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy, OJ L 231, 30.6.2021, p. 159.

⁽³⁾ Regulation (EU) 2021/2115 of the European Parliament and of the Council of 2 December 2021 establishing rules on support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013.

Programme	Name	Line	Draft budget 2023	
			CA	PA
European Recovery and Resilience Facility and Technical Support Instrument			p.m.	p.m.
Of which:	Recovery and Resilience Facility - Contribution from ERDF	05 02 11	p.m.	p.m.
	Recovery and Resilience Facility - Contribution from the CF	05 03 09	p.m.	p.m.
	Recovery and Resilience Facility - Contribution from the ESF+	07 02 14	p.m.	p.m.
	Recovery and Resilience Facility - Contribution from the EAFRD	08 03 05	p.m.	p.m.

The **Technical Support Instrument** ⁽¹⁾ ensures that the Commission can continue to provide tailor-made expertise so that Member States have the necessary institutional and administrative capacity to develop and implement growth-enhancing reforms and are able to strengthen the resilience of European economies through efficient and well-functioning administrative structures. To that end, it aims to accompany the national authorities of those Member States requesting support throughout the stages or in specific phases of the reform process.

In light of the rapid and substantial increase of interest rates on the financial markets since December 2021, the interests on funds borrowed under the **European Union Recovery Instrument** (EURI) in 2022 will be significantly higher than on funds borrowed in 2021. Given that the interest on 2022 borrowings will be paid in the following year, the full amount of EUR 1 030,8 million in the financial programming for 2023 is likely to be required for the annual payments of interests on funds borrowed under EURI. The final amount necessary in 2023 will depend on the interest rates of the borrowings undertaken until the end of 2022 and the volume of the operations. Depending on the evolution of the interest rates on the markets, the Commission may present an update of the estimated needs for this purpose in an amending letter later this year.

The Union must be able to deploy operational assistance rapidly to address unexpected emergencies, threats and natural and human-induced disasters. Both the COVID-19 pandemic and the humanitarian consequences of Russia's war in Ukraine in Member States and neighbouring countries have underlined the value of European cooperation and solidarity and demonstrated vividly that the Union must urgently enhance its capacity to respond to crises and build resilience to future shocks. The **Union Civil Protection Mechanism** (UCPM) ⁽²⁾ allows Member States (and participating third countries) to improve their coordination in preventing, preparing and responding to disasters, with the overarching objective of protecting populations when disasters strike, in particular those with large-scale and transboundary impacts, addressing needs that exceed national response capacities of Member States.

UCPM/rescEU also strategically reinforces the multipurpose reserve of rescEU capacities, which currently already includes certain emergency medical equipment, aerial firefighting means, and other areas such as response to chemical, biological, radiological and nuclear (CBRN) threats. At the same time, rescEU strengthens the central role of the EU's hub for crisis management, the Emergency Response Coordination Centre. UCPM proved its worth in the immediate response to the Russian invasion in Ukraine and will continue to play an important role in 2023, too. Moreover, the UCPM/rescEU also includes means to enhance the EU's disaster prevention and preparedness activities. This is why EUR 2,05 billion of external assigned revenue will be made available to the reinforced Union Civil

⁽¹⁾ Regulation (EU) 2021/240 of the European Parliament and of the Council of 10 February 2021 establishing a Technical Support Instrument.

⁽²⁾ Regulation (EU) 2021/836 of the European Parliament and of the Council of 20 May 2021 amending Decision No 1313/2013/EU on a Union Civil Protection Mechanism.

Protection Mechanism (UCPM/rescEU) under NextGenerationEU, of which EUR 683,1 million in 2023. In order to further increase the level of preparedness of the Member States in fighting forest fires, the Commission proposes to frontload an amount of EUR 45 million to the UCPM in 2023, to be offset in the period 2024-2027.

The international preparedness and response components are also enhanced, so that these capacities can also be used outside the EU.

(in million EUR, rounded figures at current prices)

Programme	Name	Line	Draft budget 2023		Contribution from NextGenerationEU		Total	
			CA	PA	CA	PA	CA	PA
Union Civil Protection Mechanism (rescEU)			146,6	242,0	683,1	337,1	829,7	579,2
Of which:	Union Civil Protection Mechanism (rescEU)	06 05 01	146,6	205,0	680,8	334,9	827,4	539,9
	Support expenditure for "rescEU"	06 01 04	p.m.	p.m.	2,3	2,3	2,3	2,3

The COVID-19 pandemic has caused immense human suffering across the European Union and pushed the EU health systems to their limits. The crisis spotlighted the fragility of the national and local health systems and the need for a coordinated strong action at Union level in complementing the health policies of the Member States in order to improve people's health throughout the Union and ensure that public health protection is taken into account in all Union policies. The **EU4Health** programme ⁽¹⁾ is a key instrument for delivering a comprehensive response to the health needs of the European citizens, addressing the lessons learned from both the COVID-19 pandemic and previous health programmes, and building on measures previously implemented under the Emergency Support Instrument.

The programme contributes to building strong foundations for a European Health Union, in which the EU and Member States work together to reinforce their coordination and to strengthen existing structures and mechanisms for better protection, prevention, preparedness and response against human health threats, including actions in the context of the Commission's Health Emergency Preparedness and Response Authority (HERA). It also focuses on actions enhancing the surveillance, diagnosis and treatment of communicable and non-communicable diseases, health promotion as well as actions improving accessibility, efficiency and resilience of health systems and reducing inequalities in accessing health care.

The programme also contributes to flagship initiatives such as Europe's Beating Cancer Plan and the Pharmaceutical Strategy for Europe. This will help to ensure access to care, prevent premature death and reduce health inequalities. Particular attention is given to digitalisation, the (re-)use of health data for the provision of healthcare and for research and innovation, as well as to the digital transformation of healthcare systems, in order to address the creation of a European Health Data space.

Further to the frontloading of funding for EU4Health as an immediate response to the health crisis in 2022, the Commission proposes to return to the programmed amount for 2023. The total voted appropriations of EU4Health include the specific reinforcement under Article 5 of the MFF Regulation, which have been established with the technical adjustment of the MFF for 2023 as foreseen in Article 4(1)(e) of the MFF Regulation. For EU4Health, this represents EUR 437,0 million in commitment appropriations.

⁽¹⁾ Regulation (EU) 2021/522 of the European Parliament and of the Council of 24 March 2021 establishing a Programme for the Union's action in the field of health ('EU4Health Programme') for the period 2021-2027, and repealing Regulation (EU) No 282/2014.

(in million EUR, rounded figures at current prices)

Programme	Name	Line	Draft budget 2023	Of which, allocation under MFFR Article 5
			CA	CA
EU4Health			731,8	437,0
Of which:	Support expenditure for the "EU4Health Programme"	06 01 05 01	9,3	5,7
	EU4Health Programme	06 06 01	707,6	431,3

The decentralised agencies in this domain (European Centre for Disease Prevention and Control (ECDC), European Food Safety Authority (EFSA) and European Medicines Agency (EMA)) contribute to the coordination of Union actions in health policy, a crucial role as demonstrated during the COVID-19 pandemic.

3.4.4. Investing in people, social cohesion and values cluster

(in million EUR, rounded figures at current prices)

Investing in People, Social Cohesion and Values cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
Employment and Social Innovation	93,5	95,2	106,5	87,2	- 13,0	8,0	-12,2 %	9,1 %	184,7
— ESF+ — Employment and Social Innovation (EaSI) strand			104,5	50,8	- 13,0	26,2	-12,4 %	51,6 %	92,1
— Support expenditure	2,0	2,0	2,0	2,0					p.m.
— Completion of previous programmes and activities	p.m.		p.m.			- 18,2		-52,9 %	92,6
Erasmus+	3 548,5	3 194,2	3 401,7	3 300,8	146,8	- 106,6	4,3 %	-3,2 %	1 755,7
— Promoting learning mobility of individuals and groups, and cooperation, inclusion and equity, excellence, creativity and innovation at the level of organisations and policies in the field of education and training			2 934,9	2 569,2	126,2	38,3	4,3 %	1,5 %	804,7
— Promoting non-formal and informal learning mobility and active participation among young people, and cooperation, inclusion, creativity and innovation at the level of organisations and policies in the field of youth			351,4	313,4	14,2	21,6	4,0 %	6,9 %	105,4
— Promoting learning mobility of sport staff, and cooperation, inclusion, creativity and innovation at the level of sport organisations and sport policies			65,0	55,6	2,6	- 0,6	4,0 %	-1,1 %	47,2
— Support expenditure	54,1	54,1	50,4	50,4	3,7	3,7	7,4 %	7,4 %	p.m.
— Completion of previous programmes and activities	p.m.		p.m.			- 169,5		-54,3 %	798,3
European Solidarity Corps (ESC)	141,2	122,1	141,4	115,9	- 0,2	6,2	-0,2 %	5,3 %	143,8
— European Solidarity Corps			134,7	93,0	- 0,4	11,0	-0,3 %	11,8 %	56,9
— Support expenditure	6,9	6,9	6,7	6,7	0,2	0,2	2,7 %	2,7 %	p.m.
— Completion of previous programmes and activities	p.m.		p.m.			- 5,0		-30,8 %	86,9

Investing in People, Social Cohesion and Values cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
Creative Europe	325,3	307,0	406,5	400,2	- 81,2	- 93,3	-20,0 %	-23,3 %	395,2
— Culture strand			131,1	125,0	- 31,1	- 35,5	-23,7 %	-28,4 %	91,4
— Media strand			220,5	158,2	- 44,9	- 20,3	-20,3 %	-12,8 %	141,8
— Cross-sectoral strand			34,0	23,1	- 6,9	2,5	-20,3 %	10,8 %	19,4
— Support expenditure	22,5	22,5	20,9	20,9	1,6	1,6	7,6 %	7,6 %	p.m.
— Completion of previous programmes and activities	p.m.		p.m.			- 41,5		-56,8 %	142,7
Citizens, Equality, Rights and Values	212,3	155,1	214,9	170,3	- 2,6	- 15,3	-1,2 %	-9,0 %	155,4
— Equality and rights			39,9	33,8	- 3,0	- 2,6	-7,5 %	-7,6 %	22,3
— Citizens engagement and participation in the democratic life of the Union			40,7	22,4	- 8,5	- 3,9	-20,9 %	-17,3 %	13,1
— Daphne			33,6	14,5	- 8,3	11,6	-24,8 %	79,7 %	12,6
— Union values			92,3	61,0	16,4	- 6,6	17,8 %	-10,8 %	30,7
— Support expenditure	9,3	9,3	8,5	8,5	0,8	0,8	9,7 %	9,7 %	p.m.
— Completion of previous programmes and activities	p.m.		p.m.			- 14,6		-48,4 %	76,8
Justice	42,2	39,8	43,6	37,6	- 1,4	2,3	-3,2 %	6,0 %	73,9
— Promoting judicial cooperation			11,4	7,7	- 0,3	- 0,3	-3,0 %	-3,8 %	7,8
— Supporting judicial training			16,6	4,4	- 0,6	9,7	-3,4 %	219,8 %	4,9
— Promoting effective access to justice			14,5	14,2	- 0,5	- 3,3	-3,4 %	-23,6 %	12,3
— Support expenditure	1,1	1,1	1,1	1,1					p.m.
— Completion of previous programmes and activities	p.m.		p.m.			- 3,8		-37,6 %	48,9
Decentralised agencies and European Public Prosecutor's Office (EPPO)	268,5	263,3	246,3	237,8	22,2	25,5	9,0 %	10,7 %	32,5
— European Foundation for the improvement of living and working conditions (Eurofound)			21,8	21,8			8,3 %	8,3 %	
— European Agency for Safety and Health at Work (EU-OSHA)			15,7	15,7			4,1 %	4,1 %	1,2
— European Centre for the Development of Vocational Training (Cedefop)			18,2	18,2			3,6 %	3,6 %	1,1
— European Union Agency for Fundamental Rights (FRA)			23,6	23,6			4,0 %	4,0 %	

Investing in People, Social Cohesion and Values cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
— European Institute for Gender Equality (EIGE)			8,0	8,0			7,7 %	7,7 %	
— European Training Foundation (ETF)			21,4	21,4			5,4 %	5,4 %	0,8
— European Union Agency for Criminal Justice Cooperation (Eurojust)			45,8	45,6			14,6 %	26,1 %	10,8
— European Public Prosecutor's Office (EPPO)			57,1	57,1			8,8 %	8,8 %	0,0
— European Labour Authority (ELA)			34,7	26,4			13,7 %	10,7 %	18,5
Pilot projects, preparatory actions, prerogatives and other actions	189,6	212,5	226,9	222,6	- 37,3	- 10,0	-16,4 %	-4,5 %	279,9
— Pilot projects	p.m.		15,3	14,0			-100,0 %	-17,1 %	19,4
— Preparatory actions	p.m.		20,0	38,1			-100,0 %	-27,8 %	63,2
— Other actions			8,7	6,8			-9,3 %	-11,1 %	10,3
— Free movement of workers, coordination of social security schemes and measures for migrants, including migrants from third countries							-9,3 %	-11,1 %	10,3
— Actions financed under the prerogatives of the Commission and specific powers conferred to the Commission			182,9	163,8			-0,6 %	2,2 %	187,0
Total Investing in People, Social Cohesion and Values cluster	4 821,1	4 389,2	4 787,9	4 572,4	33,3	- 183,2	0,7 %	-4,0 %	2 836,4

3.4.4.1. Priorities for 2023

The **Erasmus+** programme ⁽¹⁾, one of the Union's most visible success stories, continues to create opportunities for the education and mobility of young people. The main focus is on inclusiveness and reaching more young people from disadvantaged backgrounds, to enable more people to move to another country to benefit from a learning experience. Erasmus+ also has a key role in strengthening European identity and values, and in contributing to digital transformation, a more democratic Union and the European Green Deal. The programme has three strands: mobility, cooperation and support to policy development. Action at EU level is essential given the transnational character and scale of these activities. The Erasmus+ programme guarantees that all Member States and associated countries benefit from mobility and exchange of good practice while ensuring optimal dissemination of results and helping to promote transformation and innovation in education and training.

Following the request of Member States to transfer resources pursuant to Article 26 of the CPR, additional resources can be implemented under Erasmus+ in accordance with the rules of the instrument, for the benefit of the Member State concerned. The appropriations are inscribed or transferred to these lines depending on the adoption date of the corresponding Partnership Agreements.

Programme	Name	Line	Draft budget 2023	
			CA	PA
Erasmus+			12,0	6,0
Of which:	Erasmus+ — Contribution from the ESF+	07 02 13	12,0	6,0

The MFF provides for additional funding for Erasmus, including through the reinforcement under Article 5 of the MFF Regulation, which has been established with the technical adjustment of the MFF for 2023 as foreseen in Article 4(1)(e) of the MFF Regulation. For Erasmus +, this represents EUR 256,2 million in commitment appropriations.

(in million EUR, rounded figures at current prices)

Programme	Name	Line	Draft budget 2023	
			CA	CA
Erasmus+			3 548,5	256,2
Of which:	Support expenditure for "Erasmus+"	07 01 02 01	24,5	3,8
	Promoting learning mobility of individuals, as well as cooperation, inclusion, excellence, creativity and innovation at the level of organisations and policies in the field of education and training – Indirect management	07 03 01 01	2 282,1	181,1
	Promoting learning mobility of individuals, as well as cooperation, inclusion, excellence, creativity and innovation at the level of organisations and policies in the field of education and training – Direct management	07 03 01 02	779,0	40,0
	Promoting non-formal learning mobility and active participation among young people, as well as cooperation, inclusion, creativity and innovation at the level of organisations and policies in the field of youth	07 03 02	365,6	26,4

⁽¹⁾ Regulation (EU) 2021/817 of the European Parliament and of the Council of 20 May 2021 establishing Erasmus+: the Union Programme for education and training, youth and sport and repealing Regulation (EU) No 1288/2013.

Programme	Name	Line	Draft budget 2023	
			CA	Of which, allocation under MFFR Article 5
			CA	CA
	Promoting learning mobility of sport coaches and staff, as well as cooperation, inclusion, creativity and innovation at the level of sport organisations and sport policies	07 03 03	67,7	4,9

In 2023, Erasmus+ will fully resume its long-standing mission to support transnational learning mobility. It will also keep providing vital support to partnerships for cooperation projects, and to policy development in Member States, thereby accelerating structural reforms, accompanying the European recovery plan to mitigate the economic and social impact of the COVID-19 pandemic.

The Erasmus+ programme will also contribute to addressing the influx of people fleeing Ukraine, including many children and young people, following the Russian invasion. As set out in the Commission Communication on 'Welcoming those fleeing war in Ukraine: readying Europe to meet the needs' ⁽¹⁾, in order to ensure continued learning, Erasmus+ will play a key role to help the education and training systems to cope, supporting learners and teachers, schools, vocational education and training institutes and higher education institutions, as well as youth organisations and NGOs.

The **European Solidarity Corps** ⁽²⁾ operates as the European Union's single entry point for young people and organisations wishing to engage in solidarity activities. The programme offers young people across the EU uniquely accessible opportunities to pursue their vocation in the solidarity sector by taking part in supported volunteering projects or receiving funding for their own initiatives addressing specific challenges faced by their communities.

The European Solidarity Corps has become a unique gateway for solidarity opportunities across the European Union and beyond. The Corps demonstrated its resilience and adaptability when participating organisations and young people stepped in to provide relief and assistance to communities and individuals, when Europe was hit hard by the COVID-19 pandemic in 2020 and 2021 and by a series of natural disasters and extreme-weather events in 2021.

In 2023, the European Solidarity Corps will continue to pursue its transversal priorities (inclusion and diversity, environmental sustainability and climate goals, digital transformation and participation in democratic life). Furthermore, in the aftermath of the war in Ukraine, the European Solidarity Corps will continue demonstrating the value of solidarity, in its actions within and outside the Union, by offering relief and assistance to communities and individuals whose lives have been disrupted by the conflict.

The directly managed strand of the ESF+, the **Employment and Social Innovation strand**, promotes evidence-based policy-making, invests in social innovation and supports projects related to labour market, labour mobility, working conditions, employment and skills as well as social protection and inclusion.

The promotion and protection of **Justice, Rights and Values** continues to be strengthened through the Justice programme and the Citizens, Equality, Rights and Values programme. The **Justice programme** supports the further development of a European area of justice based on the rule of law, the independence and impartiality of the judiciary, on mutual recognition and mutual trust and on judicial cooperation, including via digital means. The **Citizens, Equality, Rights and Values programme**, with its dedicated strand and substantially increased budget, supports in particular civil society organisations active at local, regional, national and transnational level in promoting Union values and rights. The programme also promotes equality, non-discrimination, the rights of the child, data protection and EU citizenship rights. It helps combat gender-based violence and violence against children, raises awareness of the common European history and encourages citizens' participation in EU democratic life.

⁽¹⁾ COM(2022) 131, 23.3.2022.

⁽²⁾ Regulation (EU) 2021/888 of the European Parliament and of the Council of 20 May 2021 establishing the European Solidarity Corps Programme and repealing Regulations (EU) 2018/1475 and (EU) No 375/2014.

Culture is and must be at the heart of the European project. Through the **Creative Europe** programme, strong support is given to culture and the audiovisual sector, including with a strong MEDIA strand with reinforced funding to support the European creative and audiovisual industry. The main goal of the Creative Europe programme is to promote, strengthen and protect European cultural and linguistic diversity, cultural heritage and creativity, as well as the competitiveness of Europe's cultural and creative sectors. The Creative Europe programme now also includes funding dedicated to the structural challenges faced by the media sector, including enhancing a free, diverse, and pluralistic media environment, quality journalism and media literacy. The profile of the programme has been frontloaded in 2021 and 2022, as a strong signal of the Union support to the recovery of the cultural and media sectors in the aftermath of the COVID-19 pandemic. In 2023, the allocation of the programme returns to the regular profile, which explains the reduction of appropriations compared to previous years.

Additionally, the total voted appropriations of the Creative Europe and the Citizens, Equality, Rights and Values programmes include the specific reinforcement under Article 5 of the MFF Regulation, which have been established with the technical adjustment of the MFF for 2023 as foreseen in Article 4(1)(e) of the MFF Regulation. For the Creative Europe and Citizens, Equality, Rights and Values programmes, this represents EUR 90,3 million and EUR 120,5 million in commitment appropriations in 2023, respectively.

(in million EUR, rounded figures at current prices)

Programme	Name	Line	Draft budget 2023	Of which, allocation under MFFR Article 5
			CA	CA
Creative Europe			325,3	90,3
Of which:	Support expenditure for Creative Europe	07 01 04 01	5,7	2,6
	Culture	07 05 01	100,0	29,0
	Media	07 05 02	175,7	50,9
	Cross-sectorial strands	07 05 03	27,1	7,9

(in million EUR, rounded figures at current prices)

Programme	Name	Line	Draft budget 2023	Of which, allocation under MFFR Article 5
			CA	CA
Citizens, Equality, Rights and Values			212,3	120,5
Of which:	Promote equality and rights	07 06 01	36,9	20,5
	Promote Citizens engagement and participation in the democratic life of the Union	07 06 02	32,2	18,3
	Daphne	07 06 03	25,3	19,5
	Protect and promote Union Values	07 06 04	108,7	62,2

EU decentralised agencies contribute to several policies in this cluster. Several of them provide services such as research and data collection in the area of employment and support to vocational training. The **European Labour Authority (ELA)** contributes to better enforcement of EU labour rules, and the **European Public Prosecutor's Office (EPPO)** ensures increased protection of EU financial interests.

3.4.5. *Payment appropriations for this heading*

Summary payment appropriations	Payment appropriations in DB 2023	DB 2023 - Share of total payment appropriations in sub-heading 2b	Payment appropriations in Budget 2022
Payments on spending programmes	5 843,4	87,1 %	4 835,2
<i>of which for the multiannual financial framework 2021-2027</i>	5 536,0	82,5 %	4 229,1
<i>of which for the multiannual financial framework 2014-2020 and earlier</i>	309,2	4,6 %	608,0
Other payments ¹	864,2	22,5 %	864,8
Total	6 709,4	100,0 %	5 701,8
1. Payments related to administrative support expenditure, decentralised agencies, pilot projects, preparatory actions, actions financed under the prerogatives of the European Commission and other actions.			

Estimates for payment needs under Erasmus+ and the European Solidarity Corps (ESC) are prudently set, taking into account their short cycle of implementation and the increase of commitment appropriations under Erasmus+.

For the Justice programme and the Citizens, Equality, Rights and Values programme, the request for payment appropriations is based on a thorough analysis of the delivery mechanisms set out in their basic acts, as well as on past experience. The increase of payment appropriations under Creative Europe is fully justified by the frontloading of the programme in the first two years of the MFF in order to support the cultural sector, which has been severely affected by the COVID-19 pandemic.

Payments on 2023 commitments are expected to relate mostly to initial pre-financing amounts, whereas payments for the outstanding commitments of the previous MFF period are expected to follow past implementation patterns.

3.5. **Heading 3 – Natural resources and environment**

This heading is key to the ambitions of the European Green Deal and the related Farm to Fork and Biodiversity strategies, as well as the commitments of the Paris Agreement on climate change and the Sustainable Development Goals. It covers investments in sustainable agriculture and maritime sectors, aiming for a safe, high-quality food supply, through modernised agricultural and maritime policies. The heading also provides dedicated funding for climate action, environmental protection, clean energy transition and two pillars of the Just Transition Mechanism: the Just Transition Fund and the Public sector loan facility, to shape the green recovery and ensure a socially just green transition. Furthermore, heading 3 drives the mainstreaming of climate ambition and the enhanced integration of environmental objectives across the budget: it is set to provide around half of the total 2021-2027 budget dedicated to fighting climate change.

3.5.1. Summary table for commitment (CA) and payment (PA) appropriations

(in million EUR, rounded figures at current prices)

Heading 3 Natural resources and environment by cluster	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
— Agriculture and Maritime policy	54 921,3	56 858,4	54 420,3	56 006,9	501,0	851,4	0,9 %	1,5 %	41 501,2
<i>Contribution from NextGenerationEU</i>		2 425,5	5 682,8	2 443,7					
<i>Total Agriculture and Maritime policy</i>	54 921,3	59 283,9	60 103,1	58 450,6	- 5 181,8	833,3	-8,6 %	1,4 %	41 501,2
— Environment and climate action	2 301,3	587,0	2 260,8	594,8	40,5	- 7,8	1,8 %	-1,3 %	2 182,8
<i>Contribution from NextGenerationEU</i>	5 472,2	171,1	5 385,6	226,3					
<i>Total Environment and climate action</i>	7 773,5	758,1	7 646,4	821,2	127,1	- 63,0	1,7 %	-7,7 %	2 182,8
Total voted appropriations	57 222,6	57 445,4	56 681,1	56 601,8	541,4	843,6	1,0 %	1,5 %	43 684,0
Ceiling	57 295,0		56 965,0						
Margin	72,4		283,9						
Of which: European Agricultural Guarantee Fund	40 692,2	40 698,2	40 368,9	40 393,0	323,4	305,1	0,8 %	0,8 %	333,0
<i>EAGF sub-ceiling</i>	41 518,0		41 257,0						
<i>Rounding difference excluded for calculating the sub-margin</i>	0,8		0,8						
<i>Net transfers between EAGF and EAFRD</i>	- 825,8		- 618,8						
<i>Net balance available for EAGF expenditure</i>	40 692,2		40 638,2						
<i>Adjusted EAGF sub-ceiling corrected by transfers between EAGF and EAFRD</i>	40 693,0		40 639,0						
<i>EAGF sub-margin</i>	0,8		270,1						
<i>EAGF sub-margin (excluding the rounding difference)</i>			269,3						
Contribution from NextGenerationEU	5 472,2	2 596,7	11 068,3	2 670,1					
Total available	62 694,7	60 042,0	67 749,4	59 271,8	- 5 054,7	770,2	-7,5 %	1,3 %	43 684,0

3.5.2. Agriculture and maritime policy cluster

(in million EUR, rounded figures at current prices)

Agriculture and maritime cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
European Agricultural Guarantee Fund	40 692,2	40 698,2	40 368,9	40 393,0	323,4	305,1	0,8 %	0,8 %	333,0
— Agricultural reserve	450,0	450,0	p.m.	p.m.	450,0	450,0			p.m.
— Types of interventions in certain sectors under the CAP Strategic Plans	613,2	613,2	p.m.	p.m.	613,2	613,2			p.m.
— Market-related expenditure outside the CAP Strategic Plans	2 083,8	2 090,7	2 661,1	2 673,6	- 577,3	- 583,0	-21,7 %	-21,8 %	257,7
— Direct payments types of interventions under the CAP Strategic Plans	p.m.	p.m.	p.m.	p.m.					p.m.
— Direct payments outside the CAP Strategic Plans (including reserve for crises in the agricultural sector)	37 313,0	37 313,0	37 446,3	37 446,3	- 133,3	- 133,3	-0,4 %	-0,4 %	p.m.
— Policy strategy, coordination and audit	227,2	226,2	256,7	268,3	- 29,5	- 42,1	-11,5 %	-15,7 %	75,3
— Support Expenditure	4,6	4,6	4,3	4,3	0,3	0,3	6,3 %	6,3 %	p.m.
— Completion of previous programmes and activities	0,5	0,5	0,5	0,5					p.m.
European Agricultural Fund for Rural Development (EAFRD)	12 934,7	15 087,2	12 727,7	14 680,2	207,0	407,0	1,6 %	2,8 %	38 214,5
— Rural development types of interventions	12 904,4	15 062,0	12 697,4	14 655,0	207,0	407,0	1,6 %	2,8 %	38 183,2
— EAFRD — Operational technical assistance	28,4	23,3	28,4	16,0		7,3		45,9 %	25,0
— EAFRD — Operational technical assistance financed from the European Union Recovery Instrument (EURI)									p.m.
— InvestEU Fund — Contribution from the EAFRD			p.m.	p.m.					p.m.
— Support expenditure	1,8	1,8	1,8	1,8					p.m.

Agriculture and maritime cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
— Completion of previous programmes and activities	p.m.	p.m.	p.m.	7,3		-7,3		-100,0 %	6,3
European Maritime, Fisheries and Aquaculture Fund (EMFAF)	1 102,8	888,6	1 134,3	732,4	- 31,5	156,2	-2,8 %	21,3 %	2 921,5
— EMFAF — Operational expenditure under shared management	993,7	27,5	1 029,8	44,2	- 36,0	- 16,7	-3,5 %	-37,8 %	p.m.
— EMFAF — Operational expenditure under direct and indirect management	94,2	51,5	91,8	55,7	2,4	- 4,2	2,6 %	-7,5 %	p.m.
— EMFAF — Operational technical assistance	5,1	4,8	4,6	4,0	0,5	0,8	11,0 %	19,4 %	p.m.
— Border Management and Visa Instrument (BMVI) — Contribution from the EMFAF	2,1	0,6	0,3		1,8	0,6	513,2 %		p.m.
— Support expenditure	7,7	7,7	7,8	7,8	- 0,1	- 0,1	-1,5 %	-1,5 %	p.m.
— Completion of previous programmes and activities	p.m.	796,6	p.m.	620,7		175,8		28,3 %	p.m.
Sustainable Fisheries Partnership Agreements (SFPA) and Regional Fisheries Management Organisations (RFMO)	162,0	151,1	159,2	166,4	2,8	- 15,2	1,8 %	-9,2 %	23,3
— Establishing a governance framework for fishing activities carried out by Union fishing vessels in third-country waters	156,3	145,4	153,5	160,7	2,8	- 15,2	1,8 %	-9,5 %	p.m.
— Promoting sustainable development for fisheries management and maritime governance in line with the CFP objectives (compulsory contributions to international bodies)	5,7	5,7	5,7	5,7					p.m.
Decentralised agencies	29,5	29,5	28,7	28,7	0,8	0,8	2,8 %	2,8 %	p.m.
— European Fisheries Control Agency	29,5	29,5	28,7	28,7	0,8	0,8	2,8 %	2,8 %	p.m.
Pilot projects, preparatory actions, prerogatives and other actions	p.m.	3,7	1,5	6,1	- 1,5	- 2,4	-100,0 %	-39,7 %	8,9
— Pilot projects	p.m.	2,3	1,5	3,2	- 1,5	- 0,9	-100,0 %	-26,8 %	4,4
— Preparatory actions	p.m.	1,4	p.m.	3,0		- 1,6		-53,4 %	4,5
Total Agriculture and Maritime Policy cluster	54 921,3	56 858,4	54 420,3	56 006,9	501,0	851,4	0,9 %	1,5 %	41 501,2

3.5.2.1. Priorities for 2023

Agriculture is a common policy of strategic importance. The reformed and modernised **Common Agricultural Policy (CAP)** will support a fully integrated Single Market for agricultural goods in the EU and ensure access to safe, high quality, affordable, nutritious and diverse food, while placing greater emphasis on the environment and climate. It will support the transition towards a fully sustainable agricultural sector and the development of vibrant rural areas, in line with the ambitions of the European Green Deal and its related Farm to Fork and Biodiversity strategies. The specific agricultural funds will be complemented by additional research funded activities from Horizon Europe to support research and innovation in food, agriculture, rural development and the bio-economy.

The reformed CAP still consists of two pillars: the **European Agricultural Guarantee Fund (EAGF)** providing direct payments to farmers and market-related support, and the **European Agricultural Rural Development Fund (EAFRD)** supporting structural changes in rural areas. However, under a new delivery model the interventions of the two pillars will be largely consolidated under common objectives set at EU level. This new delivery model represents a shift from a compliance-based policy to a results-oriented policy, while offering more flexibility in implementation choices at national level. All Member States have submitted their CAP Strategic Plans ⁽¹⁾, which will form the basis for the implementation of the reformed CAP. To ensure that implementation starts on 1 January 2023, the objective is to have all CAP Strategic Plans approved before the end of 2022.

The Russian invasion of Ukraine has created an acute threat of market disturbances, caused by significant cost rises combined with trade limitations, which endangers food security in the Union. In the Communication on 'Safeguarding food security and reinforcing the resilience of food systems', the Commission announced a number of measures to support EU farmers, which included two EAGF-funded measures with an overall budgetary impact of EUR 530 million: the 2022 exceptional adjustment aid package of EUR 500 million, which uses an amount of EUR 350 million from the EAGF crisis reserve and EUR 150 million from assigned revenue, as well as private storage aid to support the pig meat sector, with a combined financial impact of EUR 30 million spread across 2022 and 2023.

In addition to these EAGF measures, the Commission has proposed to include exceptional temporary support for farmers and SMEs particularly affected by the impact of the Russian invasion of Ukraine into the range of eligible measures under the EAFRD. This additional measure, with an estimated budgetary impact of EUR 450 million in 2023, allows the Member States to provide liquidity support to farmers and agri-food businesses affected by significant increases in input costs, in particular to feed and fertiliser, as well as energy-intensive undertakings in the processing industry experiencing increased gas and electricity costs. The support will take the form of a one-off lump sum for farmers and for SMEs operating in the sector and will not exceed an amount corresponding to 5 % of the total EAFRD contribution for the years 2021-2022 (excluding the NGEU top up) ⁽²⁾.

The priority for the **European Maritime, Fisheries and Aquaculture Fund (EMFAF)** will be the adoption of the new programmes before the end of 2022, including the 2021 allocation that was reprogrammed according to Article 7 of the MFF regulation. The programmes will support the EU fisheries, aquaculture and seafood processing sectors which are also strongly affected by the increase in energy prices and other operating costs as a result of the military aggression of Russia against Ukraine. A number of emergency measures will be put in place in order to support the operators of the sector affected by this exceptional crisis.

European Agricultural Guarantee Fund (EAGF) net balance and agricultural reserve

The 2023 net balance available for the EAGF amounts to EUR 40 692,2 million, taking into account a net transfer of EUR -825,8 million to rural development. This new amount includes transfers from the EAGF to the EAFRD and vice-versa, as notified by several Member States to the Commission by 1 August 2021 ⁽³⁾.

⁽¹⁾ There will be 28 CAP Strategic Plans. For constitutional reasons, Belgium will have two CAP Strategic Plans.

⁽²⁾ Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 1305/2013 as regards a specific measure to provide exceptional temporary support under the European Agricultural Fund for Rural Development (EAFRD) in response to the impact of the Russian invasion of Ukraine (COM(2022) 242 of 20 May 2022).

⁽³⁾ The additional transfers were notified by Member States concerned in accordance with Articles 7(2), 11(6), 14(1) and 14(2) of Regulation (EU) No 1307/2013 with an amount of EUR 1 333,1 million from the EAGF to the EAFRD and EUR 525,4 million from the EAFRD to the EAGF. The resulting net transfer from the EAGF to the EAFRD of EUR 825,8 million is deducted from the 2023 EAGF sub-ceiling and added to the respective national envelopes for the EAFRD. Overall, such transfers between the two CAP pillars are budgetary neutral as regards the ceiling for Heading 3.

In accordance with Article 16 of Regulation (EU) No 2021/2116, the new 'Agricultural reserve' will amount to EUR 450 million in current prices and the related appropriations will be entered into a separate article. In case of need, storage measures and exceptional measures should be financed directly from the reserve. In 2023, the 'Agricultural reserve' will be fully financed from the EAGF availabilities, unlike in the past when it was established by applying financial discipline to direct payments. Taking account of the estimated amount of assigned revenue, the appropriations requested in the 2023 draft budget, including EUR 450 million for the 'Agricultural reserve', correspond to the new net balance available for the EAGF, leaving no EAGF margin.

EAGF needs, assigned revenue, and budget appropriations

Overall, as illustrated in the table below, EAGF expenditure (referred to as 'needs') for 2023 is estimated at EUR 41 149,2 million, which is EUR 229,4 million higher than in the 2022 budget. Taking into account EUR 457 million of assigned revenue expected to be available in 2023 (EUR 94 million below the level in 2022), the Commission requests EUR 40 692,2 million in commitment appropriations to finance the EAGF needs for 2023. This represents an increase in budget appropriations of EUR 323,4 million compared to the 2022 budget.

(in million EUR, rounded figures at current prices)

	Draft budget 2023			2022 budget			Difference		
	Needs	Assigned revenue	Budget	Needs	Assigned revenue	Budget	Needs	Assigned revenue	Budget
	1	2	1-2	1	2	1-2	1	2	1-2
Agricultural reserve	450,0		450,0			450,0		450,0	
Market support	2 697,0		2 697,0	2 661,1		2 661,1	35,9	35,9	
Direct payments outside the CAP Strategic Plans	37 770,0	457,0	37 313,0	37 500,0	551,0	36 949,0	270,0	- 94,0	364,0
Reserve for crises in the agricultural sector				497,3		497,3	- 497,3		- 497,3
Total direct payments	37 770,0	457,0	37 313,0	37 997,3	551,0	37 446,3	- 227,3	- 94,0	- 133,3
Completion of previous measures	0,5		0,5	0,5		0,5			
Other EAGF expenditure	231,7		231,7	261,0		261,0	- 29,2		- 29,2
TOTAL EAGF	41 149,2	457,0	40 692,2	40 919,9	551,0	40 368,9	229,4	- 94,0	323,4

Intervention in agricultural markets

Overall, financial needs for market interventions under the EAGF remain rather limited and represent a relatively small part of the EAGF, reflecting the shift in favour of direct income support as the main principle agreed in all CAP reforms since 1992. The 2023 draft budget shows a small increase of EUR 36 million in needs and appropriations for interventions in agricultural markets compared to the 2022 budget. The modifications proposed for several market measures reflect the updated needs assessments, taking into account the level of execution in recent years. An amount of EUR 10 million is included in DB 2023 on budget item 08 02 03 10 'Public and private storage measures' to cover the outstanding payments for the private storage for pig meat crisis measure, which was part of the package of EUR 530 million introduced in 2022 to address the serious market disturbances caused by the Russian invasion of Ukraine. Depending on the situation in the markets, further exceptional measures may be proposed by the Commission at a later stage. As every year, the DB 2023 will be adjusted in autumn via an amending letter. Any exceptional measures adopted as from 16 October 2022 would be financed from the new agricultural reserve.

Direct payments

The EAGF needs are dominated by the expenditure for direct payments to farmers. In the financial year 2023, the needs will be determined by the national ceilings for calendar year 2022 in accordance with Regulation (EU) No 1307/2013, as modified by the CAP transitional regulation ⁽¹⁾. 2023 will be the last year in which direct payments will cover schemes implemented according to the 2014-2022 rules. The five obligatory direct payment schemes are: the Single Area Payment Scheme (SAPS) or the Basic Payment Scheme (BPS); the specific payment for cotton; the 'greening payment', and the payment for young farmers. Member States can also allocate part of their national ceilings for direct payments to four voluntary schemes: the redistributive payment, payment for areas with natural constraints, voluntary coupled support and the small farmers' scheme. Within the overall ceilings, Member States are offered a high degree of flexibility in implementation. As a result, the funding allocated to the different schemes varies significantly between Member States.

The needs for direct payments decrease by EUR 227 million compared to 2022, when the agricultural crisis reserve was financed from direct payments via financial discipline. In 2023 the new agricultural reserve is established without applying financial discipline and budgeted outside direct payments. Appropriations for direct payments decrease by EUR -133,3 million, because the estimated assigned revenue for 2023 is EUR 94 million lower than in 2022.

Assigned revenue

In accordance with the Regulation on the financing of the CAP ⁽²⁾, certain operations (mainly conformity and accounting clearance corrections as well as irregularities) generate revenue assigned to the EAGF that are used to cover part of the needs for this fund. As a result, a distinction has to be made between requested budget appropriations and estimated expenditure ('needs'). Appropriations requested for the 2023 draft budget are lower than the estimated expenditure because an estimated amount of EUR 457 million in revenue is assigned to the EAGF. While in principle available to any EAGF measure, for the sake of simplification and better transparency the assigned revenue is attributed in its entirety to the Basic Payment Scheme on budget item 08 02 05 04.

The assigned revenue is lower than in the 2022 budget, largely because of reduced error rates in the last years of the current direct payments system and fewer irregularities. The deferred amounts resulting from former audit cases have mostly been cleared. As a result, EUR 329,8 million in EAGF financial corrections is expected to be collected in 2023. The other source of assigned revenue in the 2023 draft budget is the EAGF irregularities, which is estimated at EUR 127,2 million. In the 2022 budget, an estimated amount of additional assigned revenue of EUR 150 million is used for the exceptional adjustment aid package. Therefore, based on the currently available Member States' forecasts, the 2023 draft budget does not anticipate any surplus being carried over from 2022.

⁽¹⁾ Regulation (EU) 2020/2220 of the European Parliament and of the Council of 23 December 2020 laying down certain transitional provisions for support from the European Agricultural Fund for Rural Development (EAFRD) and from the European Agricultural Guarantee Fund (EAGF) in the years 2021 and 2022 and amending Regulations (EU) No 1305/2013, (EU) No 1306/2013 and (EU) No 1307/2013 as regards resources and application in the years 2021 and 2022 and Regulation (EU) No 1308/2013 as regards resources and the distribution of such support in respect of the years 2021 and 2022.

⁽²⁾ Regulation (EU) No 1306/2013 of the European Parliament and of the Council of the financing, management and monitoring of the common agricultural policy, in particular Article 43 thereof and Regulation (EU) 2021/2116 of the European Parliament and of the Council of 2 December 2021 on the financing, management and monitoring of the common agricultural policy.

European Agricultural Fund for Rural Development (EAFRD)

Support provided through the EAFRD makes a vital contribution to the sustainability of the rural environment and helps maintain a balance between urban and rural areas in a competitive and knowledge-based economy. It complements market interventions and direct income support granted to farmers under the EAGF. Under the new CAP, rural development support will also provide a decisive input into the new call for enhanced environmental and climate actions linked to the European Green Deal. The 2023-2027 CAP plans will include the following types of interventions, funded by the EAFRD: (i) environmental, climate and other management commitments; (ii) natural or other area-specific constraints; (iii) area-specific disadvantages resulting from certain mandatory requirements; (iv) investments, including investments in irrigation; (v) setting-up of young and new farmers and rural business start-up; (vi) risk management tools; (vii) cooperation; (viii) knowledge exchange and dissemination of information.

At least 35 % of the total EAFRD contribution will be reserved for interventions related to environmental and climate change, including payments for areas with natural constraints. As regards the NextGenerationEU top-up to the 2014-2022 rural development programmes, the Draft Budget 2023 includes payments related to commitments made in 2021 and 2022.

For 2023, the commitment appropriations for the EAFRD are based on the financial envelopes as stipulated in Annex XI of the CAP Strategic Plan Regulation ⁽¹⁾. Transfers from and to the EAGF are also taken into account, resulting in a net reinforcement of the rural development measures by EUR 825,8 million.

(in million EUR, rounded figures at current prices)

Programme	Name	Line	Draft budget 2023		Contribution from NextGenerationEU		Total	
			CA	PA	CA	PA	CA	PA
European Agricultural Fund for Rural Development (EAFRD)¹			12 934,7	15 087,2		2 425,5	12 934,7	17 512,7
Of which:	Support expenditure for the European Agricultural Fund for Rural Development	08 01 02				0,3		0,3
	Rural development types of interventions financed from the European Union Recovery Instrument (EURI)	08030103				2 424,3		2 424,3
	EAFRD — Operational technical assistance financed from the European Union Recovery Instrument (EURI)	08 03 03				1,0		1,0

⁽¹⁾ Regulation (EU) 2021/2115 of the European Parliament and of the Council of 2 December 2021 establishing rules on support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013.

European Maritime, Fisheries and Aquaculture Fund

Through the European Maritime, Fisheries and Aquaculture Fund (EMFAF) ⁽¹⁾, the EU budget continues to support the implementation of the Common Fisheries Policy (CFP) and the Union's maritime policy. The related funding is a key enabler for sustainable fisheries and the conservation of marine biological resources, as well as for food security in line with the European Green Deal, and in particular the Farm to Fork Strategy and the EU Biodiversity Strategies. This includes support to processing and marketing of fisheries and aquaculture products. One specific objective of the policy is to strengthen international ocean governance and promote safe, secure, clean and sustainably managed seas and oceans.

The EMFAF will be implemented with Member States under shared management as well as by the Commission under direct and indirect management. For the shared management part, the full 2021 allocation has been re-programmed to the years 2022-2025 in accordance with Article 7 of the MFF Regulation. All new programmes are expected to be adopted in 2022.

Following the request of Member States to transfer resources pursuant to Article 26 of the CPR, additional resources can be implemented under EMFAF in accordance with the rules of the instrument, for the benefit of the Member State concerned. The appropriations are inscribed or transferred to these lines depending on the adoption date of the corresponding Partnership Agreements.

Programme	Name	Line	Draft budget 2023	
			CA	PA
European Maritime, Fisheries and Aquaculture Fund (EMFAF)			p.m.	p.m.
Of which:	— European Maritime, Fisheries and Aquaculture Fund (EMFAF) — Contribution from the ERDF	05 02 08	p.m.	p.m.
	— European Maritime, Fisheries and Aquaculture Fund (EMFAF) — Contribution from the Cohesion Fund (CF)	05 03 06	p.m.	p.m.
	— European Maritime, Fisheries and Aquaculture Fund (EMFAF) — Contribution from the ESF+	07 02 10	p.m.	p.m.

The **European Fisheries Control Agency (EFCA)** contributes to a consistent application of the CFP rules across the EU, including in the aftermath of the UK withdrawal.

Sustainable Fisheries Partnership Agreements (SFPAs) and compulsory contributions to Regional Fisheries Management Organisations (RFMOs) and other international fisheries organisations

The EU negotiates, concludes and implements bilateral Sustainable Fisheries Partnership Agreements (SFPAs) between the European Union and third countries. It is also a member of several international bodies, including various Regional Fisheries Management Organisations (RFMOs) and bodies set up by the United Nations Convention on the Law of the Sea (UNCLOS), namely the International Seabed Authority and the International Tribunal for the Law of the Sea.

RFMOs are international bodies set up to promote the conservation and sustainability of straddling and highly migratory fish stocks. They are the main vehicle for multilateral cooperation, providing a legal framework that can take into account the specific features and characteristics of each zone and species concerned. Within the framework of the SFPAs, the Commission maintains a political dialogue on fisheries-related policies with third countries, in coherence with the principles governing the CFP and the commitments under other relevant European policies. Additional aims are to improve scientific and technical knowledge, contribute to the fight against illegal, unreported and unregulated fishing and promote better global governance of fisheries.

⁽¹⁾ Regulation (EU) 2021/1139 of the European Parliament and of the Council of 7 July 2021 establishing the European Maritime, Fisheries and Aquaculture Fund and amending Regulation (EU) 2017/1004.

3.5.3. Environmental and Climate Action policy cluster

(in million EUR, rounded figures at current prices)

Environmental and Climate Action cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
Programme for Environment and Climate Action (LIFE)	728,3	516,8	755,5	528,5	- 27,2	- 11,7	-3,6 %	-2,2 %	2 148,4
— Nature and biodiversity	275,1	100,0	284,0	79,9	- 9,0	20,1	-3,2 %	25,1 %	268,7
— Circular economy and quality of life	174,4	70,0	181,7	54,9	- 7,3	15,1	-4,0 %	27,5 %	180,0
— Climate change mitigation and adaptation	122,4	47,0	128,4	40,8	- 6,0	6,2	-4,7 %	15,2 %	126,8
— Clean energy transition	130,8	53,0	137,9	32,9	- 7,2	20,1	-5,2 %	61,1 %	136,8
— Support expenditure	25,8	25,8	23,5	23,5	2,3	2,3	9,6 %	9,6 %	p.m.
— Completion of previous programmes and activities	p.m.	221,0	p.m.	296,5		- 75,5		-25,5 %	1 436,0
Just Transition Fund	1 466,2	2,8	1 443,0	1,3	23,2	1,5	1,6 %	112,9 %	p.m.
— Just Transition Fund (JTF) — Operational expenditure	1 462,1	p.m.	1 438,9	p.m.	23,1		1,6 %		p.m.
— Just Transition Fund (JTF) — Operational technical assistance	4,1	2,8	4,1	1,3	0,1	1,5	2,0 %	112,9 %	7,8
— Support expenditure	p.m.	p.m.	p.m.	p.m.					p.m.
Public sector loan facility under the Just Transition Mechanism (JTM)	50,0	p.m.	p.m.	p.m.	50,0				
— Public sector loan facility under the Just Transition Mechanism (JTM)	50,0	p.m.	p.m.	p.m.	50,0				p.m.
— Support expenditure	p.m.	p.m.	p.m.	p.m.					p.m.
Decentralised agencies	56,8	56,8	54,1	54,1	2,6	2,6	4,8 %	4,8 %	3,0
— European Chemicals Agency – Environmental directives and international conventions	5,4	5,4	4,7	4,7	0,7	0,7	14,7 %	14,7 %	p.m.
— European Environment Agency	51,4	51,4	49,4	49,4	1,9	1,9	3,9 %	3,9 %	3,0

Environmental and Climate Action cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
Pilot projects, preparatory actions, prerogatives and other actions	p.m.	10,6	8,1	10,8	- 8,1	- 0,2	-100,0 %	-1,9 %	23,6
— Pilot projects	p.m.	3,4	3,6	4,3	- 3,6	- 0,9	-100,0 %	-21,7 %	8,4
— Preparatory actions	p.m.	7,2	4,5	6,5	- 4,5	0,7	-100,0 %	11,3 %	15,2
Total Environment and Climate Action cluster	2 301,3	587,0	2 260,8	594,8	40,5	- 7,8	1,8 %	-1,3 %	2 182,8

3.5.3.1. Priorities for 2023

The European Climate Law ⁽¹⁾ enshrines the EU commitment to reaching climate neutrality by 2050 and paves the way for reinforced European environmental and climate action policy. The Commission's initiatives include in particular the 'Fit-for-55' package, which contains legislative proposals to revise the entire EU 2030 climate and energy framework, including the legislation on effort sharing, land use and forestry, renewable energy, energy efficiency, emission standards for new cars and vans, and the Energy Taxation Directive. The Commission proposes to strengthen the emissions trading system (ETS), and extend the trading of emission allowances to the maritime sector, road transport and buildings and reduce over time the free allowances allocated to airlines. To address any social impacts that arise from the extended system, the Commission proposes to introduce the Social Climate Fund (SCF). New legislation is proposed on clean maritime and aviation fuels. To ensure fair pricing of greenhouse gas emissions associated with imported goods, the Commission proposes to create a new carbon border adjustment mechanism. Furthermore, new legislation is expected for restoring nature, while work is continuing on chemicals and on measures to promote product sustainability. The Russian invasion of Ukraine underlined that investments in the green transition must be accelerated to create the conditions for Europe's long-term growth and the resilience of the European economy to shocks.

The **Programme for the environment and climate action** *LIFE* ⁽²⁾ supports important EU policy objectives, in particular the protection of nature and biodiversity, the transition to a circular economy, the protection and quality improvement of the EU's air and water, the implementation of the 2030 energy and climate policy framework and the achievement of the Union's commitments to reaching climate neutrality by 2050, including initiatives under the 'Fit-for-55' package and the REPowerEU Plan ⁽³⁾ to phase-out EU over-dependence from Russia's fossil fuels imports by 2027. The programme also stimulates investment and support activities focused on energy efficiency, including in European regions lagging behind in the transition towards clean energy.

In the context of the EU response to the war in Ukraine, *LIFE* will contribute in particular to increasing the uptake of energy efficiency solutions and small-scale Renewable Energy Solutions (RES) deployment, thereby reducing natural gas consumptions and the related energy imports. These actions have lasting effects, thus contributing to the energy and macro-economic resilience of the EU in a sustained way over time. The *LIFE* Clean Energy Transition sub-programme addresses REPowerEU energy savings and clean energy transition objectives ⁽⁴⁾ by reducing natural gas consumptions for heating purposes, by enabling the acceleration of clean energy solutions in homes, businesses and the public sector, and by supporting the development of national, regional and local planning, network and information campaigns to stimulate energy savings awareness and behavioural changes.

LIFE supports actions related to climate change mitigation (reducing greenhouse gas emissions), climate change adaptation (strengthening efforts on climate-proofing, resilience building, prevention and preparedness), as well as the promotion of good climate governance. The *LIFE* programme significantly contributes to the mainstreaming of climate related expenditure in the EU budget: 61 % of *LIFE* expenditure is expected to be climate-relevant. Regarding financing of biodiversity, the *LIFE* programme expenditure under sub-programme Nature and Biodiversity contributes at 100 % to the overall biodiversity mainstreaming ambition of 10 % by 2027.

⁽¹⁾ Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999.

⁽²⁾ Regulation (EU) 2021/783 of the European Parliament and of the Council of 29 April 2021 establishing a Programme for the Environment and Climate Action (*LIFE*), and repealing Regulation (EU) No 1293/2013.

⁽³⁾ COM(2022) 230, 18.5.2022.

⁽⁴⁾ COM(2022) 240 and SWD(2022) 230, 18.5.2022.

One of the main components of the European Green Deal is the new *Just Transition Mechanism* (JTM). The JTM consists of three pillars: a *Just Transition Fund* (JTF) ⁽¹⁾ implemented under shared management, a dedicated *just transition scheme under InvestEU*, and a *public sector loan facility* (PSLF) ⁽²⁾ to mobilise additional investments to territories concerned. The green transition means moving away from fossil fuels like coal, lignite, peat and oil shale. To ensure that no one is left behind, the JTF supports those regions and sectors that are most affected by the transition towards climate neutrality. It supports workers to develop skills and competences for the job market of the future and help SMEs, start-ups and incubators to create new economic opportunities in these regions. It also supports investments in the clean energy transition and energy efficiency.

In 2023, the JTF is financed both from the MFF and NextGenerationEU, as shown in the table below.

(in million EUR, rounded figures at current prices)

Programme	Name	Line	Draft budget 2023		Contribution from NextGenerationEU		Total	
			CA	PA	CA	PA	CA	PA
Just Transition Fund¹			1 466,2	2,8	5 472,2	171,1	6 938,4	173,9
Of which:	Just Transition Fund (JTF) — Operational expenditure	09 03 01	1 462,1	p.m.	5 449,8	158,0	6 911,9	158,0
	Just Transition Fund (JTF) — Operational technical assistance	09 03 02	4,1	2,8	15,5	6,2	19,6	9,0
	Support expenditure for the "Just Transition Fund (JTF)"	09 01 02	p.m.	p.m.	6,9	6,9	6,9	6,9
1. The programme receives contributions from clusters: Regional Development and Cohesion; Investing in People, Social Cohesion and Values; and Environment and Climate Action.								

The JTF will be implemented through shared management in line with the rules of the Common Provisions Regulation. Member States have the possibility to complement their JTF allocation from their allocations under the ERDF and the ESF+ through a specific and definitive transfer mechanism. Member States are currently preparing their Territorial Just Transition Plans (TJTTPs), which will identify the eligible territories that are expected to be the most negatively impacted by the green transition. The preparation of the TJTTPs is a key element for programming and subsequently implementing JTF resources. All JTF programmes are expected to be adopted in 2022.

As regards the third pillar of the JTM, the public sector loan facility (PSLF) ⁽³⁾ will support investments in the public sector, through preferential funding conditions. These investments will benefit the territories most negatively affected by the climate transition as identified in the Territorial Just Transition Plans for the purposes of the JTF. This facility will consist of a grant and a loan component. The grant component, financed from the EU budget from external assigned revenues and intended to be implemented with the European Investment Bank (EIB) and other finance partners, will reduce the financial burden for beneficiaries relating to the reimbursement of the loan to be provided by a finance partner. The first call is expected to be launched in 2022 and the first grant agreements could be signed in 2023.

⁽¹⁾ Regulation (EU) 2021/1056 of the European Parliament and of the Council of 24 June 2021 establishing the Just Transition Fund.

⁽²⁾ Regulation (EU) 2021/1229 of the European Parliament and of the Council of 14 July 2021 on the public sector loan facility under the Just Transition Mechanism.

⁽³⁾ Regulation (EU) 2021/1229 of the European Parliament and of the Council of 14 July 2021 on the public sector loan facility under the Just Transition Mechanism.

The **decentralised agencies** of this cluster (European Chemicals Agency (ECHA) – Environmental directives and international conventions and European Environment Agency (EEA)) provide sound and independent information on the environment enabling the development, adoption, implementation and evaluation of environmental policies.

3.5.4. Payment appropriations for this heading

Summary payment appropriations	Payment appropriations in DB 2023	DB 2023 - Share of total payment appropriations in heading 3	Payment appropriations in Budget 2022
Payments on spending programmes	57 304,8	99,8 %	56 464,4
<i>of which the EAGF</i>	40 693,6	70,8 %	40 388,7
<i>of which for the multiannual financial framework 2021-2027</i>	2 143,6	3,7 %	496,1
<i>of which for the multiannual financial framework 2014-2020 and earlier¹</i>	14 467,6	25,2 %	15 579,6
Other payments ²	140,6	0,2 %	137,4
Total	57 445,4	100,0 %	56 601,8

1. Includes also payments for EAFRD commitments implemented on the basis of extended 2014-2020 programmes.

2. Payments related to administrative support expenditure, decentralised agencies, pilot projects, preparatory actions, actions financed under the prerogatives of the European Commission and other actions.

The payment appropriations requested for this heading as a whole, result from: on the one hand, mainly non-differentiated expenditure under the EAGF, for which the payment appropriations requested in the 2023 draft budget reflect the needs for the measures for direct payments and market interventions; on the other hand, the DB reflects payment appropriations for differentiated expenditure in the other programmes, for which a distinction between the new and the previous programming period can be made.

Payments for new programmes

The payment appropriations for the EAFRD programmes of EUR 1 612 million cover the pre-financing of EUR 612 million (corresponding to 1% of the total EAFRD allocation) as well as interim payments of EUR 1 billion, which should mainly cover payments for annual measures. A further EUR 23,3 million is foreseen for the payments under the operational technical assistance.

The payment appropriations for the EMFAF shared management part of EUR 27,5 million mainly cover the 0,5 % pre-financing for the 2023 EMFAF allocation, as well as a relatively small amount of interim payments. For the EMFAF direct and indirect management, an amount of EUR 51,5 million is included for payments to beneficiaries and for contracts resulting from legal commitments. A further EUR 4,8 million is foreseen for the payments under the operational technical assistance.

For LIFE, the amount of EUR 270 million relating to the new programme is mostly meant to cover pre-financing at the regular level of 30 % for standard grants and 20 % for strategic integrated projects and strategic nature projects. Additionally, payments for procurement and operating grants will be covered with this budget.

For the JTF, only a limited amount of voted payment appropriations (EUR 2,8 million) is included in draft budget 2023 for the operational technical assistance. Given the time limitations for NGEU payments, it is proposed to maximise the use of this external assigned revenue until 2026 and therefore to frontload the use of NGEU payments. For this reason, the NGEU payment appropriations for operational expenditure in the 2023 draft budget will consist of the pre-financing (EUR 97 million) for the 2023 MFF and NGEU allocations as well as interim payments for an amount of EUR 61 million.

In 2023, no payment appropriations are planned for the public sector loan facility (PSLF). If necessary, payment appropriations will be covered by external assigned revenue.

Payments for previous programmes

For the EAFRD, the steady implementation of the programmes over recent years is expected to continue in 2023. All EAFRD payment appropriations in the 2023 draft budget therefore relate to interim payments for both annual and investment measures. Given the stage of the implementation cycle, the level of annual measures is expected to start decreasing, whereas payments related to investment measures will accelerate. The payment appropriations requested for the EAFRD amount to EUR 13,45 billion, and take account of the availability of an amount of EUR 50 million of assigned revenue. This also includes the estimated impact (amounting to EUR 450 million) of the lump sum support to farmers and SMEs operating in the sector, in response to the Russian invasion of Ukraine. In 2023, the EAFRD will continue to benefit from NGEU payments, for which a top-up of EUR 2 426 million will be available as external assigned revenue.

The payment appropriations for the 2014-2020 European Maritime and Fisheries Fund (EMFF) of EUR 796,6 million mainly relate to the completion of the shared management programmes, given that their implementation is expected to accelerate towards the end of the programming period. This takes into account the available assigned revenue for the EMFF, generated from recoveries of the annual pre-financing. For the EMFF direct management part, the 2023 payment appropriations will cover the interim and final payments relating to ongoing and closing projects and contracts, all committed under the 2014-2020 programming period.

For LIFE, an amount of EUR 221 million is budgeted to implement the full cruising speed of the programme with final, interim and pre-financing payments, related to both procurement and LIFE grants.

3.6. Heading 4 – Migration and border management

This heading addresses the Union's migration and asylum policy as well as the protection of its external borders. Migration and border management remains a long-term challenge. To ensure that the EU migration policy can address current and future challenges, while fully respecting European values and fundamental rights, the proposed New Pact on Migration and Asylum⁽¹⁾ covers all the different elements needed for a comprehensive European approach to migration management, based on fair sharing of responsibility and solidarity. It offers a fresh start to addressing this challenge by setting a new, durable European framework to manage the interdependence between Member States' policies and decisions and to offer a proper response to migration opportunities and challenges in normal times, in situations of pressure and in crisis situations, including the consequences of the Russian invasion of Ukraine.

⁽¹⁾ COM(2020) 609, 23.9.2020.

A large share of the EU budget for migration and border management is managed by Member States, which also receive additional financial and technical support from the EU. Following the reprogramming of unused 2021 funds under shared management to the years 2022-2025, the immediate focus is on the adoption of the new programmes before the end of 2022 to swiftly start their implementation. Through the national programmes, Member States can use EU financing to cover the costs of reception and support for refugees from Ukraine. The budget for migration supports the reception of asylum seekers and migrants, the first steps of their integration into host societies, and/or the management of effective returns, and other actions that need a coordinated response, such as resettlement or legal pathways. The budget for border management can support improving border controls, investing in infrastructure and equipment, and funding services to visa applicants. These efforts need to be complemented by strong and fully operational agencies working in the field of migration, asylum and border management.

3.6.1. Summary table for commitment (CA) and payment (PA) appropriations

(in million EUR, rounded figures at current prices)

Heading 4 Migration and border management by cluster	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
— Migration	1 587,3	1 484,1	1 472,2	1 521,4	115,0	- 37,3	7,8 %	-2,5 %	2 380,6
— Border Management	2 140,0	1 583,3	1 887,8	1 732,8	252,3	- 149,5	13,4 %	-8,6 %	1 595,8
Total Voted Appropriations	3 727,3	3 067,4	3 360,0	3 254,3	367,3	- 186,9	10,9 %	-5,7 %	3 976,4
<i>Ceiling</i>	3 814,0		3 360,0						
<i>Margin</i>	86,7								
Total available	3 727,3	3 067,4	3 360,0	3 254,3	367,3	- 186,9	10,9 %	-5,7 %	3 976,4

3.6.2. Migration cluster

(in million EUR, rounded figures at current prices)

Migration cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
Asylum, Migration and Integration Fund (AMIF)	1 418,1	1 314,9	1 318,6	1 367,8	99,5	- 52,9	7,5 %	-3,9 %	2 360,7
— Asylum, Migration and Integration Fund	1 414,8	710,9	1 315,6	752,8	99,2	- 41,9	7,5 %	-5,6 %	451,4
— Border Management and Visa Instrument (BMVI) — Contribution from AMIF	0,3	p.m.	p.m.	p.m.	0,3				p.m.
— Internal Security Fund (ISF) – Contribution from AMIF	p.m.	p.m.	p.m.	p.m.					p.m.
— Support expenditure for the Asylum, Migration and Integration Fund	3,0	3,0	3,0	3,0					p.m.
— Completion of previous programmes and activities	p.m.	601,0	p.m.	612,0		- 11,0	-100,0 %	-1,8 %	1 909,2
Decentralised agencies	169,2	169,2	153,7	153,7	15,5	15,5	10,1 %	10,1 %	19,9
— European Union Agency for Asylum (EUAA)	169,2	169,2	153,7	153,7	15,5	15,5	10,1 %	10,1 %	19,9
Pilot projects, preparatory actions, prerogatives and other actions	p.m.	p.m.	p.m.	p.m.					
— Preparatory actions	p.m.	p.m.	p.m.	p.m.					
Total Migration cluster	1 587,3	1 484,1	1 472,2	1 521,4	115,0	- 37,3	7,8 %	-2,5 %	2 380,6

3.6.2.1. Priorities for 2023

The EU aims to address migration crises with comprehensive and swift support to increase the capacity of Member States and to provide a policy response focused on saving lives, securing the external borders of the Union, supporting a strong common asylum policy, addressing irregular migration, return and readmission, and promoting a new policy for legal migration.

The Russian invasion of Ukraine led to a mass inflow of displaced persons from Ukraine to the Union. This places renewed pressure on the financial resources of Member States to deal with urgent migration management needs. While the increased migratory pressure, including reception and asylum processing procedures, is already being felt acutely in the Member States that share a border with Ukraine, the needs are spreading further afield throughout the whole territory of the Union, and they will have consequences well into 2023.

In order to further support Member States in addressing these challenges, unspent financial resources for the 2014-2020 programming period under the Asylum, Migration and Integration Fund and the Internal Security Fund can be used. A further amendment to the 2021-2027 basic act ⁽¹⁾ intends to provide Member States and other public or private donors with the possibility, under the 2021-2027 programming period, to make additional financial contributions to asylum and migration management in the form of external assigned revenue.

The **Asylum, Migration and Integration Fund (AMIF)** ⁽²⁾ contributes to the efficient management of migration flows and to the implementation, strengthening and development of the common policy on asylum, and the common migration policy. The increase of 7,5 % compared to 2022 (including Draft Amending Budget 3/2022) illustrates the reinforcement of the AMIF envelope in the 2021-2027 MFF. The Thematic Facility under AMIF allows for the financing of emergency assistance, resettlement and humanitarian admission, as well as relocation. As a complement, the European Social Fund+ and the European Regional Development Fund provide support to facilitate the longer-term integration of refugees and persons granted temporary protection after the initial phase of reception. The external policy instruments complement in this field.

The **European Union Asylum Agency** brings enhanced operational and technical assistance to the Member States, notably by providing increased support for asylum procedures.

⁽¹⁾ OJ L 112, 11.4.2022, p. 1.

⁽²⁾ Regulation (EU) 2021/1147 of the European Parliament and of the Council of 7 July 2021 establishing the Asylum, Migration and Integration Fund.

3.6.3. Border management cluster

(in million EUR, rounded figures at current prices)

Border Management cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
Integrated Border Management Fund (IBMF) - Instrument for border management and visa (BMVI)	946,8	394,5	740,7	610,9	206,1	- 216,4	27,8 %	-35,4 %	1 139,6
— Instrument for financial support for border management and visa	944,8	276,5	738,7	311,9	206,1	- 35,4	27,9 %	-11,3 %	154,1
— Support expenditure	2,0	2,0	2,0	2,0					p.m.
— Completion of previous programmes and activities	p.m.	116,0	p.m.	297,0		- 181,0	-100,0 %	-60,9 %	985,5
Integrated Border Management Fund (IBMF) - Instrument for financial support for customs control equipment (CCEi)	141,0	71,8	138,2	136,3	2,8	- 64,5	2,0 %	-47,3 %	135,4
— Instrument for financial support for customs control equipment	140,9	71,7	138,1	136,2	2,8	- 64,5	2,0 %	-47,3 %	135,4
— Support expenditure	0,1	0,1	0,1	0,1	0,0	0,0	2,5 %	2,5 %	p.m.
Decentralised agencies	1 052,3	1 117,0	1 008,8	985,7	43,4	131,3	4,3 %	13,3 %	320,8
— European Border and Coast Guard Agency (Frontex)	793,6	793,6	692,8	692,8	100,8	100,8	14,6 %	14,6 %	0,0
— European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice ('eu-LISA')	258,7	323,4	316,0	292,9	- 57,4	30,5	-18,2 %	10,4 %	320,8
Total Border Management cluster	2 140,0	1 583,3	1 887,8	1 732,8	252,3	- 149,5	13,4 %	-8,6 %	1 595,8

3.6.3.1. Priorities for 2023

Strong external borders and a harmonised implementation of the common visa policy, together with a genuinely Common European Asylum System, allow for a fully functioning Schengen area without internal border controls. Stable external borders require providing adequate support to the Member States facing most pressure because of their geographical location, such as those bordering Ukraine whose border management needs have been significantly increased since the start of the war. Strong external borders also require up-to-date and interoperable IT systems and the use of smart technologies. Work will continue in order to upgrade the systems and to digitalise the common visa procedures.

The **Integrated Border Management Fund (IBMF)** comprises the **Instrument for Financial Support for Border Management and Visa Policy (BMVI)** ⁽¹⁾ and the **Customs Control Equipment Instrument (CCEI)** ⁽²⁾. The European integrated border management will become an operational reality, based on common minimum standards for external border surveillance, a common visa policy and an equivalent performance of customs controls at the external borders by providing support to the Member States to properly manage the various challenges and risks at borders and overcome the differences in terms of capacity and resources.

The BMVI provides support for an effective European integrated border management at the external borders. The increase of 27,8 % for BMVI reflects the gradual expanding of this policy area over the 2021-2027 MFF period. The policy will be implemented by the European Border and Coast Guard, as a shared responsibility of the European Border and Coast Guard Agency and the national authorities responsible for border management, facilitating legitimate border crossings, preventing and detecting irregular migration and cross-border crime and effectively managing migratory flows. In addition, BMVI contributes to a common visa policy ensuring a harmonised approach for the issuance of visas procedures, facilitating legitimate travel, while helping to prevent migratory and security risks. BMVI supports the development of relevant large-scale IT systems for the border management and visa policy, as well as their interoperability, supporting also those ICT systems with a multi-purpose character. The Thematic Facility under BMVI allows for the financing of emergency assistance, equipment and IT development.

Following the request of Member States to transfer resources pursuant to Article 26 of the CPR, additional resources will be implemented under BMVI in accordance with the rules of the instrument, for the benefit of the Member State concerned. The appropriations are inscribed on separate budget lines.

Programme	Name	Line	Draft budget 2023	
			CA	PA
Integrated Border Management Fund (IBMF)			107,5	31,0
Of which:	Border Management and Visa Instrument (BMVI) — Contribution from the ERDF	05 02 07	59,3	17,2
	Border Management and Visa Instrument (BMVI) — Contribution from the CF	05 03 05	15,6	4,5
	Border Management and Visa Instrument (BMVI) — Contribution from the ESF+	07 02 09	30,2	8,8

⁽¹⁾ Regulation (EU) 2021/1148 of the European Parliament and of the Council of 7 July 2021 establishing, as part of the Integrated Border Management Fund, the Instrument for Financial Support for Border Management and Visa Policy.

⁽²⁾ Regulation (EU) 2021/1077 of the European Parliament and of the Council of 24 June 2021 establishing, as part of the Integrated Border Management Fund, the instrument for financial support for customs control equipment.

Programme	Name	Line	Draft budget 2023	
			CA	PA
	Border Management and Visa Instrument (BMVI) — Contribution from the EMFAF	08 04 05	2,1	0,6
	Border Management and Visa Instrument (BMVI) — Contribution from the AMIF	10 02 02	0,3	p.m.

The **Customs Control Equipment Instrument** (CCEI) provides financial support to Member States' customs administrations for the purchase, maintenance, and upgrade of state-of-the-art customs control equipment for border crossing points and customs laboratories. Customs controls will be strengthened and legitimate business activity and trade facilitated, contributing to a secure and efficient customs union, thus protecting the financial and economic interests of the Union and its Member States.

Additionally, the total voted appropriations of the Border Management and Visa Instrument under the Integrated Border Management Fund include the specific reinforcement under Article 5 of the MFF Regulation, which have been established with the technical adjustment of the MFF for 2023 as foreseen in Article 4(1)(e) of the MFF Regulation. For the Border Management and Visa Instrument, this represents EUR 151,0 million in commitment appropriations.

(in million EUR, rounded figures at current prices)

Programme	Name	Line	Draft budget 2023	
			CA	Of which, allocation under MFFR Article 5
			CA	CA
Integrated Border Management Fund (IBMF)			1 087,8	151,0
Of which:	Border Management and Visa instrument (BMVI)	11 02 01	944,8	151,0

Decentralised agencies in the area of freedom, security and justice stand at the core of a fully integrated EU border management system. The **European Border and Coast Guard Agency** (FRONTEX) continues to build up a standing corps of border guards, whereas the European Union Agency for the Operational Management of Large-Scale IT systems in the Area of Freedom, Security and Justice (**eu-LISA**) continues revising and upgrading existing EU information systems (Schengen Information System, Visa Information System and Eurodac), and developing new systems (Entry/Exit System, European Travel Information and Authorisation System, and European Criminal Records Information System for third-country nationals).

3.6.4. Payment appropriations for this heading

Summary payment appropriations	Payment appropriations in DB 2023	DB 2023 - Share of total payment appropriations in heading 4	Payment appropriations in Budget 2022
Payments on spending programmes	1 776,1	57,9 %	2 109,8
<i>of which for the multiannual financial framework 2021-2027</i>	1 059,1	34,5 %	1 200,8
<i>of which for the multiannual financial framework 2014-2020 and earlier</i>	717,0	23,4 %	909,0
Other payments ¹	1 291,3	42,1 %	1 144,4
Total	3 067,4	100,0 %	3 254,3

1. Payments related to administrative support expenditure, decentralised agencies, pilot projects and preparatory actions.

The table above shows the total payment appropriations requested for the heading, broken down according to whether they will be needed to fund new programmes, or the outstanding commitments of prior multiannual periods. The payment appropriations requested for the AMIF and IBMF programmes are based on a thorough analysis of the delivery mechanisms. Payments on new commitments are expected to relate mostly to pre-financing amounts following the adoption of national programmes in 2022 as well as of the Thematic Facility.

Payments to be made on outstanding commitments are almost exclusively interim and final payments, taking into account the estimates provided by the Member States for their national programmes as well as the payment patterns for Union actions and emergency assistance in recent years.

3.7. Heading 5 – Security and defence

This heading addresses security and defence challenges, and an approach to complex threats that no Member State can meet on its own. Security has an inherently cross-border dimension and requires a strong, coordinated EU response. To be ready to protect its citizens, Europe also needs a step change to enhance its open strategic autonomy and to build well-designed and streamlined instruments in relation to defence. In July 2020, the Commission adopted the EU Security Union Strategy ⁽¹⁾. In the field of Internal Security, the Strategy focuses on priority areas where transnational cooperation and coordination between law enforcement authorities are essential to ensuring a high level of security in the Union, in particular by preventing and combating serious and organised crime, terrorism and radicalisation, and cybercrime.

The European Defence Fund ⁽²⁾ fosters the competitiveness and innovative capacity of the defence industry throughout the Union by supporting collaborative research and development actions at each stage of the industrial cycle. This will avoid duplication, allow for economies of scale and ultimately result in a more efficient use of taxpayers' money. In this respect, the EU Strategic Compass sets out an ambitious plan for action for strengthening the EU's security and defence policy by 2030. In addition, the Commission proposes that the Union enhances its strategic transport infrastructures so as to make them fit for military mobility, through the Connecting Europe Facility.

3.7.1. Summary table for commitment (CA) and payment (PA) appropriations

(in million EUR, rounded figures at current prices)

Heading 5 Security and defence by cluster	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
— Security	688,7	559,0	634,9	583,2	53,8	- 24,2	8,5 %	-4,2 %	1 074,1
— Defence	1 212,4	552,3	1 177,4	654,6	34,9	- 102,3	3,0 %	-15,6 %	1 317,4
Total voted appropriations	1 901,1	1 111,4	1 812,3	1 237,9	88,8	- 126,5	4,9 %	-10,2 %	2 391,5
Ceiling	1 946,0		1 896,0						
Margin	44,9		83,7						
Total available	1 901,1	1 111,4	1 812,3	1 237,9	88,8	- 126,5	4,9 %	-10,2 %	2 391,5

⁽¹⁾ COM(2020) 605, 24.7.2020.

⁽²⁾ Regulation (EU) 2021/697 of the European Parliament and of the Council of 29 April 2021 establishing the European Defence Fund and repealing Regulation (EU) 2018/1092.

3.7.2. Security cluster

(in million EUR, rounded figures at current prices)

Security cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
Internal Security Fund (ISF)	309,9	195,5	254,1	240,7	55,7	- 45,3	21,9 %	-18,8 %	359,1
— Internal Security Fund (ISF)	307,4	136,0	251,7	122,3	55,7	13,7	22,1 %	11,2 %	69,5
— Support expenditure	2,4	2,4	2,4	2,4					p.m.
— Completion of previous programmes and activities	p.m.	57,0	p.m.	116,0		- 59,0	-100,0 %	-50,9 %	289,6
Nuclear decommissioning (Lithuania)	68,8	60,0	98,9	40,0	- 30,1	20,0	-30,4 %	50,0 %	377,1
— Nuclear decommissioning assistance to Lithuania	68,8	0,2	98,9	p.m.	- 30,1	0,2	-30,4 %	-100,0 %	72,5
— Support expenditure	p.m.	p.m.	p.m.	p.m.			-100,0 %	-100,0 %	p.m.
— Completion of previous programmes and activities	p.m.	59,8	p.m.	40,0		19,8	-100,0 %	49,4 %	304,6
Nuclear Safety and decommissioning (incl. For Bulgaria and Slovakia)	57,2	53,2	43,9	65,3	13,3	- 12,2	30,3 %	-18,6 %	312,9
— Kozloduy programme	9,0	0,1	9,0	p.m.		0,1		-100,0 %	72,5
— Bohunice programme	9,5	p.m.	p.m.	p.m.	9,5		-100,0 %	-100,0 %	27,5
— Decommissioning and Waste Management Programme of the Joint Research Centre (JRC)	36,4	29,0	32,6	19,8	3,8	9,2	11,5 %	46,5 %	25,0
— Support expenditure	2,4	2,4	2,3	2,3	0,0	0,0	2,0 %	2,0 %	p.m.
— Completion of previous programmes and activities	p.m.	21,7	p.m.	43,2		- 21,5	-100,0 %	-49,7 %	251,4
— Decentralised agencies	230,4	230,4	215,9	215,9	14,5	14,5	6,7 %	6,7 %	
— European Union Agency for Law Enforcement Cooperation (Europol)	202,1	202,1	189,0	>189,0	13,0	13,0	6,9 %	6,9 %	p.m.

Security cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
— European Union Agency for Law Enforcement Training (CEPOL)	10,8	10,8	10,1	10,1	0,7	0,7	7,3 %	7,3 %	p.m.
— European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)	17,5	17,5	16,8	16,8	0,7	0,7	4,1 %	4,1 %	
— Pilot projects, preparatory actions, prerogatives and other actions	22,4	20,0	22,0	21,3	0,4	- 1,3	2,0 %	-5,9 %	25,0
— Preparatory actions	p.m.	0,8	p.m.	0,4		0,4		100,0 %	1,2
— Actions financed under the prerogatives of the Commission and specific powers conferred on the Commission	22,4	19,2	22,0	20,9	0,4	- 1,7	2,0 %	-8,0 %	23,8
Total Security cluster	688,7	559,0	634,9	583,2	53,8	- 24,2	8,5 %	-4,2 %	1 074,1

3.7.2.1. Priorities for 2023

The **Internal Security Fund (ISF)** ⁽¹⁾ contributes to ensuring a high level of security in the Union, in particular by preventing and combating terrorism and radicalisation, serious and organised crime, and cybercrime, by assisting and protecting victims of crime, as well as by preparing for, protecting against and effectively managing security-related incidents, risks and crises. The ISF will help develop networks and common systems for efficient cooperation between national authorities and improve the capacity of the Union to face security threats. The increase of 21,9 % illustrates the reinforcement of the programme in the 2021-2027 period. This will be complemented by efforts to strengthen cybersecurity in all relevant programmes focused on digital technologies, infrastructures and networks, research and innovation as well as targeted defence against cybercrime, notably through the Digital Europe Programme and Horizon Europe.

Europol's capacity in supporting Member States in responding to emerging security threats has been strengthened, notably linked to the digital transformation and new technologies.

Following the request of Member States to transfer resources pursuant to Article 26 of the CPR, additional resources will be implemented under ISF in accordance with the rules of the instrument, for the benefit of the Member State concerned. The appropriations are inscribed on separate budget lines.

Programme	Name	Line	Draft budget 2023	
			CA	PA
Internal Security Fund (ISF)			p.m.	p.m.
Of which:	Internal Security Fund (ISF) - Contribution from AMIF	05 02 07	p.m.	p.m.

Through the nuclear decommissioning assistance programme and the nuclear safety and decommissioning programmes, the EU continues to provide targeted financial support for **the decommissioning and safety of nuclear activities** in Lithuania, Bulgaria and Slovakia, as well as for its own nuclear installations. The 2021-2027 programmes MFF include a new objective linked to ensuring the dissemination of knowledge and the sharing of experience in all relevant areas, such as research and innovation, regulation and training, and developing potential Union synergies. The EU budget also finances nuclear safeguards and provides support for the health of workers and the general public, preventing environmental degradation and contributing to nuclear safety and security.

⁽¹⁾ Regulation (EU) 2021/1149 of the European Parliament and of the Council of 7 July 2021 establishing the Internal Security Fund.

3.7.3. Defence cluster

(in million EUR, rounded figures at current prices)

Defence cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
European Defence Fund (Non Research)	626,4	250,1	627,4	378,9	-0,9	-128,8	-0,1 %	-34,0 %	761,5
— Capability development	623,8	167,5	624,9	341,5	-1,1	-174,0	-0,2 %	-51,0 %	637,8
— Support expenditure	2,6	2,6	2,4	2,4	0,2	0,2	7,0 %	7,0 %	p.m.
— Completion of previous programmes and activities	p.m.	80,0	p.m.	35,0		45,0	-100,0 %	128,6 %	123,8
European Defence Fund (Research)	319,3	164,1	318,3	177,5	0,9	141,7	0,3 %	79,9 %	328,5
— Defence research	311,1	156,0	311,8	171,0	-0,7	-15,0	-0,2 %	-8,8 %	328,5
— Support expenditure	8,1	8,1	6,5	6,5	1,6	1,6	25,2 %	25,2 %	
Military Mobility	236,7	106,7	231,7	98,2	4,9	8,5	2,1 %	8,7 %	225,4
— Military mobility	235,0	105,0	230,1	96,5	4,9	8,5	2,1 %	8,8 %	225,4
— Support expenditure	1,7	1,7	1,7	1,7	0,0	0,0	2,3 %	2,3 %	p.m.
Union Secure Connectivity Programme	30,0	30,0			30,0	30,0	-100,0 %	-100,0 %	
— Union Secure Connectivity — Contribution from Heading 5	30,0	30,0	p.m.	p.m.	30,0	30,0	-100,0 %	-100,0 %	p.m.
— Pilot projects, preparatory actions, prerogatives and other actions	p.m.	1,4	p.m.	p.m.		1,4			2,0
— Preparatory actions	p.m.	1,4	p.m.	p.m.		1,4			2,0
Total Defence cluster	1 212,4	552,3	1 177,4	654,6	34,9	-102,3	3,0 %	-15,6 %	1 317,4

3.7.3.1. Priorities for 2023

In the area of defence, the Union encourages and leverages Member States' collaboration in developing the defence capabilities needed to address common security challenges by co-funding with the Member States industrial consortia to collaborate on both large and small research and development actions. The **European Defence Fund** ⁽¹⁾ is implemented through annual work programmes including calls for proposals. Priorities identified in these work programmes are in line with the Union capability priorities commonly agreed by Member States, in particular through the Capability Development Plan.

In the context of the Russian invasion of Ukraine, there is a need to reinforce spending in the area of defence, and to collectively address Europe's short-term and medium-term defence investment gaps, as set out in the Joint Communication on the Defence investment gaps analysis and way forward ⁽²⁾. As an immediate follow-up, the Commission will propose a short-term instrument, designed in a spirit of solidarity, to reinforce European defence industrial capacities through joint procurement between the Member States in order to fill the most urgent and critical gaps, for which EUR 500 million should be invested over two years between 2022 and 2024. The impact for the 2023 budget would be included in an amending letter later this year, following the adoption of the legislative proposal.

2023 will also see the start of the implementation of the new **Union Secure connectivity programme**. The related appropriations under Heading 5 will amount to EUR 500 million over the 2023-2027 period, of which EUR 30 million in 2023.

3.7.4. Payment appropriations for this heading

Summary payment appropriations	Payment appropriations in DB 2023	DB 2023 - Share of total payment appropriations in heading 5	Payment appropriations in Budget 2022
Payments on spending programmes	842,3	75,8 %	985,3
<i>of which for the multiannual financial framework 2021-2027</i>	623,8	56,1 %	751,1
<i>of which for the multiannual financial framework 2014-2020 and earlier</i>	218,5	19,7 %	234,2
Other payments ¹	269,1	24,2 %	252,6
Total	1 111,4	100,0 %	1 237,9
1. Payments related to administrative support expenditure, decentralised agencies, pilot projects, preparatory actions, actions financed under the prerogatives of the European Commission and other actions.			

The table above shows the total payment appropriations requested for the heading, broken down according to whether they will be needed to finance new programmes, or the outstanding commitments of prior multiannual periods. The proposal for payments for the ISF programme is based on a thorough analysis of the delivery mechanisms. Payments on new commitments are expected to relate mostly to pre-financing amounts following the adoption of national programmes as well as of the Thematic Facility.

Payments to be made on outstanding commitments are almost exclusively interim and final payments, based on the accounts estimates provided by the Member States for their national programmes as well as the payment patterns for Union actions and emergency assistance of recent years.

⁽¹⁾ Regulation (EU) 2021/697 of the European Parliament and of the Council of 29 April 2021 establishing the European Defence Fund and repealing Regulation (EU) 2018/1092.

⁽²⁾ Join(2022) 24, 18.5.2022.

3.8. Heading 6 – Neighbourhood and the world

The progress on policy priorities of the external action instruments, such as achieving the Sustainable Development Goals, will still be tied to the ripple effect of the COVID-19 pandemic and climate change throughout the world, especially in the field of human development. In addition, the Russian aggression against Ukraine is causing increased food insecurity globally and, if protracted, is expected to trigger instability and potentially increased migration flows through further increasing food and commodities prices that are affecting the poorest and most import dependent countries. The external focus will therefore be on the Union's assistance to Ukraine, its displaced residents and the countries affected by refugee flows and food shortages, as well as support to partner countries in tackling the challenges of their economic recovery post COVID-19. The EU's key policy initiative, the Global Gateway, aims to put together funding from the EU budget, Member States and development finance institutions, and mobilise private investment, to take the connectivity and infrastructure agenda to the forefront of EU global action. To this end, the EU together with Member States and European Financial Institutions, in a Team Europe approach, are jointly mobilising up to EUR 300 billion of investments until 2027.

Africa will remain a key priority. In addition, the EU will continue tackling the ongoing crises such as in Syria, Afghanistan and other continuing challenges on the development and reform agenda, including conflicts, the negative effects of climate change and food insecurity. The EU will continue to support and promote democracy, the rule of law and the rules based multilateral global system while tackling specific emerging challenges such as disinformation. Wider migration issues remain a key priority, encompassing the root causes of irregular migration and forced displacement, the protection of the most vulnerable fleeing conflict, as well as assisting third countries in strengthening border security and dismantling criminal organisations trafficking human beings. The average annual funding for migration for the Southern Neighbourhood from the NDICI-GE Neighbourhood allocation and, if needed, from other instruments, should remain at least at the level envisaged for 2022. Migration from Africa resumed in 2021, following the lifting of certain COVID-19 related travel restrictions that had been in place since mid-2020. Conflict and violence continued in the Sahel, in a politically volatile context, with rising internal displacement of populations. The NDICI has indicative allocations for Sub-Saharan Africa and the neighbourhood as well as for other regions and priorities. ⁽¹⁾

3.8.1. Summary table for commitment (CA) and payment (PA) appropriations

(in million EUR, rounded figures at current prices)

Heading 6 Neighbourhood and the world by cluster	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
— External Action	14 250,8	11 183,3	15 158,9	10 544,3	- 908,1	639,0	-6,0 %	6,1 %	24 998,1
— Pre-Accession Assistance	2 531,1	2 590,6	2 011,5	2 371,7	519,6	218,9	25,8 %	9,2 %	7 462,9
Total voted appropriations	16 781,9	13 773,9	17 170,4	12 916,1	- 388,6	26 690,0	-2,3 %	6,6 %	32 461,1
of which under Flexibility Instruments	452,9		368,4						
Ceiling	16 329,0		16 802,0						
Margin									
Total available	16 781,9	13 773,9	17 170,4	12 916,1	- 388,6	857,9	-2,3 %	6,6 %	32 461,1

⁽¹⁾ As proposed in the NDICI Regulation, 30 % of NDICI budget expenditure is expected to contribute to climate objectives; at least 20 % to social inclusion and human development, and 10 % to actions supporting management and governance of migration and forced displacement, within the objectives of the NDICI-Global Europe.

3.8.2. External action cluster

(in million EUR, rounded figures at current prices)

External action cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
Neighbourhood, Development and International Cooperation Instrument — Global Europe	11 970,8	8 842,7	12 716,6	7 891,7	- 745,9	951,0	-5,9 %	12,1 %	23 394,4
— Geographic programmes	8 731,0	3 901,8	9 343,6	1 952,2	- 612,6	1 949,6	-6,6 %	99,9 %	7 241,8
— Thematic programmes	1 047,9	644,0	1 019,4	410,2	28,5	233,8	2,8 %	57,0 %	1 652,4
— Rapid response actions	461,7	454,8	484,4	275,0	- 22,7	179,8	-4,7 %	65,4 %	717,8
— Emerging challenges and priorities cushion	1 395,1	800,0	1 538,3	1 033,0	- 143,2	- 233,0	-9,3 %	-22,6 %	p.m.
— Support expenditure	335,1	335,1	330,9	330,9	4,2	4,2	1,3 %	1,3 %	p.m.
— Completion of previous programmes and activities	p.m.	2 707,0	p.m.	3 890,3		- 1 183,4	0	-30,4 %	13 782,4
European Instrument for International Nuclear Safety Cooperation (INSC)	39,9	32,1	38,6	32,6	1,4	- 0,5	3,5 %	-1,6 %	127,7
— Nuclear safety, radiation protection and safeguards	35,1	10,5	35,9	15,0	- 0,9	- 4,5	-2,4 %	-30,3 %	36,4
— INSC — Provisioning of the common provisioning fund	3,3	3,3	1,1	1,1	2,2	2,2	195,7 %	195,7 %	p.m.
— Support expenditure	1,5	1,5	1,5	1,5	0,0	0,0	0,7 %	0,7 %	p.m.
— Completion of previous programmes and activities	p.m.	16,8	p.m.	15,0		1,8	-100,0 %	12,0 %	91,3
Overseas Countries and Territories (OCT)	70,0	59,3	69,0	52,4	1,1	6,8	1,5 %	13,0 %	65,1
— All overseas countries and territories	2,5	1,8	p.m.	1,0	2,5	0,8	100,0 %	85,0 %	2,5
— Overseas countries and territories other than Greenland	43,7	25,4	67,6	20,0	- 24,0	5,4	-35,4 %	27,0 %	p.m.
— Greenland	22,5	30,0		28,2	22,5	1,8	-100,0 %	6,4 %	60,0

External action cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
— Support expenditure	1,4	1,4	1,3	1,3	0,0	0,0	1,3 %	1,3 %	p.m.
— Completion of previous programmes and activities	p.m.	0,7	p.m.	1,9		- 1,2	-100,0 %	-65,3 %	2,6
Humanitarian aid (HUMA)	1 626,9	1 714,2	1 806,1	2 091,6	- 179,2	- 377,4	-9,9 %	-18,0 %	1 077,3
— Humanitarian aid	1 537,0	1 627,5	1 717,9	2 008,9	- 180,9	- 381,4	-10,5 %	-19,0 %	1 040,2
— Disaster prevention, disaster risk reduction and preparedness	78,0	74,9	76,5	71,1	1,5	3,8	2,0 %	5,3 %	37,1
— Support expenditure	11,8	11,8	11,7	11,7	0,2	0,2	1,5 %	1,5 %	p.m.
Common Foreign and Security Policy (CFSP)	371,8	380,6	361,7	333,6	10,1	47,0	2,8 %	14,1 %	177,2
— Civilian Common Security and Defence Policy (CSDP)	319,9	328,7	311,2	295,0	8,7	33,7	2,8 %	11,4 %	124,6
— European Union Special Representatives	24,4	24,4	20,8	18,0	3,6	6,4	17,2 %	35,4 %	2,9
— Non-proliferation and disarmament	26,9	26,9	29,1	20,0	- 2,2	6,9	-7,5 %	34,6 %	49,7
— Support expenditure	0,6	0,6	0,6	0,6					p.m.
Pilot projects, preparatory actions, prerogatives and other actions	171,4	154,4	166,9	142,3	4,5	12,1	2,7 %	8,5 %	156,3
— Pilot projects	p.m.	p.m.	p.m.	p.m.					0,9
— Preparatory actions	p.m.	p.m.	p.m.	p.m.					0,9
— Other actions	78,4	61,6	72,2	47,2	6,3	14,4	8,7 %	30,6 %	0,5
— Macro-financial assistance (MFA) grants	56,7	39,9	50,0	25,0	6,7	14,9	13,4 %	59,5 %	p.m.
— International organisations and agreements	21,7	21,7	22,2	22,2	- 0,5	- 0,5	-2,0 %	-2,0 %	0,5
— Actions financed under the prerogatives of the Commission and specific powers conferred to the Commission	93,0	92,8	94,8	95,1	- 1,8	- 2,3	-1,9 %	-2,5 %	154,0
— International Organisations of Vine and Wine	0,1	p.m.	0,1	0,1					p.m.

External action cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
— External trade relations and Aid for Trade	19,0	17,8	18,5	17,3	0,5	0,5	2,9 %	2,9 %	25,1
— Information policy and strategic communication for external action	45,8	43,1	43,7	42,6	2,1	0,5	4,8 %	1,3 %	43,6
— Strategic evaluations and audits	20,4	25,8	25,1	31,4	- 4,7	- 5,6	-18,6 %	-18,0 %	73,3
— Promotion of the coordination between the Union and Member States on development cooperation and humanitarian aid	7,6	5,9	7,4	3,7	0,2	2,2	2,9 %	61,0 %	12,1
Total External Action cluster	14 250,8	11 183,3	15 158,9	10 544,3	- 908,1	639,0	-6,0 %	6,1 %	24 998,1

3.8.2.1. Priorities for 2023

The priorities for the **Neighbourhood, Development and International Cooperation Instrument – Global Europe** (NDICI – GE) ⁽¹⁾ have been defined in the programming exercise, based on the EU's strategic interests and in coordination with partner countries. These are tailored to regional/country needs, and include inter alia: green transition, digital transformation, sustainable investment and jobs, migration and mobility, peace, human development, security and governance. Pending progress on their applications for EU membership, the support for Ukraine, Moldova and Georgia will continue through the Eastern Neighbourhood geographic line, as well as human rights and civil society thematic lines of NDICI-GE.

Assistance to Syrian refugees in Syria and in neighbouring countries in 2023 will match previous years' efforts, with EUR 560 million pledged from the EU budget in May 2022, of which EUR 330 million from NDICI-GE and EUR 230 million from the humanitarian aid. In addition, funding under the NDICI-GE resilience line will support projects to increase and improve resilience and self-reliance of refugees in Turkey. The actions will aim to increase the employment and employability of the refugees and host communities. In 2023, funding for migration for the Southern Neighbourhood will continue to be a priority for the Commission.

In terms of implementing modalities, the NDICI-GE demonstrates a shift from traditional grant funding to a larger use of financial instruments and budgetary guarantees, thus enabling a leverage effect and increased investment. The EU's new policy initiative for fostering connectivity, the Global Gateway, will take full advantage of this modality mix. After committing considerable amounts for provisioning to the Common Provisioning Fund in 2021 and 2022, the Commission proposes a compensating decrease in 2023 and 2024, thus increasing the geographic budget lines. Afterwards the contributions will stabilise around the average of one-seventh per year in 2025-2027, pending the results of the mid-term review of NDICI-GE.

⁽¹⁾ Regulation (EU) 2021/947 of the European Parliament and of the Council of 9 June 2021 establishing the Neighbourhood, Development and International Cooperation Instrument – Global Europe, amending and repealing Decision No 466/2014/EU of the European Parliament and of the Council and repealing Regulation (EU) 2017/1601 of the European Parliament and of the Council and Council Regulation (EC, Euratom) No 480/2009.

(in million EUR, rounded figures at current prices)

Geographic and thematic programmes of the NDICI — Global Europe	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
Geographic programmes	8 731,0	3 901,8	9 343,6	1 952,2	- 612,6	1 949,6	-6,6 %	99,9 %	7 241,8
— Southern neighbourhood	1 657,2	423,9	1 629,9	262,0	27,3	161,9	1,7 %	61,8 %	961,8
— Eastern neighbourhood	618,9	185,6	709,7	148,3	-90,8	37,3	-12,8 %	25,2 %	264,8
— Neighbourhood — Territorial and cross-border cooperation and supporting measures	111,9	78,7	89,2	19,1	22,7	59,6	25,5 %	312,6 %	3,7
— West Africa	1 625,0	640,3	1 320,7	404,4	304,3	235,9	23,0 %	58,3 %	1 679,4
— East and Central Africa	1 584,3	582,5	1 287,7	160,3	296,7	422,3	23,0 %	263,5 %	1 307,9
— Southern Africa and Indian Ocean	853,1	249,7	693,4	86,3	159,8	163,4	23,0 %	189,3 %	193,9
— Middle East and Central Asia	395,4	171,0	414,8	35,0	-19,4	136,0	-4,7 %	388,6 %	379,3
— South and East Asia	631,0	191,0	446,0	71,0	185,1	120,0	41,5 %	169,0 %	388,1
— The Pacific	119,1	38,0	96,4	9,0	22,7	29,0	23,6 %	322,2 %	61,8
— The Americas	340,7	120,0	253,1	29,0	87,6	91,0	34,6 %	313,8 %	259,1
— The Caribbean	101,5	48,0	101,1	11,0	0,4	37,0	0,4 %	336,4 %	111,5
— Erasmus+ — NDICI — Global Europe contribution	296,7	210,0	296,7	160,0		50,0		31,2 %	40,7
— European Development Fund — ACP Investment Facility reflows	p.m.	p.m.	p.m.	p.m.					p.m.
— NDICI — Global Europe — Provisioning of the common provisioning fund	396,2	963,0	2 005,2	556,9	- 1 609,0	406,1	-80,2 %	72,9 %	1 589,7
Thematic programmes	1 047,9	644,0	1 019,4	410,2	28,5	233,8	2,8 %	57,0 %	1 652,4
— Election observation missions — Human Rights and Democracy	49,5	31,0	51,9	19,5	- 2,4	11,5	-4,7 %	58,8 %	41,7
— Fundamental rights and freedoms — Human Rights and Democracy	148,6	105,0	155,9	32,0	- 7,3	73,0	-4,7 %	228,1 %	140,2
— Civil Society Organisations	198,2	129,5	207,9	80,0	- 9,7	49,5	-4,7 %	61,9 %	202,2
— Peace, Stability and Conflict Prevention	131,4	70,0	137,9	35,0	- 6,5	35,0	-4,7 %	100,0 %	125,4

Geographic and thematic programmes of the NDICI — Global Europe	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
— People — Global Challenges	199,4	173,5	187,2	150,0	12,2	23,5	6,5 %	15,7 %	917,6
— Planet — Global Challenges	124,7	42,6	133,0	36,0	- 8,3	6,6	-6,3 %	18,3 %	79,0
— Prosperity — Global Challenges	152,1	48,8	112,2	40,0	39,8	8,8	35,5 %	22,0 %	131,6
— Partnerships — Global Challenges	43,9	43,6	33,3	17,7	10,7	25,9	32,1 %	146,0 %	14,8
Rapid response actions	461,7	454,8	484,4	275,0	- 22,7	179,8	-4,7 %	65,4 %	717,8
— Crisis response	255,8	245,0	268,4	165,0	- 12,6	80,0	-4,7 %	48,5 %	174,8
— Resilience	157,6	192,8	165,3	95,0	- 7,7	97,8	-4,7 %	102,9 %	530,0
— Foreign policy needs	48,3	17,0	50,7	15,0	- 2,4	2,0	-4,7 %	13,3 %	13,1
Emerging challenges and priorities cushion	1 395,1	800,0	1 538,3	1 033,0	- 143,2	- 233,0	-9,3 %	-22,6 %	p.m.
Support expenditure	335,1	335,1	330,9	330,9	4,2	4,2	1,3 %	1,3 %	p.m.
Completion of previous programmes and activities	p.m.	2 707,0	p.m.	3 890,3		- 1 183,4		-30,4 %	13 782,4
Sub-total	11 970,8	8 842,7	12 716,6	7 891,7	- 745,9	951,0	-5,9 %	12,1 %	23 394,4

The **European Instrument for International Nuclear Safety Cooperation** (INSC) ⁽¹⁾ promotes a high level of nuclear safety and radiation protection as well as the application of effective and efficient safeguards of nuclear materials in third countries. It continues the long-standing commitment of the European Union to support nuclear safety worldwide and, in particular, in its neighbourhood. In 2023, the annual programme will continue to deliver on EU commitments in particular for the civil nuclear cooperation with Iran and focus on the emerging challenges of countries embarking in nuclear energy (Belarus, Turkey and countries in Africa) and countries where nuclear safety must be strengthened (in particular Armenia, China and the Eastern neighbourhood). The Commission is also closely monitoring the nuclear safety situation in Ukraine, and priorities will be adjusted as necessary.

The Council Decision on the association of the **Overseas Countries and Territories** including Greenland (OCTs) ⁽²⁾ aims to promote the economic and social development of the OCTs and to establish close economic relations between them and the Union as a whole. The association pursues this general objective by enhancing the OCTs' competitiveness and resilience, reducing their economic and environmental vulnerability and the promotion of cooperation between them and other partners. With regard to Greenland, the main focus will be on the education sector. Up to 2027, support will also be focussed on private sector development and Arctic policies. Following major actions in 2021 for Greenland and in 2022 for the other OCTs, four Annual Action Plans are envisaged in 2023 for the remaining bilateral plans, as well as two plans for regional cooperation.

Together with its international partners and action by Member States, the Union continues to play a leading humanitarian role with the **Humanitarian Aid** instrument providing needs-based delivery of EU assistance to save and preserve lives, prevent and alleviate human suffering, and safeguard the integrity and dignity of populations affected by natural disasters or man-made crises. Climate change, conflict and the aftermath of the COVID-19 pandemic as well as of the Russian aggression in Ukraine will continue to influence the need for humanitarian assistance in 2023, notably in relation to wide scale and severe global food insecurity. The situation triggered by the war in Ukraine has demanded very significant EU humanitarian assistance and it is clear that it will add to increasing humanitarian needs at global level in 2023.

The Union also contributes to the prevention of crises, restoration of peace, public order, or stabilisation in countries or regions faced with conflict or disorder. The **Common Foreign and Security Policy** (CFSP) contributes to the preservation of peace, the prevention of conflicts, and strengthening international security through the Common Defence and Security Policy (CSDP) missions, notably EULEX Kosovo, EUMM Georgia and others, as well as the nine EU Special Representatives (EUSRs). Given the proposed prolongation of certain EU Special Representatives, the Commission proposes to reinforce the budget line for this purpose.

Macro-Financial Assistance (MFA) is an EU financial instrument extended to partner countries in the Enlargement and European Neighbourhood policy. It is also complementary to the other EU crisis response mechanisms and financial instruments. Its primary objective is to help countries overcome acute economic crises and restore their economy on a sustainable growth path, to be achieved through economic adjustments and structural reforms set out in policy conditionalities. MFA takes the form of medium/long-term loans or grants, or a combination of these. It played an important role during the outbreak of the COVID-19 pandemic, with a EUR 3 billion package approved for ten neighbouring countries to successfully support them given the difficulties in tackling the economic impact of the pandemic. In 2022 an emergency loan of EUR 1,2 billion has been provided to Ukraine and an operation of EUR 150 million, including EUR 120 million in loans and EUR 30 million as grant component, has been provided to Moldova. Furthermore, the EU is ready to grant Ukraine new exceptional MFA loans of up to EUR 9 billion ⁽³⁾. Although the instrument is not programmed, in 2023 MFA will continue being granted on the basis of case-by-case decisions, linked to decision-making of the International Monetary Fund.

Countering disinformation will remain an important objective under Heading 6. Given the current surge in disinformation from Russian propaganda channels, the Commission proposes to further improve the EU's monitoring and analytical capability, as well as to support activities of fact checkers, researchers or civil society organisations. To reinforce actions in this area, an increase of EUR 1,7 million is proposed for the Information policy and strategic communication for external action line.

⁽¹⁾ Council Regulation (Euratom) 2021/948 of 27 May 2021 establishing a European Instrument for International Nuclear Safety Cooperation complementing the Neighbourhood, Development and International Cooperation Instrument – Global Europe on the basis of the Treaty establishing the European Atomic Energy Community, and repealing Regulation (Euratom) No 237/2014.

⁽²⁾ Council Decision (EU) 2021/1764 of 5 October 2021 on the association of the Overseas Countries and Territories with the European Union including relations between the European Union on the one hand, and Greenland and the Kingdom of Denmark on the other (Decision on the Overseas Association, including Greenland).

⁽³⁾ European Council conclusions of 30-31 May 2022.

3.8.3. Pre-accession assistance cluster

(in million EUR, rounded figures at current prices)

Pre-accession assistance cluster by programmes and objectives	Draft budget (DB)		Budget		Difference		Difference		Outstanding commitments as of 01/01/2022
	2023		2022		2023 - 2022		2023 / 2022		
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
Pre-Accession Assistance (IPA III)	2 531,1	2 590,6	2 011,5	2 371,7	519,6	218,9	25,8 %	9,2 %	7 462,9
— Fundamentals, Union policies and people-to-people	1 135,9	387,9	600,8	189,1	535,1	198,8	89,1 %	105,2 %	434,6
— Investment for Growth and Employment	1 271,3	587,2	1 296,8	335,0	- 25,5	252,2	-2,0 %	75,3 %	434,6
— Territorial and cross-border cooperation	74,6	49,9	66,5	65,6	8,2	- 15,8	12,3 %	-24,0 %	2,0
— Support expenditure	49,3	49,3	47,5	47,5	1,8	1,8	3,8 %	3,8 %	p.m.
— Completion of previous programmes and activities	p.m.	1 516,5	p.m.	1 734,6		- 218,1	-100,0 %	-12,6 %	5 922,7
Total Pre-Accession Assistance cluster	2 531,1	2 590,6	2 011,5	2 371,7	519,6	218,9	25,8 %	9,2 %	7 462,9

3.8.3.1. Priorities for 2023

The **Instrument for Pre-Accession Assistance (IPA III)** ⁽¹⁾ continues to support candidate countries and potential candidates in meeting the requirements of the EU's enhanced accession process ⁽²⁾ with the aim of implementing agreed political, institutional, legal, administrative, social and economic reforms. The Economic and Investment Plan for the Western Balkans ⁽³⁾ sets out a substantial investment package for the region to support competitiveness and inclusive growth, sustainable connectivity, and the green and digital transition. The intention is to direct the large majority of this support towards key productive investments and sustainable infrastructure in the Western Balkans. The instrument contributes to the achievement of broader European objectives of ensuring stability, security and prosperity in the immediate neighbourhood of the EU, notably by mitigating the consequences of the COVID-19 outbreak and helping to restart economic growth. IPA III priorities also reflect developments in relations with Turkey, including in relation to the hosting of refugees.

As part of the Syrian refugee package announced in 2021, the Commission proposes to reinforce the IPA by EUR 560 million (in relation to programmed amounts), to reach the EUR 1 billion planned for the financing of the package for Syrian refugees, fully absorbing the available EUR 106 million from the heading 6 margin and using EUR 452,9 million from the Flexibility Instrument to finance the transition from humanitarian assistance to more structural support for refugees in Turkey. This is reflected in the gradual reduction of funding provided through Humanitarian aid and the increase of funding provided through NDICI-GE and IPA with the objective of facilitating the integration of refugees into Turkey's social support systems and their entry into its labour market. Under IPA this will cover the ongoing refugee assistance in areas of basic needs in particular by transitioning assistance from the Emergency Social Safety Net to a 'complementary' approach, targeting cash support payments on the most vulnerable refugees and developing more socio-economic support and livelihood opportunities programmes. In the area of health care, EU humanitarian support would be limited to primary healthcare activities in case of urgent need with the transition focusing on fully integrating migrant health care into the mainstream health system of Turkey. Actions under Promoting Integration of Syrian Kids into the Education System will continue supporting children with disabilities and special needs, early childhood education, strengthening integration of child protection and psychosocial support within schools, as well as strengthening in-service teacher training and social cohesion in schools. In addition, funding will be allocated to migration and border management, notably in view of the evolving situation at the eastern border of Turkey.

3.8.4. Payment appropriations for this heading

Summary payment appropriations	Payment appropriations in DB 2023	DB 2023 - Share of total payment appropriations in heading 6	Payment appropriations in Budget 2022
Payments on spending programmes	13 219,8	96,0 %	12 380,2
<i>of which for the multiannual financial framework 2021-2027</i>	8 979,0	65,2 %	6 738,4
<i>of which for the multiannual financial framework 2014-2020 and earlier</i>	5 431,4	30,8 %	7 797,5
Other payments ¹	554,1	4,0 %	535,8
Total	13 773,9	100,0 %	12 916,1
1. Payments related to administrative support expenditure, decentralised agencies, pilot projects, preparatory actions, actions financed under the prerogatives of the European Commission and other actions.			

⁽¹⁾ Regulation (EU) 2021/1529 of the European Parliament and of the Council of 15 September 2021 establishing the Instrument for Pre-Accession assistance (IPA III).

⁽²⁾ COM(2020) 57 final, 5.2.2020.

⁽³⁾ SWD(2020) 223 final, 6.10.2020.

The table above shows the total payment appropriations requested for the heading, split by payment needs to fund new programmes or outstanding commitments of prior multiannual periods. Payment needs remain relatively dynamic, with implementation affected by delays in adoption of legal bases and programming documents, continuing disruptions caused by the COVID-19 pandemic and the unpredictability of payment schedules of large-scale budget support programmes linked to the achievement of agreed targets by third countries.

Payments on outstanding commitments of prior MFF periods are expected to follow the implementation patterns of the 2014-2020 programmes, and gradually phasing out, so that in 2023, they are decreasing in comparison with 2022. Payments on outstanding commitments made under the previous European Development Funds will continue to be carried out outside the EU budget and be covered by the contributions of Member States.

3.9. Heading 7 – European public administration

The European public administration is at the core of ensuring that the Union can deliver on its priorities, and properly implement policies and programmes in the common European interest. Heading 7 must be adequately resourced in order to support an efficient and modern public administration at the service of all Europeans.

The prevailing high inflation and rising energy prices, have a very direct impact on the costs of administration, and heading 7 will be under particular pressure in both 2022 and 2023 due to the high levels of inflation and the rising energy prices, which have a direct impact on the costs of administration. Despite very strict reprioritisation, in order to respect all legal obligations, the margin under the sub-ceiling is fully exhausted, and recourse to special instruments is necessary for an amount of EUR 62,5 million, in order to respect all legal obligations.

3.9.1. Summary table for commitment (CA) and payment (PA) appropriations

(in million EUR, rounded figures at current prices)

	Draft budget (DB)	Budget	Share	Difference	
	2023	2022	of heading total	2023 - 2022	
— European Schools and Pensions	2 614,3	2 332,2	22,8 %	282,2	12,1 %
— Pensions	2 381,3	2 124,6	20,8 %	256,7	12,1 %
— Staff Pensions	2 334,3	2 085,8	20,4 %	248,5	11,9 %
— Pensions of former Members — Institutions	47,0	38,8	0,4 %	8,2	21,0 %
— European Schools	233,0	207,6	2,0 %	25,5	12,3 %
— Commission	232,0	206,6	1,8 %		12,3 %
— Other institutions			0,0 %		0,4 %
(European School) European Parliament			0,0 %		107,4 %
(European School) Court of Justice of the European Union			0,0 %		104,3 %
(European School) European Ombudsman			0,0 %		134,5 %
(European School) European External Action Service			0,0 %		103,1 %

	Draft budget (DB)	Budget	Share	Difference	
	2023	2022	of total heading	2023 - 2022	
— Administrative expenditure of the institutions	8 834,5	8 287,9	77,2 %	546,5	6,6 %
— Commission	4 106,0	3 868,1	35,9 %	237,9	6,2 %
— Other institutions	4 728,4	4 419,8	41,3 %	308,6	7,0 %
— European Parliament	2 268,0	2 112,2	19,8 %	155,8	7,4 %
— European Council and Council	654,3	611,5	5,7 %	42,9	7,0 %
— Court of Justice of the European Union	491,2	464,8	4,3 %	26,5	5,7 %
— European Court of Auditors	176,6	162,1	1,5 %	14,5	8,9 %
— European Economic and Social Committee	160,1	150,9	1,4 %	9,2	6,1 %
— European Committee of the Regions	117,3	108,4	1,0 %	8,9	8,2 %
— European Ombudsman	13,1	12,1	0,1 %	1,0	8,3 %
— European Data Protection Supervisor	22,2	20,2	0,2 %	2,0	9,8 %
— European External Action Service	825,6	777,7	7,2 %	47,9	6,2 %
Total	11 448,8	10 620,1	100,0 %	828,7	7,8 %
of which under Flexibility Instruments	62,5				
Ceiling	11 419,0	11 058,0			
Margin	32,7	437,9			
Of which Administrative expenditure of the institutions	8 834,5	8 287,9		546,5	6,6 %
Sub-ceiling	8 772,0	8 528,0			
Sub-margin		240,1			

3.9.1.1. Priorities for 2023

The need to cover the legal and contractual obligations for all institutions is the driving force behind the 2023 budget request. Every effort has been made to reduce all other costs to the minimum. However, the inflationary pressure and increased energy costs have a clearly observable effect here, as they do across the EU.

It is incumbent upon the European institutions to be as efficient and effective as possible, and lead by example in adapting to new ways of working, which support a greener administration. The Commission continues to build on the synergies and efficiencies efforts in recent years, but it should also adapt to the opportunities and challenges of a post-COVID workplace – digital, flexible and striving to minimise its environmental and climate impact. Savings have been sought wherever possible, and investments only made where they can bring future efficiencies and savings, or where failure to take action, such as in regard to cybersecurity, would have detrimental consequences. Further savings and efficiencies resulting from strengthened interinstitutional cooperation should be sought, for example in the area of cybersecurity, through the CERT-EU project.

The transition to more flexible working arrangements should be accompanied by a streamlining of the buildings portfolio, which will be implemented over the coming years. The Commission will pay close attention to the needs of staff, in particular as regards flexible working arrangements and the organisation of working space, taking into account the specificities of each service. The Commission's most valuable resource is its staff, and it is the duty of the institution to establish the appropriate framework to allow staff to develop their talents and to learn and adapt. This is crucial for the Commission to be able to maintain and improve its capacity to attract the best and most talented from all the Member States to work for all citizens.

3.9.2. *European schools and pensions*

The 11,9 % increase in appropriations for staff **pensions** is a result of the growing number of pensioners expected (+ 4,1 %) and the annual updates estimated (2022 and 2023). The budget request takes account of the expected assigned revenues stemming from the UK pension contribution relating to pension expenditure in 2022, which will be paid in 2023, and is estimated at EUR 261,4 million.

For pensions relating to former **Members of the institutions**, the 21,0 % increase in appropriations takes into account the different evolution of beneficiaries expected in each institution (+ 4,9 %), and the annual updates (2022 and 2023).

The appropriations for the contribution to the **European schools** ('Type I') EUR 230,7 million, show an increase of 12,3 % as compared to 2022, which is mainly due to the salary updates for 2022, the evolution of the number of pupils and the increasing utility bills.

The contribution to the 'Type II' European schools amounts to EUR 1,4 million. The increase compared to 2022 is mainly due to the evolution of the number of pupils and the impact of new schools accredited by the Board of Governors of the European Schools (Paris, Lille and Warsaw) and the expected school in Lisbon.

3.9.3. Administrative expenditure of the institutions

(in million EUR, rounded figures at current prices)

Administrative expenditure of the institutions by type	Staff remuneration	Non-salary expenditure									Draft budget 2023
		Members	Other staff expenditure	Information and communication technology	Rent, purchase and linked to buildings	Meeting people	Information	General administrative expenditure	Specific to the institution	Sub-total	
— Commission	3 095,6	14,5	78,3	272,4	495,9	65,2	22,5	61,7		1 010,5	4 106,0
Evolution vs previous year (%)	7,6 %	-15,5 %	-0,4 %	8,0 %	3,0 %	-15,4 %	4,6 %	-0,8 %		2,0 %	6,2 %
— European Parliament	1 147,2	226,6	31,3	173,2	231,9	31,1	24,7	113,0	289,0	1 120,8	2 268,0
Evolution vs previous year (%)	9,1 %	7,9 %	9,1 %	7,8 %	-0,7 %	-2,0 %	-1,8 %	0,3 %	12,0 %	5,7 %	7,4 %
— European Council and Council	402,8	2,0	11,1	53,1	59,2	27,0	3,2	96,0	p.m.	251,5	654,3
Evolution vs previous year (%)	10,4 %	1,9 %	7,3 %	10,3 %	2,9 %	0,8 %	0,6 %	-2,7 %		2,0 %	7,0 %
— Court of Justice of the European Union	324,5	40,8	9,1	31,7	58,5	0,9	2,1	23,5	0,1	166,7	491,2
Evolution vs previous year (%)	8,1 %	1,7 %	1,3 %	12,9 %	-7,3 %	-1,4 %	6,1 %	9,8 %		1,2 %	5,7 %
— European Court of Auditors	141,1	12,1	3,7	8,6	4,3	2,6	1,8	2,5	p.m.	35,5	176,6
Evolution vs previous year (%)	10,8 %	1,8 %	-8,2 %	4,2 %	13,1 %	-0,4 %	1,4 %	-1,5 %		2,0 %	8,9 %
— European Economic and Social Committee	88,0	21,5	2,5	8,3	24,3	2,6	0,9	12,0	p.m.	72,1	160,1
Evolution vs previous year (%)	10,0 %	0,0 %	5,8 %	8,9 %	-1,3 %		6,4 %	6,1 %		1,8 %	6,1 %
— European Committee of the Regions	71,1	9,4	1,9	5,7	17,4	2,4	1,7	6,9	0,7	46,2	117,3
Evolution vs previous year (%)	12,7 %	1,7 %	4,9 %	7,4 %	-1,4 %	5,9 %	6,0 %	4,5 %	0,3 %	2,0 %	8,2 %
— European Ombudsman	9,8	0,5	0,2	0,3	1,4	0,3	0,0	0,5	p.m.	3,3	13,1
Evolution vs previous year (%)	12,2 %	7,4 %	37,3 %	19,2 %	-13,0 %	45,9 %	-68,8 %	2,9 %		-1,9 %	8,3 %
— European Data Protection Supervisor	13,9	0,4	0,4	1,7	2,3	0,7	0,2	2,5	p.m.	8,3	22,2
Evolution vs previous year (%)	18,5 %	6,2 %	9,9 %	1,0 %	2,5 %	-4,1 %	5,6 %	-11,2 %		-2,4 %	9,8 %

Administrative expenditure of the institutions by type	Staff remuneration	Non-salary expenditure									Draft budget 2023
		Members	Other staff expenditure	Information and communica- tion technology	Rent, purchase and linked to buildings	Meeting people	Information	General administra- tive expenditure	Specific to the institution	Sub-total	
— European External Action Service	439,0	p.m.	43,2	19,8	248,1	9,9	2,3	63,3	p.m.	386,6	825,6
<i>Evolution vs previous year (%)</i>	8,0 %		0,4 %	4,0 %	2,9 %	3,0 %	12,3 %	12,2 %		4,1 %	6,2 %
Total by type	5 733,0	328,0	181,7	574,7	1 143,3	142,7	59,4	381,9	289,8	3 101,5	8 834,5
<i>Evolution vs previous year (%)</i>	8,3 %	4,9 %	1,9 %	8,2 %	1,5 %	-7,7 %	1,7 %	1,8 %	12,0 %	3,5 %	6,6 %

3.9.3.1. Administrative expenditure of the other institutions

The administrative expenditure of all institutions combined increases by 6,6 % (excluding pensions and European schools). The proposed increase is 6,2 % for the Commission and 7,0 % for the other institutions.

Despite the significant challenges such policy poses, the Commission has encouraged all EU institutions and bodies to follow the same rigorous approach in respect of the request for administrative expenditure and staffing of the European Institutions, aiming at a stable staffing policy while limiting the increase for all non-salary related expenditure (excluding pensions and the European Schools) to a maximum of 2 % compared to the 2022 level.

The respective budget requests of the European Parliament and of the Council are integrated into the 2023 draft budget without any changes, given their specific role as the Budgetary Authority.

European Parliament

The Parliament's statement of estimates includes a request for an additional 52 establishment plan posts and 116 additional accredited parliamentary assistants as compared to the stable staffing benchmark. Furthermore, it shows an increase in non-salary expenditure of 5,7 %. This is due to the application of the salary update to the Members (EUR 16,7 million), which is classified as non-salary expenditure in all institutions, increases for IT infrastructure to strengthen cybersecurity (EUR 11,5 million), and communication in the lead up to the next election period (EUR 27,5 million). Overall, this leads to an increase in the Parliament's 2023 budget expenditure of 7,4 % compared to 2022.

European Council and Council

The Council established a statement of estimates in line with the Commission's budgetary guidelines for non-salary related expenditure. Overall, this leads to an increase in the Council's 2023 budget expenditure of 7,0 % compared to 2022.

Using the above guidelines as a benchmark, while taking into account special circumstances, which may justify certain exceptions, in particular additional needs related to buildings, the Commission has adjusted downwards the original draft estimates of the following six institutions:

The Council and the Committee of the Regions established statements of estimates in line with the Commission's budgetary guidelines, including as regards stable staffing, which the Commission has integrated without changes.

Court of Justice of the European Union

The Court of Justice established a statement of estimates in line with the Commission's budgetary guidelines for non-salary related expenditure. However, the Court requested 11 additional establishment plan posts, of which eight related to cybersecurity and three to research and documentation to support the judicial activity. The Court's initial request is revised downwards by not integrating the request for additional establishment plan posts (- EUR 0,6 million). Overall, this leads to an increase in the Court of Justice's 2023 budget request of 5,7 % compared to 2022, down from the 5,8 % increase originally requested.

European Court of Auditors

The European Court of Auditors established a statement of estimates in line with the Commission's budgetary guidelines for non-salary related expenditure. However, the Court has also requested 20 additional establishment plan posts in order to perform audit work in relation to NextGenerationEU, which was not integrated in the DB 2023 (- EUR 2,5 million). Overall, this leads to an increase in the Court of Auditors' 2023 budget request of 8,9 % compared to 2022, down from the 10,5 % increase originally requested.

European Economic and Social Committee

The Committee's initial request is revised downwards by not integrating the request for three additional establishment plan posts relating to additional needs in the context of the Committee's increased involvement in the European Green Deal, the new geopolitical challenges and its contribution to the EU organic awards (- EUR 0,4 million). Overall, this leads to an increase in the Committee's 2023 budget request of 6,1 % compared to 2022, down from the 6,4 % increase originally requested.

European Ombudsman

The European Ombudsman's initial request is revised downwards by not integrating the request for two additional establishment plan posts relating to additional needs in the framework of the new Ombudsman Statute, for further strategic own-initiative inquiries and initiatives and in light of an increasing scope of bodies and agencies. (- EUR 0,2 million). Overall, this leads to an increase in the Ombudsman's 2023 budget request of 8,3 % compared to 2022, down from the 10,3 % increase originally requested.

European Data Protection Supervisor (EDPS)

The initial request of the EDPS is revised downwards by not integrating the request for nine additional establishment plan posts, of which four relating to new tasks for the European Data Protection Board (EDPB) (- EUR 0,7 million). Overall, this leads to an increase in the EDPS' 2023 budget request of 9,8 % compared to 2022, down from the 13,3 % increase originally requested.

European External Action Service (EEAS)

The initial request of the EEAS is revised downwards by not integrating the request for 16 additional establishment plan posts relating to crisis management (posts for geopolitical departments in key countries and the Strategic Compass (maritime and space security and defence) (- EUR 1,3 million). As regards non-salary expenditure, the EEAS does comply with the 2 % limit, due to the specific exemptions of some one-off costs related to the new building and the Diplomatic Academy pilot project, amounting to EUR 8,4 million in total. Overall, this leads to an increase in the EEAS's 2023 budget request of 6,2 % compared to 2022, down from the 6,3 % increase originally requested.

The table below shows the comparison between the draft budget and the original estimates of the other institutions as sent to the Commission.

Comparative table of the other institutions (in EUR)	Original Statement of Estimates 2023	Draft Budget 2023	Difference
— Court of Justice of the European Union	491 933 000	491 288 000	- 645 000
— European Court of Auditors	179 131 500	176 609 500	- 2 522 000
— European Economic and Social Committee	160 454 220	160 102 220	- 352 000
— European Ombudsman	13 478 259	13 272 259	- 206 000
— European Data Protection Supervisor	22 880 500	22 172 500	- 708 000
— European External Action Service	826 890 942	825 607 942	- 1 283 000

3.9.3.2. Administrative expenditure of the European Commission

The current economic climate of high inflation and increasing prices for utilities creates substantial pressure on administrative expenditure, including salary expenditure. Against that backdrop, with a strong focus on learning from the experiences of the COVID-19 pandemic, and seeking to adapt to a more flexible and greener way of working, with a strong focus on effective and secure digital tools, the Commission has carefully assessed its budget request for its own administrative appropriations for 2023.

The following table shows the evolution by nature of the administrative expenditure for the Commission:

(in million EUR, rounded figures at current prices)

Administrative expenditure of the European Commission by nature	Draft budget (DB)	Budget	Difference	Difference
	2023	2022	2023 - 2022	2023 / 2022
	(1)	(2)	(1 - 2)	(1 / 2)
Staff remunerations	3 095,6	2 877,9	217,6	7,6 %
— Remuneration statutory staff	2 823,5	2 625,4		7,5 %
— Remuneration external staff	272,1	252,5		7,8 %
Non salary-related expenditure	1 010,5	990,2	20,3	2,0 %
— Members	14,5	17,2		-15,5 %
— Members - Salaries and allowances	14,5	14,3		1,1 %
— Members - Temporary allowances		2,8		-100,0 %
— Other staff expenditure	78,3	78,6		-0,4 %
— Recruitment costs	31,1	30,3		2,8 %
— Termination of service	9,1	8,5		7,7 %
— Training costs	16,4	17,5		-6,0 %
— Social and Mobility	21,6	22,3		-3,3 %
— Information and communication technology	272,4	252,3		8,0 %
— Information and communication technology	106,9	99,5	7,4	7,4 %
— Digital Workplace	44,3	40,9	3,4	8,2 %
— Data Centre and Networking services	121,2	111,9	9,3	8,4 %
— Rent, purchase and linked to buildings	495,9	481,3		3,0 %
— Rents and purchases	311,3	309,7		0,5 %
— Linked to buildings	123,5	105,9		16,7 %
— Security	61,1	65,7		-7,1 %
— Meeting people	65,2	77,1		-15,4 %
— Mission and representation	43,0	51,0		-15,6 %
— Meetings, committees, conference	22,2	26,1		-15,0 %
— Information	22,5	21,5		4,6 %
— Official journal	2,7	2,7		-0,3 %
— Publications	10,4	10,4		-0,1 %

Administrative expenditure of the European Commission by nature	Draft budget (DB)	Budget	Difference	Difference
	2023	2022	2023 - 2022	2023 / 2022
	(1)	(2)	(1 - 2)	(1 / 2)
— Acquisition of information	5,2	4,2		23,7 %
— Studies and investigations	4,2	4,2		
— General administrative expenditure	61,7	62,3		-0,8 %
— General equipment, vehicle, furniture	16,2	16,6		-2,3 %
— Linguistic external services	27,4	27,4		
— Other administrative expenditure	18,1	18,2		-0,7 %
Sub-total administrative expenditure of the European Commission	4 106,0	3 868,1	237,9	6,2 %
— Pensions	2 381,3	2 124,6	256,7	12,1 %
— Staff Pensions	2 334,3	2 085,8		11,9 %
— Pensions of former Members — Institutions	47,0	38,8		21,0 %
— European Schools (Commission)	232,0	206,6	25,4	12,3 %
Sub-total	2 613,3	2 331,2	282,0	12,1 %
Total section III	6 719,3	6 199,4	520,0	8,4 %

The Commission's administrative expenditure (excluding pensions and European schools) shows an increase of 6,2 %.

Expenditure for staff remuneration increases by 7,6 %. It accounts for more than two thirds of the Commission administrative expenditure, and results mainly from:

- The estimated salary update as of 1 July 2022 (+8,6 %) and as of 1 July 2023 (+2,6 % on a six-months basis). This rate includes the integration of the suspended global specific indicator of the 2020 salary update (+2,5 %), given the likelihood that the EU GDP will have reached its pre-crisis level in 2022.
- External staff (Full Time Equivalent - FTE) under heading 7 increases mainly due to the conversion of establishment plan posts (ex-D officials) into contract agents (seven in the Commission, one in OIL, two in OP and 12 in OIB), and a limited reinforcement of 13 FTE to the Global Envelope and six FTE to the Offices, offset in other parts in the Commission.

Non-salary-related expenditure increases by 2,0 %. This mainly results from statutory and contractual obligations, investments in information technology (+ 8 %) and in particular expenditure for gas and electricity (+ 75 %). However, the Commission has mitigated these significant increases by nominal reductions in appropriations for other types of expenditure (missions, meetings, committees and training) and by postponing some investments (greening building projects, equipment of meeting rooms) that could be covered by redeployment if and when the level of energy expenditure decreases.

The 8,0 % increase in IT expenditure reflects a reinforced focus on security to address the increasing challenges both in numbers and complexity, with a particular effort in favour of inter-institutional cybersecurity through CERT-EU. It also reflects the offering of quality services for human resources from two complementary perspectives: end-user tools and support to work from anywhere, anytime and completely paperless; and the HR systems transformation programme. Additional investments in corporate systems such as the Reusable Solutions Platform and the Dual Pillar Approach will continue with a view to seeking synergies and efficiencies in the existing IT landscape, while introducing innovative delivery modes in support of Commission activities.

3.9.3.3. Offices and delegations

(in million EUR, rounded figures at current prices)

Offices and delegations	Draft budget (DB)	Budget	Difference	Difference
	2023	2022	2023 - 2022	2023 / 2022
	(1)	(2)	(1 - 2)	(1 / 2)
Delegations in third countries	197,2	189,7	7,5	3,9 %
Offices	386,2	364,8	21,4	5,9 %
— Publications Office	121,2	113,8	7,4	6,5 %
— European Personnel Selection Office	28,1	26,5	1,7	6,3 %
— Office for Administration and Payment of Individual Entitlements	51,8	46,9	4,9	10,6 %
— Office for Infrastructure and Logistics — Brussels	91,4	88,3	3,1	3,5 %
— Office for Infrastructure and Logistics — Luxembourg	29,4	27,8	1,7	6,0 %
— European Anti-Fraud Office (OLAF)	64,3	61,6	2,7	4,3 %

Expenditure for the six **European offices** is included in the budget of the Commission although they provide services to all institutions. The same cost-containment objectives as in the Commission's central administration apply to all the offices, resulting in an overall increase of 5,9 % compared to 2022.

The increase in the Publications Office budget results from the one-off expenditure relating to the occupation of the new building, which has been delayed from November 2022 to February 2023.

The increase in the EPSO budget takes into account the adjustment of the level of rental costs of occupied spaces and an adjustment of the expenses relating to information systems and competitions, an update of the average costs of external staff and an increase of IT appropriations compared to 2022.

The PMO budget request takes into account an update of the average costs of external staff and an increase of IT appropriations compared to 2022.

The lower increase in the OIB budget results mainly from the transformation of posts into appropriations, the transfer of posts to the Commission and an adjustment of IT appropriations compared to 2022.

Similarly, the OIL budget request takes into account the transfer of posts to the Commission and an adjustment of IT appropriations compared to 2022.

The variations in the OLAF budget result mainly from the transfer of 12 posts and four external staff to the European Public Prosecutor's Office (EPPO) and the reinforcement of six posts for Recovery and Resilience Fund (RRF) fraud audits and for the Rule of Law Conditionality Regulation. This reinforcement is made possible by redeployment of posts within the Commission.

The same cost-containment objectives as in the Commission's Headquarters administration also apply to the Commission's appropriations for the Union **Delegations in third countries**. The combined impact of the posts returned to the headquarters, the salary updates and the decrease in missions and infrastructure appropriations, lead to an overall increase in delegations' expenditure (including external staff) of 3,8 % compared to 2022.

4. HORIZONTAL ISSUES

4.1. Human resources

4.1.1. Human resources by institution

The overview table below presents, for each institution, the number of establishment plan posts authorised in the 2022 budget and the number of posts requested in the 2023 draft budget.

The Commission's requests for staff and appropriations are more than compensated by a net reduction of 22 posts, transformed into appropriations for external staff following the progressive phase-out of 'former D' posts. The requests for the other institutions are presented in the table below:

(Number of posts in the establishment plans of the institutions)

Institution	Budget 2022	Initial request May 2022	Integrated into DB 2023			2023 DB total	Change 2023 - 2022
			Of which reductions	Of which requests	Remarks		
European Parliament	6 773	52	0	52	(a)	6 825	52
European Council and Council	3 029	0	0	0		3 029	0
European Commission	23 474	- 75	- 75	0		23 399	- 75
Court of Justice of the European Union	2 110	11	0	0		2 110	0
European Court of Auditors	873	20	0	0		873	0
European Economic and Social Committee	669	3	0	0		669	0
Committee of the Regions	496	0	0	0		496	0
European Ombudsman	73	2	0	0		73	0
European Data Protection Supervisor	84	9	0	0		84	0
European External Action Service	1 753	16	0	0		1 753	0
Total institutions	39 334	38	- 75	52		39 311	- 23
(a) Additional posts requested for cybersecurity purposes.							

The section below presents in more detail the Commission's request for human resources. Details on the requests for human resources for the other institutions can be found in their respective statements of estimates for 2023. Section 4.3 below presents an overview of the Commission request as regards the establishment plan posts for the decentralised agencies and other bodies.

4.1.2. Commission human resources

The Commission will continue to simplify and rationalise working methods, and to ensure the efficient use of scarce resources, aligned to political priorities. It will strive to cope with the increasing challenges faced by the EU with stable resources.

In particular, the Commission maintains its commitment to meet the EU's priorities with stable staffing: DB 2023 shows a net decrease by 75 posts. Delivery of new Commission priorities will be covered to the maximum possible extent through efficiency gains and redeployment.

With respect to the establishment plans, the reduction of the number of posts results from:

- The delegation of tasks to executive agencies (41 posts, see section 4.3.1);
- A number of transfers between establishment plans, including from OLAF to the European Public Prosecutor's Office (EPPO, 12 posts) and from the Offices to the Commission's establishment plan as contribution to the redeployment pool;
- The transformation of 22 posts into appropriations.
- Concerning external personnel, the budget includes a reduction of 6 FTE in the administrative support lines of operational programmes and a reduction of 4 FTE from OLAF to the European Public Prosecutor's Office (EPPO).

Net of these changes, **the overall number of human resources in the Commission** shows a decrease of 57 Full Time Equivalents (FTE, -0,18 %), with a net reduction of 75 establishment plan posts (-0,32 %) and a limited increase of 18 FTE (0,21 %) of external personnel.

Details of the evolution of the Commission's human resources can be found in Working Document II accompanying this draft budget.

	2022 Budget Authorisation (Posts & estimated FTE of external Personnel)	2023 staff request	Change 2023/2022	
Establishment Plan Posts				
Commission	18 737	18 741	0,0 %	4
Research - Direct Actions	1 711	1 683	-1,7 %	- 28
Research - Indirect Actions	1 383	1 373	-0,7 %	- 10
OP	591	581	-1,7 %	- 10
OLAF	322	316	-1,9 %	- 6
EPSO	109	109	0	0
OIB	335	316	-6,0 %	- 19
OIL	120	117	-2,6 %	- 3
PMO	166	163	-1,8 %	- 3
Total Commission Posts	23 474	23 399	-0,32 %	- 75
External Personnel				
Under Heading 7	4 243	4 267	0,58%	24
Global envelope	2 322	2 335	0,56%	13
Other Heading 7*	1 921	1 932	0,60%	11
Outside Heading 7	4 490	4 484	-0,13%	- 6
Headings 1,2,3 and 6**	3 201	3 195	-0,19%	- 6
Direct Research	739	739	-	-

	2022 Budget Authorisation (Posts & estimated FTE of external Personnel)	2023 staff request	Change 2023/2022	
Indirect Research	550	550	-	-
Total Commission External Personnel	8 733	8 751	0,21%	18
Total Commission human resources				
	32 207	32 150	-0,18 %	- 57
* Includes: reduction of 5 FTE in the administrative support lines of operational programmes (ex-BA lines) and the transfer of 1 FTE from the Commission to the EEAS.				
Executive agencies staff				
EISMEA	391	383	-2,05%	- 8
EACEA	505	530	4,95%	25
HADEA	391	421	7,67%	30
CINEA	488	500	2,46%	12
ERCEA	516	519	0,58%	3
REA	860	874	1,63%	14
Total executive agencies staff	3 151	3 227	2,41%	76
**including posts in the establishment plans financed from NGEU and programmes outside the EU budget, as follows: for 2022, 26 posts in CINEA, 10 posts in HaDEA and 14 posts in EISMEA; for 2023, 29 posts in CINEA, 12 posts in HADEA, 16 posts in EISMEA, 8 posts in ERCEA, 7 posts in REA and 4 posts in EACEA.				

NextGenerationEU leads to the temporary reinforcement of several programmes through external assigned revenues, which will partially be used to finance expenditure for administrative and technical assistance related to the implementation of these programmes, including external staff. The impact in 2023 is at the level of 191 FTEs (including 28 FTE for research external personnel) and corresponding appropriations. The finalisation of third country association agreements and the increase in third country participation to certain programmes leads to additional staff linked to which all direct and indirect costs are fully financed from the operational contributions and fees received from third countries. The impact for the Commission already in 2022 is estimated at the level of some 49 FTE and corresponding appropriations, including 29 FTEs for the research external staff. This will be continued in 2023, when further association agreement with third countries are expected to be finalised.

The 2023 draft budget includes some changes in the function group composition of the existing establishment plans in order to allow the Commission to adapt the structure of its human resources to its needs. This includes the budgetary neutral transformation of AST posts into AD posts.

The Commission continues to reallocate posts to political priorities by internal redeployment, and without additional resources. In this context, the implementation of the rationalisation of horizontal functions and delivery models continues, notably in the areas of Human resources management, ICT, logistics and translation, to enable the Commission to redeploy staff to priority areas/tasks. The use of flexible arrangements continues, such as the mechanism of temporary allocations for specific time-bound tasks that is still being used to allow the temporary reinforcement of services facing a sustained increased workload.

Finally, in relation to its human resources, the Commission regularly monitors the geographical balance, verifying that staff is recruited on the broadest possible geographical basis from among nationals of Member States and that there is no significant and unjustified imbalance between nationalities among officials.

4.2. Commission administrative expenditure outside heading 7

4.2.1. Support expenditure for programmes under headings 1-6

Most EU multiannual programmes provide for technical and administrative support expenditure directly linked to the implementation of the operational programmes and financed from the financial envelope of the programme. This technical and administrative support expenditure is now much more clearly identified in the EU budget. This is reflected in the presentation of each programme in section 3 above, and the global overview is presented in the table below. These appropriations are used to carry out activities such as evaluation of calls for proposals, studies, information systems, expert meetings and audits, needed to achieve value for money and ensure sound financial management.

(in million EUR, at current prices)

Administrative expenditure by headings, clusters and programmes	Draft budget (DB)		Budget		Difference		Difference	
	2023		2022		2023 - 2022		2023 / 2022	
	(1)		(2)		(1 - 2)		(1 / 2)	
	CA	PA	CA	PA	CA	PA	CA	PA
Single Market, Innovation and Digital	955,4	955,4	925,9	925,9	29,6	9,1	3,2 %	3,2 %
— Research and Innovation	878,6	878,6	848,2	848,2	30,4	30,4	3,6 %	3,6 %
— Horizon Europe	763,6	763,6	734,1	734,1	29,5	29,5	4,0 %	4,0 %
— Euratom Research and Training Programme	107,3	107,3	107,0	107,0	0,3	0,3	0,3 %	0,3 %
— International Thermonuclear Experimental Reactor (ITER)	7,7	7,7	7,1	7,1	0,6	0,6	8,5 %	8,5 %
— European Strategic Investments	41,7	41,7	41,3	41,3	0,4	0,4	1,0 %	1,0 %
— InvestEU Fund	1,0	1,0	1,0	1,0	0	0	0	0
— Connecting Europe Facility (CEF)	20,2	20,2	19,8	19,8	0,4	0,4	0,0	0,0
— Digital Europe Programme	20,5	20,5	20,5	20,5	-0,0	-0,0	-0,0 %	-0,0 %
— Other actions	0	0	0	0	0	0	0	0
— Single Market	p.m.	28,2	29,1	29,1	-0,9	-0,9	-3,2 %	-3,2 %
— Single Market Programme	27,6	27,6	28,5	28,5	-0,9	-0,9	-3,3 %	-3,3 %
— Cooperation in the field of taxation (Fiscalis)	0,3	0,3	0,3	0,3	0	0	0	0
— Cooperation in the field of customs (Customs)	0,3	0,3	0,3	0,3	0	0	0	0
— Space	7,0	7,0	7,3	7,3	-0,3	-0,3	-4,3 %	-4,3 %
— Union Space Programme	7,0	7,0	7,3	7,3	-0,3	-0,3	-4,3 %	-4,3 %
Cohesion, Resilience and Values	148,7	148,7	142,9	142,9	5,8	5,8	4,1 %	4,1 %
— Regional Development and Cohesion	14,9	14,9	14,6	14,6	0,3	0,3	1,9 %	1,9 %

Administrative expenditure by headings, clusters and programmes	Draft budget (DB)		Budget		Difference		Difference	
	2023		2022		2023 - 2022		2023 / 2022	
	(1)		(2)		(1 - 2)		(1 / 2)	
	CA	PA	CA	PA	CA	PA	CA	PA
— European Regional Development Fund (ERDF)	4,8	4,8	4,7	4,7	0,1	0,1	2,8 %	2,8 %
— Cohesion Fund (CF)	8,2	8,2	8,1	8,1	0,2	0,2	1,9 %	1,9 %
— Support to the Turkish Cypriot community	1,9	1,9	1,9	1,9	0	0	0	0
— Recovery and resilience	31,4	31,4	31,5	31,5	-0,1	-0,1	-0,3 %	-0,3 %
— European Recovery and Resilience Facility and Technical Support Instrument	2,1	2,1	2,0	2,0	0,0	0,0	2,0 %	2,0 %
— Protection of the euro against counterfeiting	0,2	0,2	p.m.	p.m.	0,2	0,2		
— European Union Recovery Instrument (EURI)	5,0	5,0	5,0	5,0				
— Union Civil Protection Mechanism	p.m.	p.m.	p.m.	p.m.				
— EU4Health Programme	24,1	24,1	24,5	24,5	-0,3	-0,3	-1,3 %	-1,3 %
— Emergency support within the Union	p.m.	p.m.	p.m.	p.m.				
— Investing in People, Social Cohesion and Values	102,4	102,4	96,7	96,7	5,6	5,6	5,8 %	5,8 %
— European Social Fund Plus (ESF+)	8,5	8,5	9,2	9,2	-0,7	-0,7	-7,3 %	-7,3 %
— Erasmus+	54,1	54,1	50,4	50,4	3,7	3,7	7,4 %	7,4 %
— European Solidarity Corps	6,9	6,9	6,7	6,7	0,2	0,2	2,7 %	2,7 %
— Creative Europe	22,5	22,5	20,9	20,9	1,6	1,6	7,6 %	7,6 %
— Citizens, Equality, Rights and Values	9,3	9,3	8,5	8,5	0,8	0,8	9,7 %	9,7 %
— Justice	1,1	1,1	1,1	1,1				
Natural Resources and Environment	39,9	39,9	37,5	37,5	2,4	2,4	6,4 %	6,4 %
— Agriculture and Maritime policy	14,1	14,1	14,0	14,0	0,2	0,2	1,1 %	1,1 %
— European Agricultural Guarantee Fund (EAGF)	4,6	4,6	4,3	4,3	0,3	0,3	6,3 %	6,3 %
— European Agricultural Fund for Rural Development (EAFRD)	1,8	1,8	1,8	1,8				
— European Maritime, Fisheries and Aquaculture Fund (EMFAF)	7,7	7,7	7,8	7,8	-0,1	-0,1	-1,5 %	-1,5 %
— Environment and climate action	25,8	25,8	23,5	23,5	2,3	2,3	9,6 %	9,6 %

Administrative expenditure by headings, clusters and programmes	Draft budget (DB)		Budget		Difference		Difference	
	2023		2022		2023 - 2022		2023 / 2022	
	(1)		(2)		(1 - 2)		(1 / 2)	
	CA	PA	CA	PA	CA	PA	CA	PA
— Programme for the Environment and Climate Action (LIFE)	25,8	25,8	23,5	23,5	2,3	2,3	9,6 %	9,6 %
— Just Transition Fund (JTF)								
— Public sector loan facility under the Just Transition Mechanism (JTM)								
Migration and Border Management	5,1	5,1	5,1	5,1	0,0	0,0	0,0 %	0,0 %
— Migration	3,0	3,0	3,0	3,0				
— Asylum, Migration and Integration Fund (AMIF)	3,0	3,0	3,0	3,0				
— Border Management	2,1	2,1	2,1	2,1	0,0	0,0	0,1 %	0,1 %
— Integrated Border Management Fund (IBMF) — Instrument for financial support for border management and visa	2,0	2,0	2,0	2,0				
— Integrated Border Management Fund (IBMF) — Instrument for financial support for customs control equipment	0,1	0,1	0,1	0,1	0,0	0,0	2,5 %	2,5 %
Security and Defence	17,3	17,3	15,4	15,4	1,9	1,9	12,3 %	12,3 %
— Security	4,8	4,8	4,8	4,8	0,0	0,0	1,0 %	1,0 %
— Internal Security Fund (ISF)	2,4	2,4	2,4	2,4				
— Nuclear decommissioning for Lithuania	p.m.	p.m.	p.m.	p.m.				
— Nuclear Safety and decommissioning, including for Bulgaria and Slovakia	2,4	2,4	2,3	2,3	0,0	0,0	2,0 %	2,0 %
— Defence	12,5	12,5	10,6	10,6	1,8	1,8	17,4 %	17,4 %
— European Defence Fund (EDF) — Non-research	2,6	2,6	2,4	2,4	0,2	0,2	7,0 %	7,0 %
— European Defence Fund (EDF) — Research	8,1	8,1	6,5	6,5	1,6	1,6	25,2 %	25,2 %
— Military mobility	1,7	1,7	1,7	1,7	0,0	0,0	2,3 %	2,3 %
Neighbourhood and the World	399,7	399,7	393,5	393,5	6,2	6,2	1,6 %	1,6 %
— External Action	350,5	350,5	346,1	346,1	4,4	4,4	1,3 %	1,3 %
— Neighbourhood, Development and International Cooperation Instrument — Global Europe	335,1	49,3	330,9	330,9	4,2	4,2	1,3 %	1,3 %
— Humanitarian Aid	11,8	11,8	11,7	11,7	0,2	0,2	1,5 %	1,5 %

Administrative expenditure by headings, clusters and programmes	Draft budget (DB)		Budget		Difference		Difference	
	2023		2022		2023 - 2022		2023 / 2022	
	(1)		(2)		(1 - 2)		(1 / 2)	
	CA	PA	CA	PA	CA	PA	CA	PA
— Common Foreign and Security Policy	0,6	0,6	0,6	0,6				
— Overseas countries and territories	1,4	1,4	1,3	1,3	0,0	0,0	1,3 %	1,3 %
— European Instrument for International Nuclear Safety Cooperation (INSC)	1,5	1,5	1,5	1,5	0,0	0,0	p.m.	0,7 %
— Pre-Accession Assistance	49,3	49,3	47,5	47,5	1,8	1,8	3,8 %	3,8 %
— Pre-accession Assistance	49,3	49,3	47,5	47,5	1,8	1,8	3,8 %	3,8 %
Total	1 566,4	1 566,4	1 520,2	1 520,2	46,2	46,2	3,0 %	3,0 %

The Commission has used the appropriations for administrative support in the 2022 budget as a benchmark for the 2023 draft budget, taking into account budget execution in 2021, as well as the expected level of operational appropriations to be managed in 2023.

Support expenditure for research and innovation

The support expenditure requested for the Research and Innovation programmes fully respects the ceilings proposed in the legal bases for indirect research support expenditure of Horizon Europe and the Euratom Research and Training Programme. It covers the appropriations needed for salaries of staff under the research establishment plans, external research personnel and other administrative expenditure needed for programme management and implementation (preparation, monitoring, control, audits and evaluations of achievements, information and communication actions etc.). The level of appropriations for salaries has been adjusted to take account of the allocation of research staff for 2023 and the expected salary updates of 2022 and 2023 at the time of the preparation of the Draft Budget.

The administrative expenditure of Horizon Europe also includes EU budget contributions to the operating budget of the executive agencies that will implement the programme. More detailed information is given in Section 4.3.1.

Support expenditure in heading 1-6

The evolution of external personnel financed by heading 1 to 6 shows a reduction of five FTE linked with the expected evolution of average costs and the additional reduction of one FTE, to be transferred from the Commission to the EEAS with the corresponding appropriations.

4.3. Bodies set up by the European Union and having legal personality

4.3.1. Executive Agencies

This section presents an overview for the six executive agencies as concerns their establishment plans and external personnel. In 2023, the Commission will continue to make intensive use of executive agencies in the management of the 2021-2027 spending programmes. The staffing and subsidy levels foreseen for the agencies in the 2023 draft budget are generally in line with the Commission's 'delegation package' for the 2021-2027 period, as adopted on 12 February 2021⁽¹⁾. However, the proposed funding takes account of the higher than expected salary adjustment for 2022 and 2023, which has a substantial impact on the running costs of the executive agencies.

⁽¹⁾ Communication to the Commission on the delegation of the management of the 2021-2027 EU programmes to executive agencies (C(2021)946 of 12.2.2021).

Staffing levels

As in the 2022 budget, the main change reflected for the 2023 draft budget compared to the delegation package relates to a revision of the Innovation Fund staffing levels: due to carbon price changes, the volume of the Innovation Fund supported by the EU Emissions Trading System will increase substantially, as compared to the assumption for the amount to be delegated in the cost-benefit analysis of the Innovation Fund. Therefore, the CINEA establishment plan will include seven additional posts to manage the implementation of the additional appropriations. This change does not impact the EU contribution to the agency in the 2023 Draft Budget, as compared to the delegation package.

Moreover, the operational contributions of third countries to EU programmes are generating additional workload in the executive agencies. The staff levels are adjusted accordingly, including in relation to the number of establishment plan posts, while all direct and indirect administrative costs incurred by this staff, including employer's contributions to pensions, are fully covered by the amounts resulting from the third country contributions.

As a consequence, the proposed number of staff in the executive agencies increases to 3 227 FTE in 2023 (+ 76 FTE compared to 2022, of which 36 temporary agents and 40 contract agents), including establishment plan posts financed outside the EU budget (+ 26 temporary agent posts compared to 2022). Overall, the total staff increase is in line with the staff numbers foreseen in the specific financial statements accompanying the Commission's delegation decisions, as well as in the Communication to the Commission on the delegation of tasks to executive agencies. More details on the staffing levels by agency are shown in the table below:

Staffing levels in executive agencies	Staffing levels for 2022		Staffing levels requested in DB 2023 (as per 'delegation package')	
	Establishment plan posts	Contract agents (FTE)	Establishment plan posts	Contract agents (FTE)
European Climate, Infrastructure and Environment Executive Agency (CINEA)	142	346	146	354
European Health and Digital Executive Agency (HaDEA)	105	286	113	308
European Research Executive Agency (REA)	215	645	225	649
European Research Council Executive Agency (ERCEA)	131	385	137	382
European Innovation Council and SMEs Executive Agency (EISMEA)	121	270	120	263
European Education and Culture Executive Agency (EACEA)	126	379	135	395
Total	840	2 311	876	2 351
Grand Total	3 151		3 227	

**including posts in the establishment plans financed from NGEU and programmes outside the EU budget, as follows: for 2022, 26 posts in CINEA, 10 posts in HaDEA and 14 posts in EISMEA; for 2023, 29 posts in CINEA, 12 posts in HADEA, 16 posts in EISMEA, 8 posts in ERCEA, 7 posts in REA and 4 posts in EACEA.*

Financing

In general, the EU budget contribution to cover the running costs of the six executive agencies in the 2023 draft budget (EUR 367,5 million) is consistent with the amounts foreseen in the final version of the delegation package and the additional impact of the upward revision of salary expenditure. The amounts requested for individual agencies also take account of observed vacancy rates and the expected impact of the salary updates in 2022 and 2023 at the time of the preparation of the Draft Budget.

The table below shows the requested appropriations for 2023 by agency, as compared to the amounts included in the 2022 budget. The increased contribution requested for 2023 is mainly due to the requested staff increase for 2023 and the salary adjustment, which is partially offset by a reduction in the programme support expenditure of the European Health and Digital Executive Agency.

(in million EUR, at current prices)

EU budget contribution to executive agencies	Draft budget (DB)		Budget		Difference		Difference	
	2023		2022		2023 - 2022		2023 / 2022	
	(1)		(2)		(1 - 2)		(1 / 2)	
	CA	PA	CA	PA	CA	PA	CA	PA
European Climate, Infrastructure and Environment Executive Agency (CINEA)	53,0	53,0	48,7	48,7	4,3	4,3	8,8 %	8,8 %
European Health and Digital Executive Agency (HaDEA)	45,7	45,7	48,5	48,5	- 2,7	- 2,7	-5,6 %	-5,6 %
European Research Executive Agency (REA)	103,2	103,2	97,0	97,0	6,2	6,3	6,4 %	6,4 %
European Research Council Executive Agency (ERCEA)	58,4	58,4	54,8	54,8	3,6	3,6	6,6 %	6,6 %
European Innovation Council and SMEs Executive Agency (EISMEA)	43,8	43,8	43,5	43,5	0,3	0,3	0,8 %	0,8 %
European Education and Culture Executive Agency (EACEA)	63,2	63,2	57,8	57,8	5,5	5,5	9,5 %	9,5 %
Total	367,5	367,5	350,2	350,2	17,2	17,2	4,9 %	4,9 %

Impact on the Commission staffing

The necessary additional staff increase in the agencies following the delegation of tasks is compensated by a reduction of human resources in the Commission. The increase in the staffing levels and related administrative expenditure in the executive agencies in 2023 linked to the delegation of tasks is compensated by a further reduction of 41 FTE in the Commission ('freed' posts in the establishment plans). The total number of 'freed' and 'frozen' posts is shown in the table below:

'Freed' and 'frozen' posts: ensuring budgetary neutrality	Total number of freed and frozen posts in 2022		Total number of freed and frozen posts in 2023	
	Establishment plan posts	Contract agents (FTE)	Establishment plan posts	Contract agents (FTE)
Total 'freed'	26		41	
Total 'frozen'	1			
Total	27		41	
Grand Total	27		41	

4.3.2. Decentralised agencies

The draft budget request for decentralised agencies is based on a thorough assessment of the resources needs of each of the agencies, both for the EU contribution and staffing levels. Against the backdrop of the indicative amounts for the agencies by policy cluster in the 2021-2027 multiannual financial framework, the draft budget takes into account new or ongoing proposals to extend the mandates of certain agencies, as set out below. The reinforcements requested for specific agencies reflect the decisions of the European Parliament and the Council as legislator, typically to pool tasks at Union level that were previously performed by the Member States, resulting in better coordination and harmonisation.

As part of the preparation of this draft budget, the Commission continues its policy of deducting assigned revenue resulting from the recovery of decentralised agency surpluses for the year 2021 from the 2023 EU contribution to the agencies in question, which lowers the need for new appropriations to be entered in the 2023 budget. Moreover, when assessing each agency's needs for the financial year 2023, the Commission has taken into account the cancellation of commitments and payments (including on payment appropriations carried over from 2020) in 2021.

Against the backdrop of high inflation, the Commission has reviewed to what extent the expected impact of the salary updates in 2022 and 2023 can be met within the annual 2 % indexation of the EU contribution to the decentralised agencies. Accordingly, the Commission proposes a limited reinforcement of the EU contributions, amounting to 3 % of the staff expenditure adjusted by the share of the EU contribution in total revenue of the agency.

The proposed level of the EU contribution is EUR 2 570,5 million, of which 2 471,4 million covered by 2023 appropriations. Of the overall amount, one third is allocated to Frontex. The proposed number of establishment plan posts, excluding fully self-financed agencies, is 7 712. Overall, this exercise results in an EUR 135,0 million increase in expenditure compared to the 2022 authorised budget, and an increase by 188 posts in the establishment plans for all (fully or partially) EU-financed decentralised agencies.

The breakdown in terms of the EU contribution and establishment plan posts is shown in detail in the table below:

(commitment appropriations, in million EUR, rounded figures at current prices)

	Draft budget 2023		Budget 2022		Difference 2023 / 2022	
	Total EU contribution	Of which budget	Total EU contribution	Of which budget	Total EU contribution	Of which budget
Agencies fully financed through EU contribution						
European Maritime Safety Agency (EMSA)	86,8	85,5	84,3	82,7	3,0 %	3,4 %
<i>authorised establishment plan posts</i>	212		212		0	
European Union Agency for Cybersecurity (ENISA)	24,5	24,2	23,6	22,9	3,6 %	5,5 %
<i>authorised establishment plan posts</i>	82		82		0	
Body of European Regulators for Electronic Communications (BEREC) — Office	7,7	7,6	7,4	7,3	3,6 %	4,2 %
<i>authorised establishment plan posts</i>	16		16		0	
European Union Agency for the Space Programme (EUSPA)	74,8	74,8	68,3	68,3	9,4 %	9,5 %
<i>authorised establishment plan posts</i>	267		231		36	
European Centre for Disease Prevention and Control (ECDC)	87,7	85,9	93,6	90,5	-6,3 %	-5,1 %

	Draft budget 2023		Budget 2022		Difference 2023 / 2022	
	Total EU contribution	Of which budget	Total EU contribution	Of which budget	Total EU contribution	Of which budget
<i>authorised establishment plan posts</i>	222		215		7	
European Food Safety Authority (EFSA)	151,0	150,5	146,2	145,9	3,3 %	3,2 %
<i>authorised establishment plan posts</i>	405		405		0	
European Foundation for the Improvement of Living and Working Conditions (Eurofound)	23,6	23,6	22,1	21,8	7,0 %	8,3 %
<i>authorised establishment plan posts</i>	91		91		0	
European Agency for Safety and Health at Work (EU-OSHA)	16,5	16,3	15,9	15,7	3,5 %	4,1 %
<i>authorised establishment plan posts</i>	40		40		0	
European Centre for the Development of Vocational Training (Cedefop)	19,1	18,9	18,4	18,2	3,9 %	3,6 %
<i>authorised establishment plan posts</i>	91		91		0	
European Union Agency for Fundamental Rights (FRA)	24,7	24,6	23,7	23,6	3,8 %	4,0 %
<i>authorised establishment plan posts</i>	72		72		0	
European Institute for Gender Equality (EIGE)	8,7	8,6	8,3	8,0	5,6 %	7,7 %
<i>authorised establishment plan posts</i>	27		27		0	
European Training Foundation (ETF)	22,6	22,5	21,7	21,4	4,2 %	5,4 %
<i>authorised establishment plan posts</i>	86		86		0	
European Union Agency for Criminal Justice Cooperation (Eurojust)	52,8	52,5	46,0	45,8	14,8 %	14,6 %
<i>authorised establishment plan posts</i>	232		210		22	
European Public Prosecutor's Office (EPPO)	63,0	62,1	57,1	57,1	10,3 %	8,8 %
<i>authorised establishment plan posts</i>	171		171		0	
European Labour Authority (ELA)	40,0	39,4	34,7	34,7	15,2 %	13,7 %
<i>authorised establishment plan posts</i>	69		57		12	
European Fisheries Control Agency (EFCA)	30,1	29,5	29,3	28,7	2,6 %	2,8 %
<i>authorised establishment plan posts</i>	77		77		0	
European Union Agency for Asylum (EUAA)	177,1	169,2	171,8	153,7	3,1 %	10,1 %
<i>authorised establishment plan posts</i>	371		371		0	
European Border and Coast Guard Agency (Frontex)	838,9	793,6	704,7	692,8	19,0 %	14,6 %
<i>authorised establishment plan posts</i>	1 300		1 300		0	

	Draft budget 2023		Budget 2022		Difference 2023 / 2022	
	Total EU contribution	Of which budget	Total EU contribution	Of which budget	Total EU contribution	Of which budget
European Union Agency for the operational management of large-scale IT systems in the area of freedom, security and justice (eu-LISA)	261,7	258,7	319,6	316,0	-18,1 %	-18,2 %
<i>authorised establishment plan posts</i>	216		215		1	
European Union Agency for Law Enforcement Cooperation (Europol)	207,2	202,1	192,4	189,0	7,7 %	6,9 %
<i>authorised establishment plan posts</i>	716		686		30	
European Union Agency for Law Enforcement Training (CEPOL)	11,2	10,8	10,8	10,1	3,4 %	7,3 %
<i>authorised establishment plan posts</i>	33		33		0	
European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)	17,6	17,5	16,9	16,8	4,1 %	4,1 %
<i>authorised establishment plan posts</i>	76		76		0	
Subtotal – EU contribution	2 247,2	2 178,4	2 117,0	2 071,0	6,2 %	5,2 %
<i>authorised establishment plan posts</i>	4 872		4 764		108	
Decentralised agencies with national co-financing						
European Banking Authority (EBA)	19,4	19,0	18,7	18,3	4,0 %	3,8 %
<i>authorised establishment plan posts</i>	184		183		1	
European Insurance and Occupational Pensions Authority (EIOPA)	13,5	13,4	12,9	12,9	4,2 %	4,0 %
<i>authorised establishment plan posts</i>	145		144		1	
European Securities and Markets Authority (ESMA)	18,6	18,3	17,6	16,3	5,6 %	12,6 %
<i>authorised establishment plan posts</i>	263		243		20	
Subtotal – EU contribution	51,5	50,8	49,2	47,5	4,6 %	6,9 %
<i>authorised establishment plan posts</i>	592		570		22	
Agencies financed through EU contribution and fees & charges						
European Union Aviation Safety Agency (EASA)	43,3	43,0	41,5	39,1	4,4 %	9,9 %
<i>authorised establishment plan posts</i>	683		681		2	
Authority for Anti-Money Laundering and Countering the Financing of Terrorism (AMLA)	1,1	1,1		p.m.	100,0 %	100,0 %
<i>authorised establishment plan posts</i>	8		0		8	
European Union Agency for Railways (ERA)	27,4	27,3	26,3	26,2	4,3 %	4,5 %
<i>authorised establishment plan posts</i>	166		154		12	
Agency for the Cooperation of Energy Regulators (ACER)	16,3	14,7	14,8	14,5	9,8 %	1,5 %

	Draft budget 2023		Budget 2022		Difference 2023 / 2022	
	Total EU contribution	Of which budget	Total EU contribution	Of which budget	Total EU contribution	Of which budget
<i>authorised establishment plan posts</i>	85		76		9	
European Chemicals Agency (ECHA) - Activities in the field of chemicals legislation	70,7	68,4	66,7	64,1	6,0 %	6,6 %
<i>authorised establishment plan posts</i>	404		404		0	
European Chemicals Agency (ECHA) - Activities in the field of biocides legislation	7,6	6,5	8,1	8,1	-6,7 %	-19,6 %
<i>authorised establishment plan posts</i>	52		52		0	
European Medicines Agency (EMA)	49,4	24,4	58,6	54,2	-15,6 %	-54,9 %
<i>authorised establishment plan posts</i>	682		662		20	
European Chemicals Agency (ECHA) - Environmental directives and International conventions	5,5	5,4	4,7	4,7	16,6 %	14,7 %
<i>authorised establishment plan posts</i>	13		11		2	
European Environment Agency (EEA)	51,6	51,4	49,7	49,4	3,8 %	3,9 %
<i>authorised establishment plan posts</i>	155		150		5	
Subtotal – EU contribution	271,5	242,2	270,3	260,4	0,4 %	-7,0 %
<i>authorised establishment plan posts</i>	2 248		2 190		58	
TOTAL – EU contribution	2 571,6	2 471,4	2 436,5	2 378,9	5,5 %	3,9 %
<i>authorised establishment plan posts</i>	7 712		7 524		188	
Translation Centre for the Bodies of the European Union (CdT)	0	0	0	0		
<i>authorised establishment plan posts</i>	193		193		0	

The proposed level of EU contribution and the staffing level of individual agencies reflect their stage of development. Agencies that have recently been created, are proposed to be created or have recently been assigned new tasks require additional appropriations and additional staff, whereas agencies at ‘cruising speed’ generally have stable budgets and structures.

Detailed justifications for the requests in terms of the EU contribution and staff for each of the agencies can be found in Working Document III accompanying this draft budget. The section below summarises the main developments.

Heading 1 Single Market, Innovation and Digital

In order to transform and strengthen anti-money laundering and countering the financing of terrorism supervision and enhance cooperation and analytical capacity among Financial Intelligence Units in Member States, the Commission proposed to create a new EU-level Anti-Money Laundering Authority ⁽¹⁾. In 2023, AMLA is expected to start its operations with eight establishment plan posts and 10 contract agent posts, with an EU contribution of EUR 1,1 million.

⁽¹⁾ COM(2021) 421, 20.7. 2021.

The digital finance package of September 2020 includes proposals to extend as of 2022 the mandates of the European Banking Authority (EBA), the European Insurance and Occupational Pensions Authority (EIOPA) and the European Securities and Markets Authority (ESMA), in order to supervise the markets and mitigate the risks in this area. Awaiting the adoption, the Draft Budget 2023 consolidates the six additional fee-financed posts for each of the three authorities for the Digital Operational Resilience of Financial Services Act (DORA) ⁽¹⁾ which are already included in the 2022 budget, and the same applies to the 15 fee-funded posts for EBA and two posts for ESMA, for the implementation of the European Framework for markets in crypto assets (MICA) ⁽²⁾. ESMA is also proposed to be reinforced by three posts in 2023 to establish and operate an information system that provides investors with a centralised access to company data, as part of the proposal for a Regulation establishing a European Single Access Point ⁽³⁾. The one-off preparatory tasks which are planned to take place in 2022 and 2023 will be financed by a contribution agreement from the Digital Europe Programme. In total, ESMA requests 20 additional posts in the Draft Budget 2023, which reflects that it had not asked for 16 posts in the 2022 budget. Finally, all three authorities are proposed to receive one establishment plan post for a three-year period for the Supervisory Digital Finance Academy project, which is financed by a contribution agreement.

To ensure the operation and operational security of the governmental infrastructure of the Union Secure Connectivity, the European Union Agency for the Space Programme (EUSPA) requires a further staff increase of five establishment plan posts, five external staff members and an accompanying EUR 2 million in 2023. This is proposed to be financed from the envelope of the Space programme, in the same way as the planned reinforcement of EUSPA by 20 establishment plan posts for the implementation of the Space programme. A further 11 posts are planned to be transferred from the intergovernmental European Union Satellite Centre (SatCen) to EUSPA, within the framework of the Space programme.

In view of the agency's crucial role in cybersecurity and coordination with the Member States in this area, the European Union Agency for Cybersecurity (ENISA) is proposed to be reinforced by two seconded national experts.

The European Railway Agency (ERA) experiences a higher than anticipated workload for the certification and authorisation tasks stemming from the fourth railway package. To allow the agency to fulfil these tasks while continuing its policy work in parallel, six temporary agents are proposed to be added on a permanent basis and a further increase by six temporary agents is proposed to be phased out by 2027. Given that the additional staff is fee-financed, no increase in the EU contribution to ERA is required for this purpose.

The European Union Agency for the Cooperation of Energy Regulators (ACER) is proposed to be reinforced by nine establishment plan posts, of which four fee-financed posts are linked to the review of the sufficiency of the Agency's human and financial resources, which has been carried out in line with Article 33(10) of the Agency's basic act; a further four posts are linked to the impact of the Commission proposal on the internal markets for renewable and natural gases and for hydrogen ⁽⁴⁾; and one post is linked to the Commission proposal on methane emissions reduction in the energy sector ⁽⁵⁾. The five posts for the proposed new tasks of ACER lead to a corresponding increase in the EU contribution to the agency.

The Commission proposal on ensuring a level playing field for sustainable air transport (ReFuelEU Aviation) ⁽⁶⁾ requires two additional posts for the European Union Aviation Safety Agency (EASA), as well as an increase in the EU contribution to the agency of EUR 2,28 million in 2023.

⁽¹⁾ COM(2020) 595, 24.9.2020.

⁽²⁾ COM(2020) 593 and COM(2020)594, 24.9.2020.

⁽³⁾ COM(2021) 725, 25.11.2021.

⁽⁴⁾ COM(2021) 804, 15.12.2021.

⁽⁵⁾ COM(2021) 805, 15.12.2021.

⁽⁶⁾ COM(2021) 561, 14.07.2021.

Sub-heading 2b Resilience and Values

The COVID-19 pandemic has shown the need to better equip the European Centre for Disease Prevention and Control (ECDC) and the European Medicines Agency (EMA). The draft budget 2023 includes the reinforcement of ECDC deriving from the phasing in of the European Health Union package (+ seven posts and + EUR 1,7 million for ECDC, which for EMA was already frontloaded in the 2022 budget). In view of the COVID-19 pandemic, it is proposed to maintain the 40 temporary posts authorised for EMA in 2023, to enable the agency to address medicines shortages, work on medical devices and provide advice on medicines. The Commission also proposes to frontload to 2023 the phasing in of four posts foreseen under the Health Union package as of 2024 and to reinforce EMA structurally by 16 posts. All additional staff can be financed by fees and charges.

The European Public Prosecutor's Office (EPPO) has started its operations on 1 June 2021. In the 2022 budget, the EPPO received a large staff increase, resulting in 171 posts in total. The Commission proposes to consolidate the significantly reinforced resources of the EPPO in the Draft Budget 2023, by keeping the staffing level stable at 171 posts and proposing an EU contribution of EUR 63,0 million. This accommodates the salaries of the additional staff authorised in the 2022 budget on a full-year basis.

The Commission proposal ⁽¹⁾ to reinforce Eurojust to support Ukraine with the collection, preservation and analysis of evidence relating to war crimes requires 11 temporary agents and a corresponding increase of the EU contribution by EUR 2,7 million in 2023. In parallel, the Commission also proposes to increase the EU contribution to Eurojust by EUR 1 million and to authorise a further 11 establishment plan posts, so as to promote further judicial cooperation on cross-border crime ⁽²⁾.

The EU contribution to the European Foundation for the Improvement of Living and Working conditions (EUROFOUND) is proposed to be increased in 2023 by EUR 1,1 million, so as to allow the agency to cover its increasing salary costs also in view of the sharp rise in the correction coefficient over the last two years, which led to an increase of nearly 15 percentage points. For future years, the Commission will assess the situation in the annual budget procedures based on EUROFOUND's needs and the further evolution of the correction coefficient.

The phasing-in of the staffing level of the European Labour Authority (ELA) continues as planned at the time of the adoption of ELA's mandate (+ 12 posts). The EU contribution to the ELA takes account of the seat of the agency in Bratislava, in particular as regards the impact of the correction coefficient and the rental arrangements agreed between ELA and the Slovak authorities.

Heading 3 Natural resources and Environment

As part of the European Green Deal, European Chemical Agency (ECHA - Environmental directives and International conventions) is proposed to be reinforced following the proposal for a Regulation concerning batteries and waste batteries ⁽³⁾, which confers additional tasks on the agency, such as managing and identifying hazardous battery substances. These new tasks require an increase in the agency in staff (two establishment plan posts and one contract agent) and in the EU contribution of EUR 0,6 million in 2023, which will be compensated by a corresponding reduction in the envelope of the LIFE programme.

As part of the 'Fit for 55' package, the European Environment Agency (EEA) is proposed to be reinforced at the end of the 2023 by four establishment plan posts and one contract agent following the proposal to amend the Land Use, Land Use Change and Forestry Regulation ⁽⁴⁾. The financial contribution to the agency with respect to this initiative is to be increased from 2024 only. In addition, EEA will hire one temporary agent as part of its establishment plan in order to help with the coordination activities of the agencies' network. This post will be financed by a contribution from all decentralised agencies.

⁽¹⁾ COM(2022) 187, 25.4.2022.

⁽²⁾ COM(2021) 756 and 757, 1.12.2021.

⁽³⁾ COM(2020) 798, 10.12.2020.

⁽⁴⁾ COM(2021) 554, 14.7.2021.

Heading 4 Migration and border management

The European Border and Coast Guard Agency (FRONTEX) will continue to phase in its new mandate, including the build-up of the standing corps of border guards. The Commission proposes a substantial increase of the EU contribution compared to the 2022 budget, dedicated to building up the standing corps, supporting return operations and procuring (and maintaining) the equipment required for the standing corps. The Commission will continue closely monitoring the recruitment progress in the agency, so that all the necessary staff are in place in line with the requirements of the EBCG Regulation and the establishment plan. Frontex will also provide financial support and training for the increase of the national border guard component in Member States and will provide enhanced support to Member States for returning third-country nationals.

The EU contribution and allocation of posts proposed for 2023 is in line with the trajectory set out in the MFF agreement, while taking into account the impact of the delayed development of the ETIAS system on the creation of the ETIAS Central Unit in FRONTEX, as set out for eu-LISA below. The Commission will regularly follow-up on the agency's mandate implementation and budget needs, and it will propose adjustments as necessary.

The European Union Agency for the Operational Management of Large-Scale IT systems in the Area of Freedom, Security and Justice (eu-LISA) will continue revising and upgrading existing EU information systems in the area of Freedom, Security and Justice (Schengen Information System, Visa Information System and Eurodac) and developing new systems (Entry/Exit System, European Travel Information and Authorisation System, European Criminal Records Information System for third-country nationals (ECRIS-TCN)). The proposed reinforcement of eu-LISA by one establishment plan post in 2023 is the net result of the various workstreams of the agency different ongoing workstreams: IT projects in development phase require additional staff, whereas other projects are being finalised, which allows for redeployments. As a priority, eu-LISA will develop the necessary actions to enable interoperability between the EU information systems.

In view of the delayed development of the ETIAS IT system, in agreement with the two agencies concerned, the Commission proposes to temporarily reinforce eu-LISA by 21 contract agents in 2023 and 2024, offset in the same period by 21 contract agents which were initially planned to be recruited by FRONTEX for the related workload in the ETIAS Central Unit in the agency for the same period. This was already included in the 2022, and the EU contribution levels for 2023 have been adapted accordingly.

Recognising the crucial role of the European Union Agency for Asylum (EUAA) in the refugee crisis caused by the Russian invasion in Ukraine, a two-year reinforcement by 90 contract agents is proposed in the Draft Budget, of which 58 contract agents are already in place on contracts of short-term duration in 2022. No increase in EU contribution is required, as the agency's reduced dependence on interim workers makes the necessary credits available.

Heading 5 Security and defence

In line with the agreement to expand Europol's mandate, the Commission proposes to reinforce the EU contribution to Europol in 2023 by EUR 14,8 million compared with the 2022 budget, and to authorise 30 additional establishment plan posts in 2023. This will enable Europol to further increase the operational support it gives to Member States' law enforcement authorities, including by investing in Europol's IT systems.

4.3.3. Bodies created in the field of research and innovation

This section presents an overview of the Horizon Europe institutionalised partnerships (joint undertakings set up pursuant to Article 187 TFEU), the European Institute of Innovation and Technology (EIT), Fusion4Energy (F4E), the joint undertaking (JU) implementing the Euratom contribution to the ITER project, and the Cyber Security Competence Centre, a Union body which receives contributions from both the Digital Europe programme and Horizon Europe.

The EIT will continue to operate by providing grants to its Knowledge and Innovation Communities (KICs): large-scale European partnerships which address specific societal challenges by bringing together education, research and business organisations (the so-called knowledge triangle). The EIT contributes to Europe's priorities such as the European Green Deal and channels innovations through eight KICs intervening in different areas: climate, digitisation, renewable energy, health, sustainable raw material, food, manufacturing, and urban mobility. In line with the overall financial programming, the Commission proposes to increase the 2023 budget for the EIT by 2 % as compared to 2022.

The EU contribution to F4E is in line with the Council Decision establishing the indicative Euratom contribution to the Joint Undertaking for the 2021-2027 period ⁽¹⁾. In order to address increased workload, as compared to the levels indicated in the legislative financial statement accompanying the Council Decision, the Commission proposes to increase the number of establishment plan posts by 25, of which ten additional temporary agents and 15 existing contract agents transformed into temporary agents.

The Council Regulation establishing the new generation of joint undertakings under Horizon Europe ⁽²⁾ covers nine joint undertakings: Circular Bio-based Europe, Clean Aviation, Clean Hydrogen, Europe's Rail, Global Health EDCTP3, Innovative Health Initiative, Key Digital Technologies (which is proposed to be reinforced and renamed 'Chips Joint Undertaking' in the context of the European Chips Act ⁽³⁾), Single European Sky ATM Research 3 and Smart Networks and Services. As from their establishment, most of these new joint undertakings (except Global Health EDCTP3, which was newly set up) have succeeded the previous joint undertakings established in the 2014-2020 period, and they will continue to implement the Horizon 2020 budget, in line with the actual needs and requirements.

Euro HPC was created in 2018 to provide a framework for acquisition and access to an integrated world-class pre-exascale supercomputing and data infrastructure in the Union, and support the development of latest High Performance Computing and Data Infrastructure technologies and its applications. The Commission's proposal to continue the EuroHPC JU activities under the 2021-2027 programmes (Horizon Europe, Digital Europe Programme and Connecting Europe Facility) was adopted in July 2021 ⁽⁴⁾.

The European Cybersecurity Industrial, Technological and Research Competence Centre will be at the heart of a European network of cybersecurity competence centres to complement the existing capacity building efforts in this area at Union and national level ⁽⁵⁾. Following the reduction in the budget to be managed by the Centre compared to the initial assumptions, the staff levels for the Centre are adjusted accordingly to 38 FTE. Consequently, the number of establishment plan posts remains stable as compared to 2022 (10 posts).

The overall increase of the total EU contribution to joint undertakings results from a series of factors, such as: the significant reinforcement of the Chips (ex-KDT) joint undertaking in the context of the European Chips Act; the frontloading (EUR 50 million) of the EU contribution to the Clean Hydrogen joint undertaking; and on a more general level the non-linear profile of the EU contribution to most joint undertakings, which for some of them peaks in 2023, rather than towards the end of the MFF period.

Further information on the Article 187 TFEU bodies and the EIT can be found in Working Document III accompanying this draft budget.

⁽¹⁾ Council Decision amending Decision 2007/198/Euratom establishing the European Joint Undertaking for ITER and the Development of Fusion Energy and conferring advantages upon it, 12.2.2021.

⁽²⁾ Council Regulation (EU) 2021/2085 of 19 November 2021 establishing the Joint Undertakings under Horizon Europe and repealing Regulations (EC) No 219/2007, (EU) No 557/2014, (EU) No 558/2014, (EU) No 559/2014, (EU) No 560/2014, (EU) No 561/2014 and (EU) No 642/2014

⁽³⁾ Proposal for a Council Regulation amending Regulation (EU) 2021/2085 establishing the Joint Undertakings under Horizon Europe, as regards the Chips Joint Undertaking, COM(2022) 47, 8.2.2022.

⁽⁴⁾ Council Regulation (EU) 2021/1173 of 13 July 2021 on establishing the European High Performance Computing Joint Undertaking and repealing Regulation (EU) 2018/1488.

⁽⁵⁾ Regulation (EU) 2021/887 of the European Parliament and of the Council of 20 May 2021 establishing the European Cybersecurity Industrial, Technology and Research Competence Centre and the Network of National Coordination Centres.

(commitment appropriations, in million EUR, rounded figures at current prices)

Name	Draft budget 2023	Budget 2022	Difference 2023 / 2022
	EU contribution	EU contribution	
Horizon Europe¹			
European Institute of Innovation and Technology (EIT)	392,0	384,2	2,0 %
<i>establishment plan posts</i>	45	45	0
Single European Sky Air Traffic Management Research Joint Undertaking (SESAR)	86,5	86,3	0,3 %
<i>establishment plan posts</i>	37	37	0
Circular Bio-based Europe Joint Undertaking	147,8	178,5	-17,2 %
<i>establishment plan posts</i>	13	13	0
Clean Aviation Joint Undertaking	231,6	150,6	53,8 %
<i>establishment plan posts</i>	35	36	- 1
Chips Joint Undertaking	758,0	250,0	203,2 %
<i>establishment plan posts</i>	17	14	3
European High Performance Computing Joint Undertaking	450,0	419,0	7,4 %
<i>establishment plan posts</i>	27	22	5
Clean Hydrogen Joint Undertaking	195,2	150,0	30,1 %
<i>establishment plan posts</i>	27	27	0
Innovative Health Initiative Joint Undertaking	201,4	150,9	33,4 %
<i>establishment plan posts</i>	39	39	0
Europe's Rail Joint Undertaking	91,7	90,6	1,3 %
<i>establishment plan posts</i>	10	10	0
Global Health EDCTP3 Joint Undertaking	133,7	68,1	96,2 %
<i>establishment plan posts</i>	22	17	5
Smart Networks and Services Joint Undertaking²	131,2	121,9	7,6 %
<i>establishment plan posts</i>	7	6	1
Subtotal	2 819,0	2 050,2	37,5 %
<i>establishment plan posts</i>	279	266	13
International Thermonuclear Experimental Reactor (ITER)			
European Joint Undertaking for ITER - Fusion for Energy (F4E)	1 012,1	703,0	44,0 %
<i>establishment plan posts</i>	305	280	25
Subtotal	1 013,0	703,0	44,0 %
<i>establishment plan posts</i>	305	280	25

Name	Draft budget 2023	Budget 2022	Difference 2023 / 2022
	EU contribution	EU contribution	
Digital Europe Programme			
European Cybersecurity Industrial, Technology and Research Competence Centre (ECCC)³	179,1	151,3	18,3 %
<i>establishment plan posts</i>	10	10	0
Subtotal	179,1	151,3	18,3 %
<i>establishment plan posts</i>	10	10	0
TOTAL	4 010,4	2 904,5	38,1%
<i>establishment plan posts</i>	594	556	38
1. The EU contribution to the Horizon Europe bodies in 2022 and 2023 is based on voted budget appropriations. 2. The EuroHPC joint undertaking is financed from Horizon Europe, the Digital Europe programme and the Connecting Europe Facility. 3. CYBER is financed from Horizon Europe and the Digital Europe programme.			

4.4. Actions without a specific basic act

Article 58 of the Financial Regulation states that 'Appropriations entered in the budget for any Union action shall only be used if a basic act has been adopted'. However, the Financial Regulation also provides for five exceptions to this rule: 1) pilot projects; 2) preparatory actions; 3) preparatory measures in the field of Title V of the Treaty on European Union; 4) actions undertaken on the basis of the institutional prerogatives and specific powers conferred on the Commission by the Treaties; and 5) operations of each institution under its administrative autonomy.

The actions financed under the institutional prerogatives of the Commission amount to EUR 310,7 million for the 2023 draft budget. The amounts per cluster are presented in section 3, and all the actions are listed in Document II (Table 2.11) of this draft budget.

4.4.1. Programmes, activities and agencies for which the basic act is outstanding

Article 49 of the Financial Regulation requires appropriations to be entered into the reserve (the 'provisions' title) until the basic act is adopted by the legislator. The table below shows the amounts in reserve, which relate to new spending programmes, decentralised agencies or other new initiatives.

(in thousand EUR, at current prices)

Legislative proposal	Budget line	Date of the proposal	2023 Commitment appropriations	2023 Payment appropriations	Remarks
Various	08 05 01	Various	49 450,0	28 950,0	International fisheries agreements
COM(2021)561	02 10 01	14 July 2021	2 280,0	2 280,0	Proposal for a Regulation of the European Parliament and of the Council on ensuring a level playing field for sustainable air transport. Budget impact on EASA
COM(2020)823	02 10 04	16 December 2020	610,0	610,0	Proposal for a Directive of the European Parliament and of the Council on measures for a high common level of cybersecurity across the Union. - NIS Directive Review, with impact on ENISA

Legislative proposal	Budget line	Date of the proposal	2023 Commitment appropriations	2023 Payment appropriations	Remarks
COM(2022)039	04 01 02 04 03 01 13 05 01 04 10 01	15 February 2022	250,0 106 050,1 30 000,0 1 950,0	250,0 98 300,0 30 000,0 1 950,0	Proposal for a Regulation of the European Parliament and of the Council establishing the Union Secure Connectivity Programme for the period 2023-2027
COM(2020)824	02 10 06	15 December 2020	156,0	156,0	TEN-E Regulation Review, with impact on ACER
COM(2021)805	02 10 06	12 December 2021	152,0	152,0	Proposal for a Regulation of the European Parliament and of the Council on methane emissions reduction in the energy sector and amending Regulation (EU) 2019/942. Budget impact on ACER
COM(2021)803	02 10 06	15 December 2021	690,0	690,0	Proposal for a Directive of the European Parliament and of the Council on common rules for the internal markets in renewable and natural gases and in hydrogen. Budget impact on ACER
COM(2020)593 and COM (2020)594	03 10 04	24 September 2020	114,1	114,1	Proposals on regulating markets in crypto-assets (MICA), with impact on ESMA
COM(2021)421	03 10 05	20 July 2021	1 085,3	1 085,3	Proposal for a Regulation of the European Parliament and of the Council establishing the Authority for Anti-Money Laundering and Countering the Financing of Terrorism and amending Regulations (EU) No 1093/2010, (EU) 1094/2010, (EU) 1095/2010
COM(2021)564	03 20 03 02	14 July 2021	2 250,0	2 250,0	Proposal for a Regulation of the European Parliament and of the Council establishing a carbon border adjustment mechanism
COM(2021)757	07 10 07	1 December 2021	952,0	952,0	Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) 2018/1727 of the European Parliament and the Council and Council Decision 2005/671/JHA, as regards the digital information exchange in terrorism cases, with budget impact on Eurojust

Legislative proposal	Budget line	Date of the proposal	2023 Commitment appropriations	2023 Payment appropriations	Remarks
COM(2022)187	07 10 07	22 April 2022	2 714,0	2 714,0	Proposal for a Regulation of the European Parliament and of the Council amending Regulation amending Regulation (EU) 2018/1727 of the European Parliament and the Council, as regards the collection, preservation and analysis of evidence relating to genocide, crimes against humanity and war crimes at Eurojust
COM(2020)798	09 10 01	10 December 2020	602,0	602,0	Proposal for a Regulation of the European Parliament and of the Council concerning batteries and waste batteries, with budget impact on European Chemicals Agency – Environmental directives and international conventions
COM(2020)712	11 10 02	2 December 2020	1 430,0	1 430,0	Proposal for a Regulation of the European Parliament and of the Council on a computerised system for communication in cross-border civil and criminal proceedings (e-CODEX system), with impact on eu-LISA

4.4.2. Pilot projects and preparatory actions

For the 2023 draft budget, at a relatively early stage of the 2021-2027 MFF, the Commission does not include any commitment appropriations for pilot projects and preparatory actions.

Detailed information on existing pilot projects and preparatory actions is presented in Working Document IV accompanying this draft budget.

4.5. Mainstreaming

4.5.1. Climate Mainstreaming

The Interinstitutional Agreement (IIA) ⁽¹⁾ sets a target of 30 % of EU expenditure within the multiannual financial framework contributing to climate objectives. The funds under NextGenerationEU, in particular the Recovery and Resilience Facility, as well as the additional financing for the Just Transition Fund, further play an important role in achieving the green transition. With that in mind, they fully contribute to the achievement of the overall target, and they are integrated into the climate tracking methodology framework. In absolute terms, the target for the 2021-2027 MFF and NextGenerationEU will result in tripling the amount allocated to climate expenditure in the 2014-2020 period (EUR 220,8 billion, or 20,59 %).

⁽¹⁾ Interinstitutional Agreement between the European Parliament, the Council of the European Union and the European Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources (OJ L 433 I/28).

To ensure that the 30 % target will be achieved, all basic acts for the 2021-2027 period include a recital on climate and biodiversity. Where relevant, specific targets are set for the indicative contributions per programme, to allow the 30 % target for the budget as a whole to be reached over the course of the 2021-2027 period. Work programmes will also include a section outlining how the programme will address the EU's climate objectives in order to reinforce the contribution towards the target.

All EU spending programmes and instruments are expected to contribute to the mainstreaming of climate objectives. The absence of a specific target indicated in the basic act of certain spending programmes reflects the difficulty of setting an ex-ante contribution for policy areas where achieving climate goals is not a primary objective. The actual annual contribution of each programme will be tracked, including for programmes without specific ex ante targets. This will be reported in detail in the Programme Statements and, at aggregate level, in the Statement of Estimates.

As part of the agreement on the 2021-2027 MFF, the climate architecture has been strengthened through several new features, such as the inclusion of specific targets in sectorial legislation, a reinforced methodology and the integration of the 'do no significant harm' principle throughout the budget. Together with the Draft Budget, the Commission publishes a detailed overview ⁽¹⁾ of the climate mainstreaming architecture for the 2021-2027 period.

The table below presents an overview of the climate contribution of the main programmes in the 2021-2027 period. The amounts presented for direct management programmes in 2021 are aggregated individual projects financed by the EU budget, whereas the amounts presented for shared management programmes reflect the content of the Member States' reports. The estimates for future years are based on the most up-to-date information available for each programme. This has resulted in more precise estimates for direct management programmes such as Horizon Europe and NDICI, which are based on adopted work programmes. For the Common Agricultural Policy, the estimates are based on the draft strategic plans, to be reviewed next year once the adoption is completed. For the European structural and investment funds, the information is based on the mandatory targets included in the legislation. The Commission will continue to provide updates, both for expenditure made and future estimates, in function of data becoming available.

(EUR million, commitment appropriations, including external assigned revenue and loans from NextGenerationEU)

Programme	Budget 2021	Budget 2022	Draft budget (DB) 2023	Financial programming				Total 2021-2027	% of climate expenditure on total envelope	% target in the basic act
				2024	2025	2026	2027			
For reference: Total EU budget (section III-Commission, financial programming) and NextGenerationEU	426 307	322 005	294 783	180 621	185 293	175 883	181 366	1 766 258		
Total climate financing in the EU budget	137 537,8	112 091,4	93 832,2	56 364,6	53 680,9	51 385,6	51 988,3	556 880,7		
Share of climate-relevant spending in EU budget	32,26%	34,81%	31,83%	31,21%	28,97%	29,22%	28,66%	31,53%	30,00%	
Agencies, prerogatives, other actions, PP/PA ⁽¹⁾	123,5							123,5		
Communication	2,4	18,0	18,0					38,4	5,02%	
Connecting Europe Facility (CEF)	4 193,8	4 323,0	4 340,0	4 358,0	1 225,0	1 242,0	1 262,0	20 943,8	63,26%	60,00%
Creative Europe	6,9	7,3	7,3	7,4	7,5	7,6	7,7	51,7	2,54%	
Digital Europe Programme	36,0							36,0	0,54%	

⁽¹⁾ SWD(2022) 225, XX.6.2022.

Programme	Budget 2021	Budget 2022	Draft budget (DB) 2023	Financial programming				Total 2021-2027	% of climate expenditure on total envelope	% target in the basic act
				2024	2025	2026	2027			
Instrument for emergency support within the Union (ESI)	0,3							0,3	0,14%	
Erasmus+	169,4							169,4	0,67%	
EU Space programme	254,2	288,8	305,1	313,8	316,5	327,8	333,5	2 139,7	14,87%	
Euratom Research and Training Programme	149,5	129,5	134,2	137,9	143,1			694,2	35,07%	
European Agricultural Fund for Rural Development (EAFRD)	10 096,0	10 403,4	5 681,9	5 681,9	5 681,9	5 681,9	5 681,9	48 909,0	50,16%	
European Agricultural Guarantee Fund (EAGF)	7 116,0	7 152,8	7 198,3	18 486,2	18 486,2	18 486,2	18 486,2	95 411,8	33,03%	
Common Agricultural Policy ⁽²⁾	17 212,0	17 556,2	12 880,3	24 168,1	24 168,1	24 168,1	24 168,1	144 320,9	37,36%	40,00%
European Joint Undertaking for ITER and the Development of Fusion Energy	857,1	710,1	1 019,8	806,3	690,2	856,4	667,4	5 607,2	99,88%	
European Maritime Fisheries and Aquaculture Fund	48,4	162,7	162,7	162,7	162,7	162,7	162,7	1 024,8	16,88%	
European Social Fund + (incl. The Fund for the Most Deprived and Employment and Social innovation)	0,2	1 075,0	1 075,0	1 075,0	1 075,0	1 075,0	1 075,0	6 450,2	6,52%	
European Solidarity Corps (ESC)	15,7	16,4	16,4	16,6	17,0	17,3	17,7	117,1	11,57%	
Horizon Europe – the Framework Programme for Research and Innovation	4 750,4	5 100,0	4 750,0	4 208,0	4 318,0	4 404,0	4 696,0	32 226,4	34,88%	35,00%
Humanitarian Aid (HUMA)	831,7							831,7	6,66%	
InvestEU Programme	722,1	904,4	843,5	58,4	59,5	60,7	61,6	2 710,2	29,89%	30,00%
Just Transition Mechanism (JTM)	9,3	6 846,5	7 082,4	1 636,5	1 663,2	1 389,5	1 417,4	20 044,8	99,97%	100,00%
Neighbourhood, Development and International Cooperation Instrument - Global Europe (NDICI - Global Europe)	2 036,9	4 307,0	4 307,0	4 307,0	4 307,0	4 307,0	4 307,0	27 878,9	34,96%	30,00%
Overseas Countries and Territories (OCT) (including Greenland)		17,2	17,5	17,9	18,2	18,6	18,9	108,3	21,66%	25,00%
Pre-Accession Assistance (IPA III)	509,3	527,0	549,0	560,0	566,0	568,0	569,0	3 848,3	26,09%	18,00%
Programme for the Environment and Climate Action (LIFE)	375,2	426,2	406,3	417,4	431,7	451,8	470,5	2 978,9	54,60%	61,00%
React-EU	5 761,6	2 037,4						7 799,0	24,79%	
Recovery and Resilience Facility	99 133,1	54 251,8	42 183,9					195 568,8	39,76%	37,00%

Programme	Budget 2021	Budget 2022	Draft budget (DB) 2023	Financial programming				Total 2021-2027	% of climate expenditure on total envelope	% target in the basic act
				2024	2025	2026	2027			
Regional Policy (European Regional and Development Fund and Cohesion Fund)	37,0	13 309,3	13 659,1	14 043,4	14 440,6	12 256,2	12 679,4	80 425,0	30,69%	
Single Market Programme, including COSME, ISA2, ESP, consumer involvement in fin. Services, financial reporting, Food and Feed, consumer programme	58,7							58,7	1,38%	
Support to the Turkish Cypriot Community		5,0						5,0	2,07%	
Technical Support Instrument	28,3							28,3	3,27%	
Citizens, Equality, Rights and Values	0,1							0,1	0,01%	
Justice	0,2							0,2	0,07%	
Sustainable Fisheries Partnership Agreements (SFPA) and Regional Fisheries Management Organisations (RFMO)	15,7	14,1	14,1	14,1	14,1	14,1	14,1	100,3	9,52%	
Union Civil Protection Mechanism (rescEU)	198,7	58,5	60,6	56,1	57,6	58,8	60,3	550,6	16,27%	

(¹) This concerns programmes with climate expenditure below EUR 1 million.
(²) The climate estimates for the Common Agricultural Policy are based on the methodology set out in Article 100 of Regulation (EU) 2021/2115, applied to the draft CAP strategic plans. In its reply to the Special Report on Climate 2022 of the European Court of Auditors, the Commission has committed to review this approach.

The table shows that the EU budget is on track to achieve the 30 % climate target and that all instruments are in line with their sectorial targets. More detailed information on the implementation of the climate mainstreaming targets in the 2021-2027 MFF, in compliance with point 16(d) of the Interinstitutional Agreement (IIA), is provided in Working Document I accompanying the draft budget.

4.5.2. Biodiversity mainstreaming

Protecting biodiversity is a global issue requiring transnational intervention and coordination. To halt and reverse the decline of biodiversity in the EU is a major objective of the Union, which is also reflected in the European Green Deal and the European Green Deal Investment Plan.

In the 2014-2020 period, biodiversity-related expenditure reached EUR 85 billion, or 8 % of overall expenditure. For the 2021-2027 period, point 16(e) of the IIA sets out that biodiversity should be mainstreamed in the EU programmes, with the ambition of reaching annual spending levels of 7,5 % in 2024, increasing to 10 % in 2026 and in 2027, while considering the existing overlaps between climate and biodiversity goals. In the same vein, the biodiversity strategy for 2030 concluded that biodiversity action requires at least EUR 20 billion per year stemming from private and public funding at national and EU level, of which the EU budget will be a key enabler.

The table below presents an overview of biodiversity relevant expenditure. This is based to the extent possible on commitments made in 2021, the expected programming of expenditure for the coming years and a partial update of the Commission's biodiversity methodology. The tracking methodology for EAGF and EAFRD will be fully revised and the table updated, in parallel with the adoption process of CAP strategic plans. More details on the methodological changes so far can be found in the Working Document on the Programme Statements ⁽¹⁾.

(EUR million, commitment appropriations, including external assigned revenue and loans from NextGenerationEU)

Programme	Budget 2021	Budget 2022	Draft budget (DB) 2023	Financial Programming				Total 2021-2027	% of biodiversity expenditure on total envelope
				2024	2025	2026	2027		
For reference: Total EU budget (section III-Commission, financial programming) and NextGenerationEU	426 307	322 005	294 783	180 621	185 293	175 883	181 366	1 766 258	
Total biodiversity financing in the EU budget	18 349,78	16 309,95	16 225,57	14 547,89	15 086,14	15 621,23	16 077,18	112 217,74	
Share of biodiversity relevant spending in EU budget	4,30%	5,07%	5,50%	8,05%	8,14%	8,88%	8,86%	6,35%	
Horizon Europe – the Framework Programme for Research and Innovation	1 068,00	1 068,00	960,00	1 030,00	884,00	902,00	920,00	6 832,00	7,40%
European Space Programme	120,00	120,00	120,00	120,00	120,00	165,00	165,00	930,00	6,46%
Regional Policy (European Regional Development Fund and Cohesion Fund)		2 050,00	2 424,10	2 826,10	3 252,60	3 704,70	4 183,90	18 441,40	7,04%
Recovery and Resilience Facility	6 255,50	2 512,40	2 299,20					11 067,10	2,25%
Union Civil Protection Mechanism (rescEU)	43,12							43,12	1,27%
European Agricultural Guarantee Fund (EAGF) ⁽¹⁾	5 354,00	5 373,00	5 397,30	5 414,40	5 431,70	5 448,70	5 466,10	37 885,20	13,12%
European Agricultural Fund for Rural Development (EAFRD)	4 588,90	3 806,30	3 623,60	3 623,60	3 623,60	3 623,60	3 623,60	26 513,20	27,19%
European Maritime, Fisheries and Aquaculture Fund (EMFAF)	16,79	128,94	128,94	128,94	128,94	128,94	128,94	790,43	13,02%
Sustainable Fisheries Partnership Agreements (SFPAs) and Regional Fisheries Management Organisations (RFMO)	4,40	4,40	4,40	4,40	4,40	4,40	4,40	30,80	2,92%
Programme for the Environment and Climate Action (LIFE)	332,07	343,51	331,43	346,25	365,50	391,09	420,04	2 529,89	46,37%

⁽¹⁾ The forecasts provided in the table for 2023-2027 are temporarily established on the basis of the previous biodiversity methodology for the EAGF and the EAFRD. This will be updated on the basis of the final methodology reflecting the ambition of CAP strategic plans as finally approved.

Programme	Budget 2021	Budget 2022	Draft budget (DB) 2023	Financial Programming				Total 2021-2027	% of biodiversity expenditure on total envelope
				2024	2025	2026	2027		
Neighbourhood, Development and International Cooperation Instrument - Global Europe (NDICI - Global Europe)	529,00	814,20	837,40	952,80	1 173,90	1 150,20	1 057,50	6 515,00	8,17%
Overseas Countries and Territories (OCT) (including Greenland)	5,00	5,20	5,20	5,40	5,50	5,60	5,70	37,60	7,52%
Pre-Accession Assistance (IPA III)	33,00	84,00	94,00	96,00	96,00	97,00	102,00	602,00	4,08%

(¹) The CAP biodiversity estimate for the period 2023-2027 is based on the extrapolation of the average contribution of years 2021 and 2022 to the following years until 2027. An effective, transparent and comprehensive methodology on biodiversity mainstreaming will be set out by the Commission, in cooperation with the European Parliament and the Council.

The table above shows that further work is necessary to ensure that the ambition set for the years 2026 and 2027 will be met. With this in mind, the Commission is trying to ensure that Member States will dedicate sufficient funding to biodiversity in the context of the European structural and investment funds and the Common Agricultural Policy. More detailed information on the implementation of the biodiversity ambition in the 2021-2027 MFF, in compliance with article 16 of the IIA, is provided in Working Document I accompanying the draft budget.

4.5.3. Gender equality mainstreaming

The Commission applies a dual approach to gender equality. On the one hand, it promotes gender equality through gender mainstreaming, by increasingly including the gender equality perspective in all stages of EU action, making use of policies, legislative measures and funding programmes; and on the other hand, through specific targeted measures to address persistent inequalities, including within relevant EU funding programmes.

In accordance with point 16(f) of the IIA, the Commission has developed a methodology to track gender equality related expenditure in the 2021-2027 MFF. The methodology aims to improve gender mainstreaming in the Commission's budgetary process, through the annual tracking of the contributions made by policy design and resource allocation to promote gender equality. The Commission applies the methodology across all EU funding programmes in a pilot phase in the context of Draft Budget 2023. By doing so, the Commission is ahead of the ambition of the IIA, both with regard to the scope of implementation and the timeline of its delivery.

On that basis, the table below presents an overview of gender equality relevant expenditures based on commitments made in 2021.

Contributions to Gender Equality				
Consolidated information about the annual commitments implemented in 2021 (total per score by programme in EUR million)				
	SCORE 0	SCORE 0*	SCORE 1	SCORE 2
HEADING/ PROGRAMME	No significant impact on gender equality)	(Likely but yet unclear impact on gender equality)	(Gender equality is significant objective)	(Gender equality is principal objective)
Heading 1: Single Market, Innovation and Digital	6 654,0	11 946,6	240,0	38,9
Horizon Europe – the Framework Programme for Research and Innovation		11 157,4	160,0	36,9
Euratom Research and Training Programme		265,0		
International Thermonuclear Experimental Reactor (ITER)	864,0			
InvestEU Programme		0,0		
Connecting Europe Facility (CEF) (including contribution from the Cohesion Fund)	4 498,0			
Digital Europe (DEP)	1 129,0			
Single Market programme (SMP)		500,0	80,0	2,0
Antifraud	24,0			
Fiscalis	23,0	13,0		
Customs	116,0	11,0		
European Space Programme		0,2		
Heading 2: Cohesion, Resilience and Values	32,8	255 684,3	73,0	22,0
Regional Policy (European Regional Development Fund and Cohesion Fund)		0,0	0,0	
Support to the Turkish Cypriot Community	32,0			
European Recovery and Resilience Facility (grants and loans)		251 907,0		
Technical Support Instrument (TSI)		114,0		
Pericles	0,8			
Union Civil Protection Mechanism (UCPM)		182,6		
EU4Health				
Emergency Support (ESI)		156,0		

Contributions to Gender Equality				
European Social Fund + (incl. The Fund for the Most Deprived and Employment and Social innovation)		143,1	0,0	
ERASMUS+		2 663,0		
European Solidarity Corps (ESC)		136,0		
Creative Europe		302,0	4,0	
Justice		46,0		
Citizens, Equality, Rights and Values Programme (CERV)			69,0	22,0
Communication (COMM)		106,7		
Heading 3: Natural Resources and Environment	880,7	55 823,4	0,0	0,0
European Agricultural Guarantee Fund (EAGF)		55 713,0		
European Agricultural Fund for Rural Development (EAFRD)				
European Maritime, Fisheries and Aquaculture Fund (EMFAF)		106,5		
Sustainable Fisheries Partnership Agreements (SFPAs) and Regional Fisheries Management Organisations (RFMO)	142,0			
Programme for the Environment and Climate Action (LIFE)	738,7			
Just Transition Mechanism		3,9		
Heading 4: Migration and Border Management	288,0	496,8	0,0	0,0
Asylum, Migration and Integration Fund (AMIF)		496,8		
Integrated Border Management Fund (IBMF)	288,0			
Heading 5: Security and Defence	141,5	0,0	0,0	0,0
Internal Security Fund (ISF)				
Nuclear Decommissioning Lithuania (ND LT)	72,5			
Nuclear Safety and Decommissioning (NSD)	69,0			
European Defence Fund		0,0		
Heading 6: Neighbourhood and the world	2 394,0	0,2	11 956,0	301,0

Contributions to Gender Equality				
Neighbourhood, Development and International Cooperation Instrument - Global Europe (NDICI - Global Europe)	2 040,0		8 550,0	200,0
INSC	6,0		30,0	2,0
Humanitarian Aid (HUMA)			1 503,0	
Common Foreign and Security Policy (CFSP)	53,0		284,0	15,0
Overseas Countries and Territories (OCT) (including Greenland)	10,0		54,0	3,0
Macro- Financial Assistance (MFA)		0,2		
Pre-Accession Assistance (IPA III)	285,0		1 535,0	81,0
Special Instruments and outside the MFF				
European Globalisation Adjustment Fund for Displaced Workers (EGF)		197		

The table shows that gender equality mainstreaming is integrated in the EU budget. Only 10 of the EU funding programmes have none or insignificant bearing to gender equality (score 0). For 24 programmes that qualify for score 0*, their impact on the promotion of gender equality is likely, but not yet clearly determined. Once sufficient information becomes available, the Commission will report on their contribution through updated scores. Furthermore, 12 programmes have set the promotion of gender equality as a significant objective, whereas eight programmes undertake interventions specifically targeting the promotion of gender equality. Working Document I accompanying the Draft Budget contains a more detailed methodology about how to calculate the contribution of EU funding programmes to gender equality in the 2021-2027 MFF.

5. MECHANISMS OUTSIDE THE ANNUAL CEILINGS SET OUT IN THE MULTIANNUAL FINANCIAL FRAMEWORK

5.1. Special instruments

The special instruments provided for in chapter 3 of the MFF Regulation allow the EU to respond swiftly to unforeseen circumstances and emergencies.

The Solidarity and Emergency Aid Reserve, the European Globalisation Adjustment Fund for Displaced Workers, the Brexit Adjustment Reserve and the Flexibility Instrument provide additional funds and the related commitment and payment appropriations are outside the expenditure ceilings of the MFF.

The Single Margin Instrument allows for the use of available commitment and/or payment margins (past, current or future) of particular headings to finance additional expenditure above the ceilings of another heading. They therefore do not increase the overall amount for the whole MFF.

The details on availabilities and mobilisations in previous years are provided in the technical adjustment of the MFF for 2023 ⁽¹⁾.

5.1.1. *European Globalisation Adjustment Fund for Displaced Workers*

The European Globalisation Adjustment Fund for Displaced Workers (EGF) continues as a solidarity and emergency relief instrument offering one-off assistance to support workers who lose their jobs in large-scale restructuring events and to help them to find another job as rapidly as possible. In the 2021 EGF Regulation ⁽²⁾, the application requirements and eligibility criteria have been revised, to ensure that the EGF can be mobilised when a restructuring event has a significant impact, irrespective of its cause. Therefore, the 2021 Regulation extends the scope to also cover assistance in case of major restructuring events caused by important changes in trade relations of the EU or the composition of the internal market, the transition to a low-carbon economy, as a consequence of digitisation or automation and economic crisis, such as the fallout of the COVID-19 pandemic. The minimum threshold of workers made redundant or self-employed persons has been lowered from 500 to 200.

The level of EGF commitment appropriations in reserve for 2023 is set at EUR 205,4 million, corresponding to the maximum annual amount of EUR 186 million (2018 prices) available in accordance with Article 8 of the MFF Regulation. Based on the experience with the implementation in the past, EUR 30,0 million in payment appropriations is included in the draft budget.

5.1.2. *Solidarity and Emergency Aid Reserve*

The Solidarity and Emergency Aid Reserve (SEAR) may be used to finance assistance to respond to major natural disasters and public health emergencies that are covered by the European Union Solidarity Fund (EUSF) ⁽³⁾, reinforce EU action in response to all aspects of the health crisis, as well as other emergency needs within the Union or in third countries following events which could not be foreseen when the budget was established. In particular it may be used for emergency response and support operations following natural or man-made disasters, humanitarian crises, cases of large-scale public health, veterinary or phytosanitary threats, and also in situations of particular pressure resulting from migratory flows at the Union's external borders where circumstances so require.

The annual amount of appropriations for the SEAR for 2023 is EUR 1 324,9 million in line with the ceiling in Article 9 of the MFF Regulation and is included in this draft budget both in commitment and payment appropriations. Any amount remaining available from the SEAR at the end of 2022 will be carried over to 2023.

⁽¹⁾ Technical adjustment of the financial framework for 2023 in accordance with Article 4 of Council Regulation (EU, Euratom) 2020/2093 laying down the multiannual financial framework for the years 2021 to 2027, COM(2022) 266, 7.6.2022.

⁽²⁾ Regulation (EU) 2021/691 of the European Parliament and of the Council of 28 April 2021 on the European Globalisation Adjustment Fund for Displaced Workers (EGF) and repealing Regulation (EU) No 1309/2013.

⁽³⁾ Council Regulation (EC) No 2012/2002 of 11 November 2002 establishing the European Union Solidarity Fund.

In accordance with Article 4a (4) of Council Regulation (EC) 2012/2002 ⁽¹⁾, it is proposed to mobilise an amount of EUR 50,0 million to ensure the timely availability of sufficient budgetary resources for EUSF advance payments. The amount would be mobilised in commitment and payment appropriations and would be entered into the budget (in budget article 16 02 01). The remaining amount of EUR 1 274,9 million will be entered in the budget as a provision in line with Art. 9(3) of the MFF Regulation (budget article 30 04 01). When the conditions for mobilising the Solidarity and Emergency Aid Reserve are met, the Commission will submit a proposal to the European Parliament and to the Council for a transfer from the reserve to the corresponding budget lines in accordance with the Financial Regulation.

Solidarity and Emergency Aid Reserve (SEAR)								
EUR million								
	2021	2022 ⁽¹⁾	2023	2024	2025	2026	2027	Total
Annual amounts in 2018 prices	1 200,0	1 200,0	1 200,0	1 200,0	1 200,0	1 200,0	1 200,0	8 400,0
Annual amounts in current prices	1 273,5	1 298,9	1 324,9	1 351,4	1 378,4	1 406,0	1 434,1	9 467,2
Carried-over from the previous year	48,0	40,8						
<i>Internal (excluding EUSF)</i>	143,3	146,1	149,1	152,0	155,1	158,2	161,3	1 065,1
<i>EUSF</i>	477,5	487,1	496,8	506,8	516,9	527,2	537,8	3 550,2
<i>External</i>	334,3	341,0	347,8	354,7	361,8	369,1	376,5	2 485,1
<i>End-of-Year Cushion (25%)</i>	318,4	324,7	331,2	337,8	344,6	351,5	358,5	2 366,8
Total annual mobilisation	1 280,7	246,2						1 526,8
Carried-over to the following year	40,8							
1. 2022 includes DEC 09/2022, DEC11/2022 and DEC 14/2022.								

5.1.3. Brexit Adjustment Reserve

The Brexit Adjustment Reserve (BAR) ⁽²⁾ helps countering the adverse economic and social consequences in the Member States and sectors that are worst affected by departure of the United Kingdom from the EU. The reserve can support measures such as (i) support to economic sectors, businesses and local communities, including those that are dependent on fishing activities in the UK waters; (ii) support to employment, including through short-time work schemes, re-skilling and training and (iii) ensuring the functioning of border, customs, sanitary and phytosanitary and security controls, fisheries control, certification and authorisation regimes for products, communication, information and awareness raising for citizens and businesses.

In accordance with the BAR Regulation, the Commission proposes to enter EUR 1,3 billion in the 2023 budget.

5.1.4. Single Margin Instrument (SMI)

The Single Margin Instrument streamlines three previously separate instruments:

⁽¹⁾ Council regulation (EC) No 2012/2002 of 11 November 2002 establishing the European Union Solidarity Fund (OJ L 311, 14.11.2002, p. 3), as last amended by Regulation (EU) 2020/461 of the European Parliament and of the Council of 30 March 2020 (OJ L 99, 31.3.2020, p. 9).

⁽²⁾ Regulation (EU) 2021/1755 of the European Parliament and of the Council of 6 October 2021 establishing the Brexit Adjustment Reserve.

- The Global Margin for Commitments, corresponding to the new element defined in Article 11(1)(a) of the MFF Regulation;
- The Contingency Margin, corresponding to the new element defined in Article 11(1)(c) of the MFF Regulation; and
- The Global Margin for Payments, corresponding to the new element defined in Article 11(1)(b) of the MFF Regulation. The margin is the difference between executed payment appropriations and the relevant ceiling.

With this instrument, new commitment and/or payment appropriations can be entered in the EU budget over and above the ceilings of specific headings in a given year – as of 2022 by using (i) commitment and payment appropriations that are left unused below the expenditure ceilings from previous years as from 2021 (Article 11(1)(a) of the MFF Regulation) and (ii) as a last resort an additional amount from commitment and payment appropriations from the current or future financial years (Article 11(1)(c) of the MFF Regulation). The adjustment of the payment ceiling in line with the element defined in Article 11(1)(b) of the MFF Regulation has been carried out for the first time in 2022, in the technical adjustment for the financial year 2023.

In the final budget for 2021, the margin left available under the commitment ceiling amounted to EUR 629,0 million in current prices, or EUR 641,5 million in current prices in 2022 with the application of the 2 % annual deflator. If this remains unused in 2022, the SMI Article 11(1)(a) originating in 2021 which will be available in 2023 will therefore be equal to EUR 654,4 million (in current prices 2023).

The amount of the SMI part 11(1)(b) in 2018 prices corresponds to EUR 2 492 million and is transferred in equal parts to the payment ceilings of the years 2022 (EUR 1 246 million) and 2023 (EUR 1 246 million). This results in an unchanged overall payment ceiling for the period 2021-2027 in 2018 prices. Consequently, applying the 2% deflator, the 2021 payment ceiling in current prices is therefore reduced by EUR 2 644 million and the ceiling in current prices is increased by EUR 1 349 million for 2022 and EUR 1 376 million for 2023 as a result of the application of Article 11(1)(b).

The total annual amount mobilised under the Article 11(1)(a) (replacing the Global Margin for Commitments) and Article 11(1)(c) (replacing the Contingency Margin) components of the Single Margin Instrument cannot exceed 0.04% of EU gross national income (GNI) in commitment appropriations, and 0.03% of EU GNI in payment appropriations. These amounts also need to be consistent with the own resources ceiling. The amounts available and the thresholds are established every year in the technical adjustment of the financial framework.

5.1.5. *Flexibility Instrument*

The Flexibility Instrument may be used for the financing of specific unforeseen expenditure, in commitment and corresponding payment appropriations, which cannot be financed within the limits of the ceilings available for one or more headings.

In accordance with Article 12 of the MFF Regulation, the annual amount of the Flexibility Instrument for the year 2023 is EUR 1 010,2 million (EUR 915 million in 2018 prices). Any unused portion of the annual amount may be used until year n+2. Any amount remaining available at the end of 2022 will be carried over to 2023.

As part of the Syrian refugee package announced in 2021, the Commission proposes to reinforce the IPA by EUR 560 million, of which EUR 452,9 million from the Flexibility Instrument, to finance the transition from humanitarian assistance to more structural support for refugees in Turkey.

Additionally, despite major efforts to maintain stable staffing and limit the increases in non-salary expenditure under challenging conditions, the margin under the sub-ceiling for administrative expenditure of the institutions is fully depleted, and recourse to the Flexibility Instrument is necessary for an amount of EUR 62,5 million, in order to respect all legal obligations.

Prior mobilisation decisions of the Flexibility Instrument, for the years 2019, 2020, 2021, 2022 and 2023, have an impact on the level of payment appropriations of the Draft Budget 2023 for a total amount of EUR 527,1 million. The payment profiles of these mobilisation decisions are detailed in the following table:

(million EUR, rounded figures at current prices)

<i>Commitment budget year & Decision reference</i>	2021	2022	2023	2024	2025	2026	Total
— 2018 voted budget as adopted on 12 December 2017 (OJ L 57, 28.2.2018)	34,2	0,0	0,0	0,0	0,0	0,0	34,2
— 2019 voted budget as adopted on 12 December 2018 (OJ L 67, 22.2.2019)	135,2	140,9	82,2	0,0	0,0	0,0	358,4
— 2020 voted budget as adopted on 27 November 2019 (OJ L 57 27.02.2020)	312,2	42,3	16,1	0,0	0,0	0,0	370,7
— 2020 Amending budget No 1/2020 as adopted on 17 April 2020 (OJ L 125, 21.4.2020)	30,0	0,0	0,0	0,0	0,0	0,0	30,0
— 2020 Amending budget No 2/2020 as adopted on 17 April 2020 (OJ L 125, 21.4.2020)	71,5	23,8	23,8	0,0	0,0	0,0	119,1
— 2021 voted budget as adopted on 18 December 2020 (OJ L 93 17.03.2021)	45,4	13,0	10,3	7,6	0,0	0,0	76,4
— Amending budget No°1/2021 as adopted on 17 May 2021 (OJ L 266 26.07.2021)	208,1	7,9	0,0	0,0	0,0	0,0	216,0
— Amending budget No°6/2021 as adopted on 22 December 2021 (OJ L 460 22.12.2021)	450,0	20,0	0,0	0,0	0,0	0,0	470,0
— 2022 voted budget as adopted on 22 December 2021 (OJ L 45 24.02.2022)	0,0	219,2	62,7	49,8	36,7	0,0	368,4
— 2023 draft budget as adopted on 7 June 2022	0,0	0,0	331,9	77,1	61,2	45,2	515,4
Total	1 286,6	467,2	527,1	134,5	97,9	45,2	2 496,1

5.2. Borrowing and lending operations, and financial instruments

The Commission, on behalf of the EU, operates four loan programmes which are funded in the capital markets. These are borrowings contracted by the Commission which are subsequently on-lent to third parties. A fifth and radically different mechanism, NextGenerationEU, has also been created. Three of the first four have no effect on the budget other than potential risk of default. The fourth one – Macro-Financial Assistance loans to third countries - has a direct budgetary impact insofar as 9 % of the amount of loans are set aside in the Common Provisioning Fund as a safety buffer against possible defaults. These four programmes are outlined below for information. NextGenerationEU is described in the following section, because of its significant effect on the budget. More detailed information can be found in an annex to this draft budget, 'Borrowing and lending operations'.

The Commission also implements the EU's budgetary guarantees, which are the most efficient way to catalyse the investment needed to achieve EU's economic and sustainable growth ambitions. The Financial Regulation ⁽¹⁾ and the 2021-2027 MFF make a major step towards streamlining the mechanism for provisioning and managing guarantees. The main form of EU budgetary support for investment within the EU is InvestEU; the main support for guaranteed lending outside the EU is the European Fund for Sustainable Development+ , backed by the External Action Guarantee (EAG). The provisioning for these instruments is pooled into one Common Provisioning Fund (CPF). These instruments are detailed under the relevant headings in Section 3, and in Working Document X accompanying this draft budget.

5.2.1. *Instrument for temporary Support to mitigate Unemployment Risks in an Emergency (SURE)*

SURE ⁽²⁾ is an additional temporary instrument to allow for Union financial assistance up to EUR 100 billion in the form of loans from the Union to affected Member States. The contingent liability arising from those loans from the Union will be made compatible with the EU budget constraints with guarantees from Member States to the Union budget, representing 25 % of the loans granted. These guarantees will be provided by each Member State in line with their respective share in total GNI of the Union. SURE is an additional financial assistance, coming on top of national measures and further to the regular grant support provided for similar purposes under the European Social Fund.

5.2.2. *Balance of payments facility (BoP)*

The Balance of Payments facility helps a Member State keep stable the sum of its financial transactions with the rest of the world (balance of payments). The facility implements the mechanism foreseen by Article 143 TFEU whereby the EU can assist Member States outside the euro area that are having difficulties linked to their balance of payments or their currency. The Commission borrows on behalf of the EU and on-lends to the beneficiary Member States.

5.2.3. *European Financial Stabilisation Mechanism (EFSM)*

The EFSM also empowers the Commission to borrow on behalf of the EU in order to fund loans. It is an Article 122(2) TFEU based mechanism, covering all Member States. The EU can borrow to on-lend to a Member State "experiencing a severe economic or financial disturbance caused by exceptional occurrences beyond its control". The EFSM is part of a wider safety net. Its funds are combined with loans from the European Financial Stability Facility (EFSF), the ESM and/or the International Monetary Fund (IMF). To be eligible, beneficiary Member States must implement certain policy measures and are subjected to quarterly reviews by the EU, the International Monetary Fund (IMF) and the European Central Bank (ECB).

Today, euro area Member States in need of financial assistance turn to the European Stability Mechanism (ESM), a permanent intergovernmental institution. EU Member States outside the euro area can turn to the EU for balance of payments assistance (see section 5.2.2). The EFSM remains in place for specific tasks such as the lengthening of maturities for loans to Ireland and Portugal and providing bridging loans.

⁽¹⁾ 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, 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 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012. (OJ L 193, 30.7.2018, p.1).

⁽²⁾ Council Regulation (EU) 2020/672 of 19 May 2020 on the establishment of a European instrument for temporary support to mitigate unemployment risks in an emergency (SURE) following the COVID-19 outbreak. (OJ L 159, 20.5.2020, p.1).

5.2.4. Macro-financial assistance loans

The EU provides financial assistance in the form of medium-term loans to a number of third countries experiencing serious, but generally short-term, balance-of-payment problems. The assistance is designed to support the implementation of adjustment and structural reform measures, always in conjunction with an IMF-programme. The loans may in some cases be complemented or combined with a grant component. This was the case for instance with the funding provided to Moldova in 2022, in which an amount of EUR 30 million in grants was combined with an amount of EUR 120 million in loans. The Russian invasion of Ukraine also led to a loan to Ukraine of EUR 1,2 billion, in line with a Memorandum of Understanding signed with the country.

5.3. Expenditure financed by assigned revenue

This section presents an outline of the main mechanisms by which the EU receives external assigned revenue, and in particular NextGenerationEU, the European Union Recovery Instrument. These are mechanisms outside the MFF but which may have an effect on the budget in that they may use its structure for expenditure and reporting purposes, or they may complement the financing of the programmes in the budget. The funds under NextGenerationEU are implemented through several Union programmes.

5.3.1. NextGenerationEU

NextGenerationEU is an exceptional and temporary recovery financing mechanism. The financing is enabled by the Own Resources Decision, which empowers the Commission to borrow up to EUR 807 billion (or EUR 750 billion in 2018 prices) on behalf of the Union, for recovery measures linked to commitments over the period 2021-2023. EUR 421,1 billion (EUR 390 billion in 2018 prices) will be made available to Member States under the Recovery and Resilience Facility for non-repayable support, repayable support through financial instruments or for provisioning for budgetary guarantees and related expenditure. A further EUR 391,0 billion (EUR 360 billion in 2018 prices) will be made available in the form of loans of which EUR 225,6 billion in 2023. The necessary appropriations to cover the cost of the NextGenerationEU borrowing are provided in sub-heading 2b *Resilience and values*.

Contributions from NextGenerationEU in 2023 are planned to provide an additional EUR 113,9 billion in commitment appropriations, whereas payments are estimated at EUR 130,7 billion. The majority of payments (EUR 109,2 billion, based on current information) reflect the estimated payments for the Recovery and Resilience Facility. The overview of the planned commitment tranches over the full MFF period are included for information in the financial programming section. The total amounts available and the planned annual instalments are included in the budgetary remarks of the relevant budget lines, in line with Articles 21 and 22 of the Financial Regulation. An NGEU annex includes a full overview of all budget lines and amounts concerned as laid down in point 41 of the Annex of the Interinstitutional agreement.

(in million EUR, rounded figures at current prices)

Programme	Name	Line	Draft budget 2023		Contribution from NextGenerationEU		Total	
			CA	PA	CA	PA	CA	PA
Horizon Europe			12 342,9	11 903,6	1 828,3	1 752,7	14 171,2	13 656,3
Of which:	Cluster Health	01 02 02 10	536,1	160,6	454,2	299,3	990,3	459,9
	Cluster Digital, Industry and Space	01 02 02 40	1 073,3	990,8	453,7	331,2	1 527,0	1 322,0
	Cluster Climate, Energy and Mobility	01 02 02 50	1 108,9	524,1	453,0	553,2	1 561,8	1 077,3

Programme	Name	Line	Draft budget 2023		Contribution from NextGenerationEU		Total	
			CA	PA	CA	PA	CA	PA
	European Innovation Council	01 02 03 01	1 159,8	688,8	449,8	551,5	1 609,6	1 240,3
	Support expenditure for "Horizon Europe"	01 01 01	763,6	763,6	17,6	17,6	781,2	763,6
InvestEU Fund			340,7	389,8	2 471,0	1 230,0	2 811,7	1 619,8
Of which:	InvestEU Guarantee - Provisioning of the Common Provisioning Fund (CPF)	02 02 02	339,7	100,0	2 420,0	1 200,0	2 759,7	1 300,0
	InvestEU Advisory Hub, Portal and accompanying measures	02 02 03		12,8	50,5	29,5	50,5	42,3
	Support expenditure for "InvestEU"	02 01 10	1,0	1,0	0,5	0,5	1,5	1,5
REACT-EU			55 167,1	38 772,1	2,9	15 531,5	55 170,0	54 303,6
Of which:	ERDF — Operational expenditure — Financing under REACT-EU	05 02 05 01	p.m.	p.m.		9 985,7	p.m.	9 985,7
	ERDF — Operational technical assistance — Financing under REACT-EU	05 02 05 02	p.m.	p.m.		24,9	p.m.	24,9
	ETC — Operational expenditure — Financing under REACT-EU	05 02 05 03	p.m.	p.m.			p.m.	p.m.
	Support expenditure for the "European Regional Development Fund (ERDF)"	05 01 01	4,8	4,8	1,9	1,9	6,7	6,7
	ESF — Operational expenditure — Financing under REACT-EU	07 02 05 01	p.m.	p.m.				5 336,3
	ESF — Operational technical assistance — Financing under REACT-EU	07 02 05 02	p.m.	p.m.		16,7	p.m.	16,7
	FEAD — Operational expenditure — Financing under REACT-EU	07 02 06 01	p.m.	p.m.	—	165,0	p.m.	165,0
	FEAD — Operational technical assistance — Financing under REACT-EU	07 02 06 02	p.m.	p.m.			p.m.	p.m.

Programme	Name	Line	Draft budget 2023		Contribution from NextGenerationEU		Total	
			CA	PA	CA	PA	CA	PA
	YEI — Operational expenditure — Financing under REACT-EU	07 02 07 01	p.m.	p.m.			p.m.	p.m.
	Support expenditure for the "European Social Fund+ (ESF+) — shared management"	07 01 01 01	6,5	6,5	1,1	1,1	7,6	7,6
RRF non-repayable support			121,1	115,0	103 463,2	109 240,1	103 584,3	109 355,1
Of which:	European Recovery and Resilience Facility (RRF) — Grants	06 02 01	p.m.	p.m.	103 451,0	109 227,9	103 451,0	109 227,9
	Support expenditure for the "European Recovery and Resilience Facility"	06 01 01	2,1	2,1	12,2	12,2	14,3	14,3
Union Civil Protection Mechanism (rescEU)			146,6	242,0	683,1	337,1	829,7	579,2
Of which:	Union Civil Protection Mechanism (rescEU)	06 05 01	146,6	205,0	680,8	334,9	827,4	539,9
	Support expenditure for "rescEU"	06 01 04	p.m.	p.m.	2,3	2,3	2,3	2,3
European Agricultural Fund for Rural Development (EAFRD)¹			12 934,7	15 087,2		2 425,5	12 934,7	17 512,7
Of which:	Rural development types of interventions financed from the European Union Recovery Instrument (EURI)	08 03 01 03	p.m.	p.m.		2 424,3		2 424,3
	EAFRD — Operational technical assistance financed from the European Union Recovery Instrument (EURI)	08 03 03	p.m.	p.m.		1,0		1,0
	Support expenditure for the European Agricultural Fund for Rural Development	08 01 02	1,8	1,8		0,3	1,8	2,1

Programme	Name	Line	Draft budget 2023		Contribution from NextGenerationEU		Total	
			CA	PA	CA	PA	CA	PA
Just Transition Fund¹			1 466,2	2,8	5 472,2	171,1	6 938,4	173,9
Of which:	Just Transition Fund (JTF) — Operational expenditure	09 03 01	1 462,1	p.m.	5 449,8	158,0	6 911,9	158,0
	Just Transition Fund (JTF) — Operational technical assistance	09 03 02	4,1	2,8	15,5	6,2	19,6	9,0
	Support expenditure for the "Just Transition Fund (JTF)"	09 01 02	p.m.	p.m.	6,9	6,9	6,9	6,9
Total			82 519,2	66 512,5	113 920,8	130 688,1	196 440,0	197 200,7

5.3.2. Innovation Fund

The Innovation Fund has been established by Article 10a(8) of the revised Emissions Trading System (ETS) Directive ⁽¹⁾. The objective of the Innovation Fund is to support demonstration projects of breakthrough clean technologies. It aims to select innovative projects and contribute towards bridging their financing gap such that they can enter the market at an early stage. The Fund ⁽²⁾ is based on Union law, but it is financed fully outside the MFF. The auctioning of part of the allowances under the ETS specially allocated to the Innovation Fund generates external assigned revenue, which finances the Fund. The proposed revision of the ETS Directive ⁽³⁾ as part of 'Fit for 55' package includes changes to the size, the scope and the way in which the Innovation Fund operates. At the same time, the Energy prices Communication ⁽⁴⁾ and the REPowerEU Communication ⁽⁵⁾ have highlighted the importance of the Innovation Fund to tackle the energy crisis.

In October 2021, the second Innovation Fund call for large-scale projects was published with awards expected in the last quarter of 2022. The budget set in the Financing Decision amounts to EUR 1,5 billion, whereas the call will be topped up with an amount of EUR 340 million, and therefore a commitment of EUR 1,84 billion is planned. The related payments will follow, depending on the implementation progress of the projects to be supported. To unlock industrial investment, the Commission will double the funding available for the 2022 Large Scale Call of the Innovation Fund to around EUR 3 billion.

⁽¹⁾ Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a system for greenhouse gas emission allowance trading within the Union and amending Council Directive 96/61/EC.

⁽²⁾ Commission Delegated Regulation (EU) 2019/856 of 26 February 2019 supplementing Directive 2003/87/EC of the European Parliament and of the Council with regard to the operation of the Innovation Fund.

⁽³⁾ Proposal for a Directive of the European Parliament and of the Council amending Directive 2003/87/EC and Decision (EU) 2015/1814 to strengthen the EU Emissions Trading System and extend it in line with the Union's increased climate ambition for 2030, COM(2021) 551, 14.7.2021.

⁽⁴⁾ Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions, Tackling rising energy prices: a toolbox for action and support, COM(2021) 660, 13.10.2021.

⁽⁵⁾ Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions, REPowerEU: Joint European Action for more affordable, secure and sustainable energy, COM(2022) 108, 8.3.2022.

5.3.3. *European Peace Facility*

The EU contributes to the prevention of crises, restoration of peace, public order, or stabilisation of all countries or regions in the world faced with conflict or disorder. The European Peace Facility ⁽¹⁾, a separate extra-budgetary funding mechanism, enables a coherent EU response to security challenges in third countries, using military Common Security and Defence Policy operations and assistance measures, which according to the Treaties cannot be financed from the EU budget. The facility aims to complement the assistance provided through EU Common Security and Defence Policy operations with actions improving the military and defence capacity of relevant third countries, international and regional organisations.

In accordance with the legal act, in addition to staff of the institutions covered under heading 7 of the EU budget, the management of the European Peace Facility requires administrative support expenditure financed from external assigned revenues, in particular external personnel of the Commission in Headquarters and in Union Delegations.

In 2022, the Council responded to the Russian aggression in Ukraine by taking decisions supporting the Ukrainian armed forces by a current total amount of EUR 2 billion, including the provision of lethal equipment for an amount of EUR 1,85 billion.

⁽¹⁾ Council Decision (CFSP) 2021/509 of 22 March 2021 establishing a European Peace Facility, and repealing Decision (CFSP) 2015/528.

FINANCIAL PROGRAMMING 2024-2027

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1. INTRODUCTION

1.1. Overview

The financial programming is a legal requirement under Article 41(2) of the Financial Regulation ⁽¹⁾. It covers the period 2024-2027 of the multiannual financial framework ('MFF') ⁽²⁾. Its purpose is to provide updated and reliable forecasts of the budgetary implications of both legislation in force and of pending legislative proposals.

The financial programming integrates the most recent changes to spending programmes and instruments, and provides an orientation for future years. It does not pre-judge or pre-empt any future decision of the Parliament, the Council, and the Commission in the course of the annual budgetary procedure. This programming provides the most up-to-date indicative estimates for the period 2024-2027.

This introduction to the financial programming shows the comparison to the technical update of the financial programming of 7 February 2022. The financial programming also includes information on:

- The planning of the implementation of NextGenerationEU ⁽³⁾, which, unlike voted appropriations, corresponds to expected annual instalments in commitments.
- According to Article 5 of the MFF Regulation (MFFR), a selection of priority programmes will be reinforced throughout the period 2022-2027 from a dedicated mechanism linked to the proceeds from fines collected by the Union. Based on a conservative approach, the indicative annual amounts are set at the minimum level of EUR 1,5 billion (in 2018 prices) for the years 2024-2026, with the balance leading to the total amount of EUR 11 billion in 2027 (also in 2018 prices). Based on the technical adjustment of the MFF presented ahead of the adoption of the draft budget, every year the final amount (and corresponding adjustment of the ceilings) will be established and the financial programming updated accordingly (for the year in question and the balance in 2027), if applicable.
- An indicative allocation of the proposed additional reinforcement of Horizon Europe from de-committed appropriations in the area of research, made available again based on Article 15(3) of the Financial Regulation. This reinforcement now takes into account the additional amounts proposed by the Commission in the context of the European Chips Act to compensate Cluster 4 'Digital, Industry and Space' of Horizon Europe for the amounts redeployed to the Digital Europe Programme. The corresponding amounts (i.e. EUR 80 million per year in current prices, over 2024-2027) would supplement the indicative allocation already agreed in the context of the MFF negotiations and reflected in the technical update of the financial programming of 7 February 2022.

The financial programming details the amounts agreed in the MFF by budget line. It references the overall amounts for each programme in the legal basis. Where there are top-ups or reinforcements, these are further explained.

The table below gives an overview of the main variations compared to the technical update of the financial programming by year and by heading, including changes to the margins. The programming reflects the MFF ceilings as adjusted in the technical adjustment of the MFF for 2023 ⁽⁴⁾, and to account for the reinforcements based on Article 5 MFFR.

⁽¹⁾ 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, 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 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012, OJ L 193, 30.7.2018, p.1.

⁽²⁾ Council Regulation (EU, Euratom) 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the year 2021-2027 (OJ L 433I, 22.12.2020, p. 11-22). See also: Interinstitutional agreement between the European parliament, the Council of the European Union and the European Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources (OJ L 433 I, 22.12.2020, p. 28-46).

⁽³⁾ Council Regulation (EU) 2020/2094 of 14 December 2020 establishing a European Union Recovery Instrument to support the recovery in the aftermath of the COVID-19 crisis, .OJ L 433I , 22.12.2020, p. 23.

⁽⁴⁾ Technical adjustment of the financial framework for 2023 in accordance with Article 4 of Council Regulation (EU, Euratom) 2020/2093 laying down the multiannual financial framework for the years 2021 to 2027, COM(2022) 266, 7.6.2022.

(current prices in EUR million, rounded to the nearest thousandth)

Summary	2023	2024	2025	2026	2027
	Financial programming	Financial programming	Financial programming	Financial programming	Financial programming
Heading 1 : Single Market, Innovation and Digital	21 567,567	20 973,765	21 267,755	21 829,292	22 049,707
New margin	159,433	10,235	4,245	17,708	27,293
Margin difference compared to technical update	- 68,033	- 82,331	- 90,795	- 77,955	- 65,991
Heading 2A : Economic, Social and territorial cohesion	62 922,984	64 681,334	66 478,044	56 724,702	58 638,386
New margin	16,016	1,666	0,956	0,298	0,614
Margin difference compared to technical update	14,407	0,000	0,000	0,000	0,000
Heading 2B : Resilience and Values	7 163,699	7 644,998	8 472,884	9 770,632	11 603,602
New margin	34,301	39,002	41,116	40,368	40,398
Margin difference compared to technical update	- 14,047	- 7,597	2,436	1,774	3,207
Heading 3 : Natural Resources and Environment	57 222,558	57 351,859	57 459,132	57 232,190	57 453,770
New margin	72,442	97,141	98,868	99,810	103,230
Margin difference compared to technical update	- 24,281	- 1,336	- 1,363	- 1,390	- 1,418
Heading 4 : Migration and Border Management	3 727,312	3 830,082	4 348,594	4 262,437	4 417,371
New margin	86,688	35,918	38,406	52,563	47,629
Margin difference compared to technical update	53,047	10,753	12,183	12,856	13,193
Heading 5 : Security and Defence	1 901,109	1 971,861	2 212,991	2 408,338	2 680,864
New margin	44,891	32,139	30,009	26,662	24,136
Margin difference compared to technical update	- 28,159	- 37,989	- 39,563	- 35,384	- 35,873
Heading 6 : Neighbourhood and the World	16 781,879	15 722,590	15 195,073	14 643,282	15 217,750
Of which the Flexibility Instrument	452,879				
New margin	0,000	107,410	108,927	110,718	113,250
Margin difference compared to technical update	- 106,585	0,154	0,154	0,154	0,154
Heading 7 : European Public Administration	11 448,802	11 824,585	12 169,098	12 569,996	12 965,792
Of which the Flexibility Instrument	62,473				
New margin	32,670	- 51,585	- 45,098	- 63,996	- 6,792

Summary	2023	2024	2025	2026	2027
	Financial programming	Financial programming	Financial programming	Financial programming	Financial programming
Margin difference compared to technical update	- 328,576	- 439,328	- 461,586	- 481,303	- 515,021
Total estimated expenditure	182 735,910	184 001,073	187 603,571	179 440,868	185 027,243
<i>Of which the Flexibility Instrument</i>	515,352				
New margin	446,442	271,927	277,429	284,132	349,757
Margin difference compared to technical update	- 502,228	- 557,674	- 578,535	- 581,249	- 601,749
Thematic special instruments	2 855,153	1 560,861	2 740,765	1 623,920	1 656,398
Grand total	185 591,063	185 561,934	190 344,335	181 064,788	186 683,641

The main changes in comparison with the technical update of 7 February 2022 relate to:

- The integration in the draft budget for 2023 of the reinforcements based on Article 5 MFFR. These affect the support (including executive agencies) and operational lines of Horizon Europe, InvestEU, EU4Health, Erasmus+, Creative Europe, Rights and Values (i. e. the Citizens, Equality, Rights and Values programme), and the Integrated Border Management Fund (IBMF) – Instrument for border management and visa (BMVI).
- Reallocation between the support expenditure lines and/or the operational lines, or between the support expenditure lines and the executive agencies, within the same budgetary year. The programmes concerned are Horizon Europe, Euratom Research and Training Programme, the European Defence Fund, Connecting Europe Facility, Digital Europe Programme, Single Market Programme, European Space Programme, EU4Health, European Maritime, Fisheries and Aquaculture Fund (EMFAF), and Programme for the Environment and Climate Action (LIFE).
- The impact of the latest available information on purchasing power, the cost of living and the reintegration (in 2022) of the ‘suspended’ salary update from 2020, and subsequent upward revision of salary expenditure, that have been included in the draft budget for 2023, as well as in the financial programming, both for the Commission and the other institutions. With respect to salary expenditure under the operational headings 1-6, the new forecasts have required offsetting adjustments between the support expenditure and/or the operational expenditure of the spending programmes. In the case of decentralised agencies, high inflation will lead to salary adjustments which cannot be covered fully within the annual 2% indexation of the EU contribution. A limited reinforcement of the EU contribution to decentralised agencies, with the exception of Frontex and EUSPA, is therefore included in the draft budget, indexed annually by 2% in 2024-2027.
- The financial programming of the Union Space Programme, the European Defence Fund, the Connecting Europe Facility, the Digital Europe Programme, and the Neighbourhood, Development and International Cooperation Instrument—Global Europe (NDICI—Global Europe) reflects the respective contributions of those programmes to the Union Secure Connectivity proposal, in line with the legislative financial statement accompanying the Commission proposal ⁽¹⁾.
- The European Chips Act ⁽²⁾, in particular to reflect the larger contribution of Horizon Europe to the Chips joint undertaking (ex-Key Digital Technologies), thanks to contributions from Cluster 3 ‘Civil Security for Society’, Cluster 4 ‘Digital, Industry and Space’ and Cluster 5 ‘Climate, Energy and Mobility’. As for the Digital Europe Programme, the financial programming reflects the overall reinforcement of the Digital Europe Programme – as a result of redeployments from Horizon Europe (Cluster 4 ‘Digital, Industry and Space’) and the Connecting Europe Facility – to contribute to the Chips joint undertaking, while also reflecting the internal redeployments of the other specific objectives of the Digital Europe Programme in line with the legislative financial statement accompanying the Commission proposal.

⁽¹⁾ Proposal for a Regulation of the European Parliament and of the Council establishing the Union Secure Connectivity Programme for the period 2023-2027 (COM(2022) 57 final, 15 February 2022).

⁽²⁾ Proposal for a Regulation of the European Parliament and of the Council establishing a framework of measures for strengthening Europe’s semiconductor ecosystem (Chips Act) (COM(2022) 46 final, 8 February 2022).

- The reinforcement of Horizon Europe stemming from Article 15(3) of the Financial Regulation, exclusively to reflect the additional amounts proposed by the Commission in the context of the European Chips Act;
- As of 2023, a new budget line is created for the Carbon Border Adjustment Mechanism (CBAM) ⁽¹⁾, to finance its implementation costs. As set out in the relevant legislative financial statement, the required budget for IT expenditure is relatively limited, and has a decreasing profile over 2023-2027.
- The decisions of Member States to transfer part of their initial EAGF allocation to their initial EAFRD allocation and vice versa resulted in a net transfer of EUR 825,8 million in 2023 from the European Agricultural Guarantee Fund (EAGF) to the European Agricultural Fund for Rural Development (EAFRD).
- The proposed frontloading of the Union Civil Protection Mechanism in 2023 to ensure the timely availability of ResceEU assets, and specifically the development of an EU fleet of aerial firefighting capacities. The reinforcement is financed by savings within heading 2b and therefore budget neutral in 2023, and is offset by a corresponding reduction of the Mechanism over 2024-2027, increasing the available margin under MFF sub-heading 2b for these years.
- For the Instrument for Pre-accession Assistance III (IPA III), the increase by EUR 560 million in 2023 is related to the financing of the 2023 component of the Syrian refugees' package announced in July 2021. This reinforcement comes from the MFF heading 6 margin (EUR 106,6 million), the Flexibility Instrument (EUR 452,9 million) and other savings in the MFF heading (EUR 0,5 million) and focuses on transitional support to refugees based in Turkey.
- The Neighbourhood, Development and International Cooperation Instrument—Global Europe (NDICI—Global Europe) is reduced by EUR 0,154 million per year for 2023-2027 for the transfer of one contract agent in EU Delegations to the European External Action Service. The corresponding increase is reflected under MFF heading 7.
- Adjustments to decentralised agencies, in particular for:
 - the proposed establishment of the Anti-Money Laundering Authority (AMLA);
 - the impact of the methane emissions reduction in the energy sector proposal on the European Union Agency for the Cooperation of Energy Regulators (ACER);
 - the impact of the Union Secure Connectivity proposal on the European Union Agency for the Space Programme (EUSPA);
 - the new tasks related to the collection of evidence of war crimes and new tasks related to promote further judicial cooperation on cross-border crime by the European Union Agency for Criminal Justice cooperation (Eurojust);
 - the proposed mandate revision for the European Monitoring Centre for Drugs and Addiction (EMCDDA);
 - the new tasks related to the Commission's proposal on Visa Digitalisation ⁽²⁾ and their budget impact on eu-LISA.
- The proposed establishment of the EU Centre to prevent and counter child sexual abuse following the Commission's proposal ⁽³⁾.
- smaller changes are incorporated for:
 - the European Foundation for the improvement of Living and Working Conditions (Eurofound),
 - the European Institute for Gender Equality (EIGE);

⁽¹⁾ Proposal for a Regulation of the European Parliament and of the Council establishing a carbon border adjustment mechanism (COM(2021) 564 final, 14 July 2021).

⁽²⁾ Proposal for a Regulation of the European Parliament and of the Council amending Regulations (EC) No 767/2008, (EC) No 810/2009 and (EU) 2017/2226 of the European Parliament and of the Council, Council Regulations (EC) No 1683/95, (EC) No 333/2002, (EC) No 693/2003 and (EC) No 694/2003 and Convention implementing the Schengen Agreement, as regards the digitalisation of the visa procedure (COM(2022) 658 final, 27 April 2022).

⁽³⁾ Proposal for a Regulation of the European Parliament and of the Council laying down rules to prevent and combat child sexual abuse (COM(2022) 209 final, 11 May 2022).

- the European Chemicals Agency – Environmental directives and international conventions (ECHA); and
- the European Environment Agency (EEA).
- the salary update.

Some of these adjustments – as well as some other adjustments and corrections as described in the next sections – have an impact on the annual margins per MFF heading. Other adjustments within the programmes do not change the overall annual amounts programmed.

The financial programming provided in accordance with point 26 of the Interinstitutional agreement and article 41(2) of the Financial Regulation is established for the purposes of the annual budget procedure and is based on the MFF ceilings in force, including any revision adopted and any adjustment communicated to date.

On 22 December 2021, the Commission has proposed an amendment of the MFF Regulation ⁽¹⁾ for the purposes, *inter alia*, of the financing of the Social Climate Fund ⁽²⁾ for the years 2025 to 2027. The Commission will therefore include the impact of the Social Climate Fund in the financial programming upon adoption of the amendment of the MFF Regulation.

The Commission's recommendations on defence ⁽³⁾, and on Ukraine relief and reconstruction ⁽⁴⁾ are not reflected in this document as the impact for the 2023 budget would be included in an amending letter later in 2022, following the adoption of the legislative proposals.

The financial programming is indicative in nature and, as such, does not prejudice or pre-empt any decision the Commission or the European Parliament and the Council, might take in the future budgetary procedures.

1.2. Presentation of the financial programming

In line with the basic acts, the Commission has structured the financial programming by category of expenditure (MFF headings and sub-headings), cluster and budget line. The complete financial programming covers all categories of expenditure with the exception of shared management programmes and administrative expenditure for which only summary data are provided.

The financial programming is structured as follows:

- Section 2 presents an overview of the changes by heading, programme and type of expenditure. Each substantial variation is explained in the text. Only programmes or instruments for which changes occurred since the previous version of the financial programming are included in the comparison tables in this section.
- Section 3 provides detailed annexes of the revised amounts as follows:
 - Section 3.1 provides an overview by heading and type of action (co-decision, Council decision, annual action, decentralised agencies, or prerogatives or specific competences);
 - Section 3.2 provides a view by heading, type of action and programme/instrument;
 - Sections 3.3 to 3.11 provide a view by budget line, including a separate view for pilot projects and preparatory actions, decentralised agencies, annual actions, and actions financed under the prerogatives and specific competences conferred to the Commission.

⁽¹⁾ Proposal for a Council Regulation amending Regulation (EU, Euratom) 2020/2093 laying down the multiannual financial framework for the years 2021 to 2027 (COM(2021) 569 final, 22 December 2021).

⁽²⁾ Proposal for a Regulation of the European Parliament and of the Council establishing a Social Climate Fund (COM(2021) 568 final, 14 July 2021).

⁽³⁾ Joint Communication to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions on the Defence Investment Gaps Analysis and Way Forward (JOIN(2022) 24 final, 18 May 2022).

⁽⁴⁾ Communication from the European Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions, Ukraine relief and reconstruction (COM(2022) 233 final, 18 May 2022).

- Section 4 provides a detailed view of the revised amounts for specific MFF elements. The amounts under Article 5 MFFR have a specific presentation. The amounts for the draft budget of the upcoming financial year (n+1) are presented as part of the overall voted budget following the automatic increase of the ceilings. By contrast, the amounts for the remaining financial years in the programming period are shown for information in section 4. They will be progressively added in the detailed tables in sections 2 and 3 of the financial programming with each draft budget when the final amount is established and the ceilings adjusted accordingly.

All figures refer to commitment appropriations in EUR at current prices.

Additional information about the budgetary proposal for 2023 is available in the policy highlights section of the general introduction.

2. CHANGES COMPARED TO THE FINANCIAL PROGRAMMING OF FEBRUARY 2022

2.1. Heading 1 – Single Market, Innovation and Digital

(current prices in EUR million, rounded to the nearest thousandth)

Heading 1 : Single Market, Innovation and Digital	2023	2024	2025	2026	2027
	Difference	Difference	Difference	Difference	Difference
Horizon Europe – the Framework Programme for Research and Innovation	371,500	- 80,000	- 85,000	- 75,000	- 80,000
Of which support expenditure	- 29,906	6,893	6,937	7,079	6,883
Of which operational expenditure	382,004	- 93,009	- 98,197	- 88,484	- 93,135
Of which executive agencies	19,403	6,116	6,259	6,405	6,252
Euratom Research and Training Programme	0,000	0,000	0,000	0,000	0,000
Of which support expenditure	0,226	0,230	0,235	0,240	0,249
Of which operational expenditure	- 0,226	- 0,230	- 0,235	- 0,240	- 0,249
International Thermonuclear Experimental Reactor (ITER)	0,204	0,208	0,212	0,216	0,221
Of which support expenditure	0,380	0,380	0,388	0,395	0,403
Of which operational expenditure	- 0,176	- 0,172	- 0,175	- 0,179	- 0,182
InvestEU Fund	150,500	0,000	0,000	0,000	- 1,117
Of which operational expenditure	150,500	0,000	0,000	0,000	- 1,117
Connecting Europe Facility (CEF)	- 3,278	- 205,085	- 189,471	- 106,506	- 106,810
Of which operational expenditure	- 3,485	- 205,537	- 189,927	- 106,965	- 107,272
Of which executive agencies	0,207	0,452	0,455	0,458	0,461
Digital Europe Programme	41,999	195,600	179,600	96,400	96,400
Of which support expenditure	- 1,685	0,000	0,000	0,000	0,000
Of which operational expenditure	41,782	195,425	179,412	96,198	96,184
Of which executive agencies	1,902	0,175	0,188	0,202	0,216
Single Market Programme	0,600	0,411	0,030	0,030	- 5,778
Of which support expenditure	0,239	0,000	0,000	0,000	0,000
Of which operational expenditure	1,480	- 0,032	- 0,405	- 0,395	- 6,194
Of which executive agencies	- 1,119	0,443	0,435	0,425	0,416
European Space Programme	- 0,250	- 0,200	- 80,200	- 80,200	- 97,063
Of which support expenditure	- 0,550	- 0,200	- 0,200	- 0,200	- 0,050
Of which operational expenditure	0,300	0,000	- 80,000	- 80,000	- 97,013
Union Secure Connectivity Programme	106,300	145,350	224,350	217,700	234,213
Of which support expenditure	0,250	0,200	0,200	0,200	0,050
Of which operational expenditure	106,050	145,150	224,150	217,500	234,163

Heading 1 : Single Market, Innovation and Digital	2023	2024	2025	2026	2027
	Difference	Difference	Difference	Difference	Difference
Decentralised agencies	0,808	23,598	39,474	23,665	24,376
Other actions	1,650	2,450	1,800	1,650	1,550
Total changes in heading 1	670,033	82,331	90,795	77,955	65,991
New margin	159,433	10,235	4,245	17,708	27,293
Margin difference	- 68,033	- 82,331	- 90,795	- 77,955	- 65,991

The changes under MFF heading 1 have an impact on the margin in 2023-2027 (decrease of EUR 385 million) mainly as a result of the Union Secure Connectivity Programme and increases to decentralised agencies.

Horizon Europe

The adjustments made under Horizon Europe reflect two main changes in the period 2024-2027:

- the budgetary implications of the European Chips Act, which lead to an annual decrease of EUR 80 million of Horizon Europe, and more specifically of Cluster 4 'Digital, Industry and Space'. This decrease is proposed to be fully compensated by a commensurate increase of the proposed reinforcement stemming from Article 15(3) of the Financial Regulation;
- an increase of EUR 50 million of Cluster 5 'Climate, Energy and Mobility' in 2024, which is offset by a corresponding decrease of the Clean Hydrogen joint undertaking. This rebalancing is intended to compensate the frontloading of the Clean Hydrogen envelope by EUR 50 million in 2023.

Other minor, budget-neutral adjustments linked to the EFTA contributions to the Chips joint undertaking and Smart Networks and Services joint undertaking are also reflected in the programming of Cluster 4 'Digital, Industry and Space' and those joint undertakings in 2027.

In addition, the financial programming includes a backloading of EUR 5 million for 'horizontal operational activities' from 2025 to 2026 (*inter alia* to address the limited available margin in 2025).

Finally, the programming of NextGenerationEU appropriations on the relevant support expenditure lines was adjusted until 2027 to reflect the impact of the salary adjustments expected in 2022 and 2023, leading to a slight reduction of operational expenditure in 2023 (i.e. the last year with NextGenerationEU appropriations on operational lines).

ITER

The increase for ITER includes a technical correction on line 01 01 03 02, which did not present the programming for the support expenditure line in the technical update of the financial programming.

InvestEU

The adjustments made under InvestEU result from the reinforcement under Article 5 MFFR. The 2027 amount has been slightly decreased by EUR 1.1 million under the InvestEU Hub line to compensate the increase by the same amount in 2021.

Connecting Europe Facility

The financial programming for the Connecting Europe Facility reflects the budgetary implications of the Union Secure Connectivity Programme and the Chips Act: the redeployments from the Connecting Europe Facility as included in the Commission proposal, lead to a decrease of EUR 250 million over the period 2024-2027 for Connecting Europe Facility – Transport for the Chips Act and EUR 350 million for Connecting Europe Facility – Digital of which respectively EUR 150 million for the Chips Act and EUR 200 million for the Union Secure Connectivity Programme.

Digital Europe Programme

The revised programming reflects two main changes in the period 2024-2027:

- the budgetary implications of the European Chips Act. The financial programming shows, on the one hand, the reinforcement of the Digital Europe Programme stemming from the redeployment of other programmes, and on the other, internal redeployments from other specific objectives. These adjustments are intended to enhance the Digital Europe Programme's contribution to the Chips joint undertaking and to InvestEU;
- the budgetary implications of the Union Secure Connectivity Programme, which result in a decrease of EUR 352 million (on top of the decrease by EUR 88 million in 2023). This thus partially offsets the reinforcement of the Digital Europe Programme related to the European Chips Act.

Other minor, budget-neutral adjustments linked to the EFTA contributions to the joint undertaking are also reflected in the programming.

Single Market Programme

Changes are due to minor rebalancing of transfers implemented in 2021. A transfer to a prerogative line implemented in 2021, is offset over 2023-24. Moreover, the decrease in 2027 under the Single Market Programme operational expenditure reflects offsetting of a temporary reinforcement of other Single Market Programme lines in 2021.

European Space Programme

The European Space programme financial programming reflects the budgetary implications of the Secure Connectivity Programme: the redeployments from the Space Programme as included in the Commission proposal, lead to a decrease of EUR 258 million over the period 2024-2027.

The contributions from the various programmes under MFF heading 1 to the new Union Secure Connectivity programme are reflected in the Union Secure Connectivity's financial programming which reaches EUR 927,9 million over the 2023-2027 period.

Decentralised agencies

As set out in more detail in the 'policy highlights' document, the programmed amounts for the decentralised agencies under MFF heading 1 in 2023 incorporate a reduction due to the recovery of surpluses from 2021, which are made available again to the agencies concerned in 2023.

The budget of the European Union Agency for the Cooperation of Energy Regulators (ACER) is impacted by the Commission proposal on methane emissions reductions in the energy sector and amending Regulation (EU)2019/942. The proposal will increase the financial programming for the agency by EUR 0,2 million annually (as of 2023) to cover the costs of 1 additional establishment plan post.

The new proposed EU-level Anti-Money Laundering Authority (AMLA⁽¹⁾) is now incorporated in the financial programming (new budget line 03 10 05). The Anti-Money Laundering Authority is to be financed mainly from the margin under MFF heading 1 until the end of 2025 (EUR 45 million in total) and to a limited extent by a redeployment of financial resources from the European Banking Authority (EUR 1 million) and from the Commission's action related to Financial Intelligence Units (EUR 1 million). From 2026 onwards, fees charged to industry will fund 75% of the Anti-Money Laundering Authority's budget (both staff and operational costs).

The European Union Agency for the Space Programme (EUSPA) requires an increased EU contribution of EUR 20 million, which will be financed from the envelope of the Space programme, to ensure the operation and the operational security of the governmental infrastructure of the Union Secure Connectivity Programme.

⁽¹⁾ Proposal for a Regulation of the European Parliament and of the Council establishing the Authority for Anti-Money Laundering and Countering the Financing of Terrorism and amending Regulations (EU) No 1093/2010, (EU) 1094/2010, (EU) 1095/2010. (COM(2021) 421 final, 20 July 2021).

Other actions

As of 2023, a new budget line is created for the Carbon Border Adjustment Mechanism ⁽¹⁾ (CBAM), to cover the costs of setting up the mechanism and the necessary IT system. The required budget is relatively limited, and has a decreasing profile over 2023-2027.

2.2. Heading 2 – Cohesion, Resilience and Values

2.2.1. Sub-heading 2a – Economic, social and territorial cohesion

(current prices in EUR million, rounded to the nearest thousandth)

Heading 2A : Economic, Social and territorial cohesion	2023	2024	2025	2026	2027
	Difference	Difference	Difference	Difference	Difference
European Social Fund Plus (ESF+)	- 14,407	0,000	0,000	0,000	0,000
European Regional Development Fund (ERDF)	0,000	0,000	0,000	0,000	0,000
Total changes in Heading 2A	- 14,407	0,000	0,000	0,000	0,000
New margin	16,016	1,666	0,956	0,298	0,614
Margin difference	14,407	0,000	0,000	0,000	0,000

European Social Fund Plus (ESF+)

The amount of commitment appropriations in the draft budget 2023 for the European Social Fund Plus (ESF+) is below the financial programming of February 2022 by EUR 14,4 million. This is explained by the amount budgeted for technical assistance at the initiative of the Commission, which is EUR 14,4 million below the regulatory ceiling of 0,35% following the assessment of actual needs.

2.2.2. Sub-heading 2b – Resilience and values

(current prices in EUR million, rounded to the nearest thousandth)

Sub-heading 2B : Resilience and Values	2023	2024	2025	2026	2027
	Difference	Difference	Difference	Difference	Difference
Union Civil Protection Mechanism (rescEU)	45,000	- 3,000	- 14,000	- 13,750	- 14,250
Of which operational expenditure	45,000	- 3,000	- 14,000	- 13,750	- 14,250
EU4Health Programme	437,002	0,000	0,000	0,000	0,000
Of which support expenditure	5,681	0,000	0,000	0,000	0,000
Of which operational expenditure	433,374	- 0,554	- 0,603	- 0,655	- 0,708
Of which executive agencies	- 2,052	0,554	0,603	0,655	0,708
Employment and Social Innovation	- 13,123	0,000	0,000	0,000	0,000
Of which support expenditure	- 0,601	0,000	0,000	0,000	0,000
Of which operational expenditure	- 12,522	0,000	0,000	0,000	0,000

⁽¹⁾ Proposal for a Regulation of the European Parliament and of the Council establishing a carbon border adjustment mechanism (COM(2021)564 final, 14 July 2021)

Sub-heading 2B : Resilience and Values	2023	2024	2025	2026	2027
	Difference	Difference	Difference	Difference	Difference
Erasmus+	256,202	0,000	0,000	0,000	0,000
Of which support expenditure	3,843	0,000	0,000	0,000	0,000
Of which operational expenditure	251,498	-0,920	-0,981	-1,044	-1,109
Of which executive agency	0,862	0,920	0,981	1,044	1,109
European Solidarity Corps (ESC)	0,000	0,000	0,000	0,000	0,000
Of which operational expenditure	-0,046	-0,045	-0,045	-0,044	-0,043
Of which executive agencies	0,046	0,045	0,045	0,044	0,043
Creative Europe	90,317	0,000	0,000	0,000	0,000
Of which support expenditure	2,550	0,000	0,000	0,000	0,000
Of which operational expenditure	87,278	-0,520	-0,552	-0,585	-0,619
Of which executive agencies	0,489	0,520	0,552	0,585	0,619
Citizens, Equality, Rights and Values Programme	120,478	0,000	0,006	0,003	0,000
Of which operational expenditure	120,265	-0,232	-0,246	-0,270	-0,293
Of which executive agencies	0,213	0,232	0,252	0,272	0,293
Decentralised agencies	-16,921	10,597	11,558	11,974	11,043
Annual actions	-0,883	0,000	0,000	0,000	0,000
Prerogatives and specific responsibilities of the Commission	-0,027	0,000	0,000	0,000	0,000
Total changes in sub-heading 2B	918,047	7,597	-2,436	-1,774	-3,207
New margin	34,301	39,002	41,116	40,368	40,398
Margin difference	-14,047	-7,597	2,436	1,774	3,207

The salary adjustments for decentralised agencies under MFF sub-heading 2b will have a moderate impact on the margin in 2023-2027. The frontloading of the Union Civil Protection Mechanism (UCPM) by EUR 45 million has been compensated in 2023 by decreases under the European Social Fund Plus (ESF+), annual actions and other savings, and fully offset over 2024-2027. In 2023, the increase for decentralised agencies coupled with the frontloading of the Union Civil Protection Mechanism (UCPM) leads to a decrease in the margin of EUR 14 million. The changes in the margin in 2024-2027 are due to the net impact of the increase for decentralised agencies and the compensation in the Union Civil Protection Mechanism (UCPM).

EU4Health

The updated financial programming reflects the reinforcement under Article 5 MFFR and a reduced request by the European Health and Digital Executive Agency for the EU contribution to its running costs, which is offset on the operational lines.

Employment and Social Innovation

Following the delay in the adoption of the legal act and the impact of the COVID-19 pandemic, the implementation of the Employment and Social Innovation strand of the European Social Fund Plus (ESF+) is progressing and is expected to reach cruising speed in 2024. Against this backdrop, the needs for 2023 are EUR 13 million lower than in the initial financial programming.

Erasmus+

The adjustments made under Erasmus+ result from the reinforcement under Article 5 MFFR.

Creative Europe

The adjustments made under Creative Europe result from the reinforcement under Article 5 MFFR.

Citizens, Equality, Rights and Values (CERV) Programme

The adjustments made under the Citizens, Equality, Rights and Values Programme result from the reinforcement under Article 5 MFFR.

Union Civil Protection Mechanism (UCPM)

The revised programming of the UCPM reflects the frontloading of EUR 45 million in 2023, which will be compensated by an equivalent reduction in 2024-2027, thereby increasing the available margin under MFF sub-heading 2b for those years. This 2023 adjustment is necessary to increase emergency and crisis preparedness capacities in Member States to fight forest fires.

In addition, the financial envelope 2022-2027 of the administrative line of the Union Civil Protection Mechanism (UCPM) financed by NextGenerationEU credits is reduced by EUR 4 million following the revision of the administrative support expenditure for the upcoming years. The corresponding amount is transferred to the operational line of the Union Civil Protection Mechanism (UCPM) in 2022.

With respect to the **financing cost of the European Union Recovery Instrument (EURI)**, in light of the rapid and substantial increase of interest rates on the financial markets since December 2021, the full amount of EUR 1 030,8 million in the financial programming for 2023 is expected to be required for the annual payments of interests on funds borrowed under the European Union Recovery Instrument. The final amount necessary in 2023 will depend on the interest rates of the borrowings undertaken until the end of 2022 and the volume of the operations.

To date, without prejudice to the prerogatives of the budgetary authority, the European Parliament and the Council agreed to increase the amounts available for the financing cost of EURI by EUR 366,6 million over the period 2024-2027, based on a proposal from the Commission and following the assessment of the needs and possibilities for early repayments, using available margins and by mobilising the Single margin instrument while respecting the financial programming for the programmes within MFF sub-heading 2b.

(current prices in EUR million, rounded to the nearest decimal)

Financial programming of the financing cost of the European Union Recovery Instrument (EURI)								
	2021	2022	2023	2024	2025	2026	2027	TOTAL
2021 DRAFT BUDGET	111,5	459,7	1 035,8	2 072,9	2 674,6	3 737,6	4 884,3	14 976,4
2021 BUDGET	39,6	459,7	1 035,8	2 072,9	2 674,6	3 737,6	4 884,3	14 904,6
<i>of which reduction agreed 2021 conciliation</i>	- 71,9	0,0	0,0	0,0	0,0	0,0	0,0	- 71,9
2022 DRAFT BUDGET	39,6	389,7	1 035,8	2 072,9	2 674,6	3 737,6	4 954,3	14 904,6
<i>of which frontloading/backloading EU4Health</i>	0,0	- 70,0	0,0	0,0	0,0	0,0	70,0	0,0
DEC 15/2021	5,0	389,7	1 035,8	2 076,4	2 682,8	3 749,6	4 965,3	14 904,6
<i>of which frontloading/backloading UCPM</i>	- 34,6	0,0	0,0	3,5	8,2	12,0	11,0	0,0
2022 BUDGET	5,0	145,0	1 035,8	2 076,4	2 682,8	3 749,6	4 985,3	14 679,9
<i>of which frontloading/backloading EU4Health</i>	0,0	- 20,0	0,0	0,0	0,0	0,0	20,0	0,0
<i>of which reduction agreed 2022 conciliation</i>	0,0	- 224,7	0,0	0,0	0,0	0,0	0,0	- 224,7
DEC 8/2022	5,0	75,0	1 035,8	2 076,4	2 682,8	3 749,6	4 985,3	14 609,9
<i>of which UCPM Ukraine</i>	0,0	- 70,0	0,0	0,0	0,0	0,0	0,0	- 70,0
Overall change	- 106,5	- 384,7	0,0	3,5	8,2	12,0	101,0	- 366,6
<i>of which backloading/frontloading</i>	- 34,6	- 90,0	0,0	3,5	8,2	12,0	101,0	0,0
<i>of which reductions</i>	- 71,9	- 294,7	0,0	0,0	0,0	0,0	0,0	- 366,6

Decentralised agencies

As set out in more detail in the 'policy highlights' document, the reduction of programmed amounts for the decentralised agencies under MFF sub-heading 2b in 2023 reflects the recovery of surpluses from 2021, which are made available again to the agencies concerned in 2023, in particular the European Medicines Agency.

The EU contribution to the European Institute for Gender Equality (EIGE) is proposed to be increased by EUR 0,75 to 0,95 million annually as of 2025 to finance the new tasks (requiring one additional establishment plan post) assigned by the proposal for a Directive on combating violence against women and domestic violence ⁽¹⁾.

⁽¹⁾ Proposal for a Directive of the European Parliament and of the Council on combating violence against women and domestic violence (COM(2022) 105 final, 8 March 2022).

The EU contribution to the European Union Agency for Criminal Justice Cooperation (Eurojust) is proposed to be increased as of 2023 due to three legal proposals: on the digital information exchange in terrorism cases ⁽¹⁾, on establishing a collaboration platform to support the functioning of Joint Investigation Teams ⁽²⁾ and as a response to the Russian invasion of Ukraine – as regards the storage, analysis and preservation of evidence relating to genocide, crimes against humanity and war crimes ⁽³⁾. In total, the agency requires an additional amount of EUR 3,8 million in 2023 to cover 22 posts and new tasks assigned by these proposals.

2.3. Heading 3 – Natural Resources and Environment

(current prices in EUR million, rounded to the nearest thousandth)

Heading 3 : Natural Resources and Environment	2023	2024	2025	2026	2027
	Difference	Difference	Difference	Difference	Difference
European Agricultural Guarantee Fund (EAGF)	- 825,789	0,000	0,000	0,000	0,000
European Agricultural Fund for Rural Development (EAFRD)	825,789	0,000	0,000	0,000	0,000
European Maritime, Fisheries and Aquaculture Fund (EMFAF)	0,000	0,000	0,000	0,000	0,000
Of which support expenditure	- 0,236	- 0,131	- 0,135	- 0,139	- 0,142
Of which executive agencies	0,236	0,131	0,135	0,139	0,142
Sustainable Fisheries Partnership Agreements (SFPA) and Regional Fisheries Management Organisations (RFMO)	23,827	0,000	0,000	0,000	0,000
Of which operational expenditure	23,827	0,000	0,000	0,000	0,000
Programme for the Environment and Climate Action (LIFE)	0,000	- 1,270	- 1,190	- 1,140	- 1,161
Of which support expenditure	- 3,489	0,000	0,000	0,000	0,000
Of which operational expenditure	2,822	- 1,733	- 1,681	- 1,660	- 1,710
Of which executive agencies	0,668	0,464	0,491	0,520	0,549
Decentralised agencies	0,455	2,605	2,552	2,530	2,578
Total changes in Heading 3	24,281	1,336	1,363	1,390	1,418
New margin	72,442	97,141	98,868	99,810	103,230
Margin difference	- 24,281	- 1,336	- 1,363	- 1,390	- 1,418

The changes under MFF heading 3 have an impact on the margin in 2023 (decrease of EUR 24,3 million), because of the most recent update of the international legal obligations resulting from the conclusion of Sustainable Fisheries Partnership Agreements between the EU and third countries, and reinforcement for decentralised agencies. The increases in 2024-2027 are due to increases to decentralised agencies.

⁽¹⁾ Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) 2018/1727 of the European Parliament and the Council and Council Decision 2005/671/JHA, as regards the digital information exchange in terrorism cases violence (COM(2021) 757 final, 1 December 2021).

⁽²⁾ Proposal for a Regulation of the European Parliament and of the Council establishing a collaboration platform to support the functioning of Joint Investigation Teams and amending Regulation (EU) 2018/1726 (COM(2021)756, 1 December 2021).

⁽³⁾ Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) 2018/1727 of the European Parliament and the Council, as regards the collection, preservation and analysis of evidence relating to genocide, crimes against humanity and war crimes at Eurojust (COM(2022)187 final, 25 April 2022)..

Common agricultural policy

The European Agricultural Guarantee Fund (EAGF) sub-ceiling for 2023 of EUR 41 518,0 million has been adjusted to take into account a net transfer of EUR 825,8 million from the EAGF to the European Agricultural Fund for Rural Development (EAFRD). This net amount includes transfers from the EAGF to the EAFRD and vice-versa, as notified by several Member States to the Commission by 1 August 2021 in accordance with Article 9 of the CAP transitional regulation. ⁽¹⁾ As a result, the adjusted EAGF sub-ceiling 2023 amounts to EUR 40 693 million (rounded up). The EAGF draft budget 2023, including the agricultural reserve of EUR 450 million which is entirely financed from the EAGF availabilities, amounts to EUR 40 692,2 million and leaves no EAGF margin. The 2023 budget for the EAFRD is increased by the corresponding amount to EUR 12 934,7 million. For budget years 2024-2027, Member States will include their decisions on the transfers between the EAGF and the EAFRD in their CAP Strategic Plans, which are expected to be approved before the end of 2022. The necessary adjustments to the EAGF and the EAFRD programming and the corresponding ceilings will be reflected in the Commission's draft budget for 2024.

European Maritime, Fisheries and Aquaculture Fund (EMFAF)

The request in the period 2023-2027 includes a re-allocation of funding from the support expenditure for the programme towards the European Climate, Infrastructure and Environment Executive Agency (CINEA).

Sustainable Fisheries Partnership Agreements (SFPA) and Regional Fisheries Management Organisations (RFMO)

The financial programming for the fisheries agreements (Sustainable Fisheries Partnership Agreements (SFPA) and Regional Fisheries Management Organisations (RFMO)) includes the most recent update of the international legal obligations resulting from the conclusion of Sustainable Fisheries Partnership Agreements between the EU and Third Countries.

Programme for the Environment and Climate Action (LIFE)

The LIFE programme will provide funding of EUR 4,75 million in the period 2024-2027 to the European Environment Agency (EEA) and the European Chemicals Agency – Environmental directives and international conventions (ECHA) for the initiatives described in detail under the section on decentralised agencies below. Additionally, it includes in the period 2023-2027 a re-allocation of funding from the operational expenditure of the programme towards the European Climate, Infrastructure and Environment Executive Agency (CINEA).

Decentralised agencies

As set out in more detail in the policy highlights section, the programmed amounts for the decentralised agencies under MFF heading 3 in 2023 incorporate a reduction due to the recovery of surpluses from 2021, which are made available again to the agencies concerned in 2023.

Following the Commission adoption of the revision of the European Pollutant Release and Transfer Register Regulation ⁽²⁾ and the Industrial Emissions Directive ⁽³⁾, the European Environment Agency (EEA) and the European Chemicals Agency - Environmental directives and international conventions (ECHA) will both receive an increased EU contribution in the years 2024-2027, which will be compensated by a corresponding reduction in the envelope of the LIFE programme. The financial programming of the European Environment Agency (EEA) is increased in total by EUR 2,2 million in order to manage the Industrial Emissions Portal and ECHA is reinforced by EUR 2,5 million to help with tasks related to the Chemical Management System.

⁽¹⁾ Regulation (EU) 2020/2220 of the European Parliament and of the Council of 23 December 2020 laying down certain transitional provisions for support from the European Agricultural Fund for Rural Development (EAFRD) and from the European Agricultural Guarantee Fund (EAGF) in the years 2021 and 2022 and amending Regulations (EU) No 1305/2013, (EU) No 1306/2013 and (EU) No 1307/2013 as regards resources and application in the years 2021 and 2022 and Regulation (EU) No 1308/2013 as regards resources and the distribution of such support in respect of the years 2021 and 2022.

⁽²⁾ Proposal for a Regulation of the European Parliament and of the Council on reporting of environmental data from industrial installations and establishing an Industrial Emissions Portal (COM(2022) 157 final, 5 April 2022).

⁽³⁾ Proposal for a Directive of the European Parliament and of the Council amending Directive 2010/75/EU of the European Parliament and of the Council of 24 November 2010 on industrial emissions (integrated pollution prevention and control) and Council Directive 1999/31/EC of 26 April 1999 on the landfill of waste (COM(2022) 156 final/3, 5 April 2022).

2.4. Heading 4 – Migration and Border Management

(current prices in EUR million, rounded to the nearest thousandth)

Heading 4 : Migration and Border Management	2023	2024	2025	2026	2027
	Difference	Difference	Difference	Difference	Difference
Integrated Border Management Fund (IBMF) - instrument for border management and visa (BMVi)	151,000	- 34,082	- 38,459	- 29,176	- 29,584
Of which operational expenditure	151,000	- 34,082	- 38,459	- 29,176	- 29,584
Decentralised agencies	- 53,047	23,329	26,276	16,320	16,391
Total changes in Heading 4	97,953	- 10,753	- 12,183	- 12,856	- 13,193
New margin	86,688	35,918	38,406	52,563	47,629
Margin difference	53,047	10,753	12,183	12,856	13,193

The changes under MFF heading 4 have an impact on the margin in 2023 (increase of EUR 53 million), because of the recovery of surpluses from decentralised agencies in 2023.

Asylum, Migration and Integration Fund (AMIF)

Transfers from the Asylum, Migration and Integration Fund (AMIF) to the Border Management and Visa Instrument as foreseen in the national programmes for Estonia, Hungary and Portugal (Article 26 of the Common Provisions Regulation) have been programmed.

Integrated Border Management Fund (IBMF) - instrument for border management and visa (BMVi)

The adjustments made under Integrated Border Management Fund (IBMF) - instrument for border management and visa (BMVi) result from the reinforcement under Article 5 MFFR.

The financial impact of the revision of the mandate for the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) is offset by a compensating reduction from the Border Management and Visa Instrument.

Decentralised agencies

As set out in more detail in the policy highlights section, the programmed amounts for the decentralised agencies under MFF heading 4 in 2023 incorporate a reduction due to the recovery of surpluses from 2021, which are made available again to the agencies concerned in 2023, in particular Frontex.

The budget increase for eu-LISA will be offset by a compensatory reduction in the programmed spending of the Integrated Border Management Fund (IBMF) – instrument for border management and visa (BMVi).

2.5. Heading 5 – Security and Defence

(current prices in EUR million, rounded to the nearest thousandth)

Heading 5 : Security and Defence	2023	2024	2025	2026	2027
	Difference	Difference	Difference	Difference	Difference
Internal Security Fund (ISF)	0,000	0,000	- 11,122	- 10,964	- 16,497
Of which operational expenditure	0,000	0,000	- 11,122	- 10,964	- 16,497
European Defence Fund	0,000	- 76,000	- 91,000	- 106,000	- 126,999
Of which support expenditure	1,013	1,245	1,468	1,607	1,684
Of which operational expenditure	- 1,013	- 77,245	- 92,468	- 107,607	- 128,683

Heading 5 : Security and Defence	2023	2024	2025	2026	2027
	Difference	Difference	Difference	Difference	Difference
Military Mobility	0,000	0,000	0,000	0,000	0,000
Of which operational expenditure	- 0,029	- 0,029	- 0,029	- 0,028	- 0,028
Of which executive agencies	0,029	0,029	0,029	0,028	0,028
Union Secure Connectivity Programme	30,000	96,000	111,000	121,000	142,000
Of which operational expenditure	30,000	96,000	111,000	121,000	142,000
Decentralised agencies	- 1,841	17,989	30,685	31,348	37,369
Total changes in Heading 5	- 1,841	- 58,011	- 60,315	- 74,652	- 89,630
New margin	44,891	32,139	30,009	26,662	24,136
Margin difference	- 28,159	- 37,989	- 39,563	- 35,384	- 35,873

The changes under MFF heading 5 have an impact on the margin in 2023 (decrease of EUR 28,1 million), because of the new Union Secure Connectivity programme and the recovery of surpluses from agencies. The evolution of the margin for 2024-2027 is due to the increase for the Union Secure Connectivity programme and increases to decentralised agencies.

European Defence Fund (EDF) and Union Secure Connectivity

The revised programming also reflects two main changes in the period 2024-2027:

- the budgetary implications of the Union Secure Connectivity programme: the redeployments from the European Defence Fund as included in the Commission proposal, lead to a decrease of EUR 400 million over the period 2024-2027. These amounts, including EUR 100 million from the margin, will be implemented, under MFF heading 5, on a dedicated budget line for the programme.
- some revisions of the administrative lines, mainly for the research strand of the European Defence Fund. The increase for support expenditure results from more concrete information on the profile of staff financed under the European Defence Fund, the impact of the higher inflation on salaries of the research staff and some additional expenses for this new programme, which were not known last year. After this adjustment, the administrative lines of the European Defence Fund still represent an overall limited percentage of the overall programme (i.e. 1% of its envelope).

Decentralised agencies

As set out in more detail in the 'policy highlights' document, the reduction of programmed amounts for the decentralised agencies under MFF heading 5 in 2023 reflects the recovery of surpluses from 2021, which are made available again to the agencies concerned in 2023.

The Commission proposal ⁽¹⁾ on the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) will revise the mandate of the EMCDDA. The proposal has a budgetary impact of EUR 62.9 million for the remainder of the MFF, to ensure the EMCDDA has the necessary resources to implement its revised mandate.

The new proposed EU Centre to prevent and counter child sexual abuse is now incorporated in the financial programming (new budget line 12 10 04). The budget allocated to the EU Centre to prevent and counter child sexual abuse will be offset by a compensatory reduction in the programmed spending for the Internal Security Fund.

⁽¹⁾ Proposal for a Regulation of the European Parliament and of the Council on the European Union Drugs Agency (COM(2022) 18 final, 12 January 2022).

2.6. Heading 6 – Neighbourhood and the World

(current prices in EUR million, rounded to the nearest thousandth)

Heading 6 : Neighbourhood and the World	2023	2024	2025	2026	2027
	Difference	Difference	Difference	Difference	Difference
Neighbourhood, Development and International Cooperation Instrument—Global Europe (NDICI—Global Europe)	8,346	3,046	- 50,154	- 50,154	- 50,154
Of which support expenditure	- 0,343	- 0,348	- 0,352	- 0,358	- 0,363
Of which operational expenditure	8,500	3,200	- 50,000	- 50,000	- 50,000
Of which executive agencies	0,189	0,194	0,199	0,204	0,209
Pre-Accession Assistance (IPA III)	551,500	- 3,200	0,000	0,000	0,000
Of which support expenditure	0,957	0,956	0,955	0,954	0,952
Of which operational expenditure	550,500	- 4,200	- 1,000	- 1,000	- 1,000
Of which executive agencies	0,043	0,044	0,045	0,046	0,048
Union Secure Connectivity	0,000	0,000	50,000	50,000	50,000
Of which operational expenditure	0,000	0,000	50,000	50,000	50,000
Annual actions	- 1,605	0,000	0,000	0,000	0,000
Prerogatives and specific responsibilities of the Commission	1,223	0,000	0,000	0,000	0,000
Total changes in Heading 6	559,464	- 0,154	- 0,154	- 0,154	- 0,154
New margin	0,000	107,410	108,927	110,718	113,250
Of which Flexibility Instrument	452,879	0,000	0,000	0,000	0,000
Margin difference	- 106,585	0,154	0,154	0,154	0,154

The changes under MFF heading 6 have an impact on the margin in 2023 (decrease of EUR 106,6 million), because of reinforcements to Pre-Accession Assistance (IPA III), in addition to EUR 452,9 million from the Flexibility Instrument. EUR 8,5 million are moved from the Pre-Accession Assistance (IPA III) to the Neighbourhood, Development and International Cooperation Instrument—Global Europe (NDICI—Global Europe).

Provisioning of the Common Provisioning Fund (Neighbourhood, Development and International Cooperation Instrument—Global Europe (NDICI—Global Europe), Pre-Accession Assistance (IPA III) and European Instrument for International Nuclear Safety Cooperation (INSC))

The profile of the European Fund for Sustainable Development + (EFSD+) provisioning for the years 2023 to 2027 has been modified. After the significant frontloading in 2021 and 2022, the Neighbourhood, Development and International Cooperation Instrument—Global Europe (NDICI—Global Europe) contributions to the Common Provisioning Fund (CPF) are significantly reduced in 2023 and 2024 to align them to the flat annual profiles of the respective geographic envelopes, which contribute to the provisioning.

In addition, the needs for provisioning of the former External Lending Mandate (ELM) and macro-financial assistance (MFA) legacy in 2023 have increased, compared to the technical update of the financial programming. This is due to the actual amount of disbursed loans and the availabilities in the External Action Guarantee Fund (EAGF). This increase will be partially (EUR 208,6 million) offset by reducing the European Fund for Sustainable Development + provisioning in 2022. The latter decrease is then proposed to be compensated in 2027 in order to keep the overall level of provisioning from the Neighbourhood, Development and International Cooperation Instrument—Global Europe (NDICI—Global Europe) and Pre-Accession Assistance (IPA III) (budget line 15 02 02 03), at the ceiling of EUR 10 billion for the MFF.

All changes in the provisioning amounts are compensated by the respective geographic lines in order to keep the geographic envelopes and the overall Neighbourhood, Development and International Cooperation Instrument—Global Europe (NDICI—Global Europe) and Pre-Accession Assistance (IPA III) envelopes in balance.

The amounts on budget article 'INSC – Provisioning of the Common Provisioning Fund' (14 06 02) are increased by EUR 2,1 million in 2023, following the updated amount for the legacy Euratom provisioning. The amounts on the operational budget line 'Nuclear safety, radiation protection and safeguards' (14 06 01) are decreased correspondingly. The total annual amounts of the European Instrument for International Nuclear Safety Cooperation (INSC) envelope thus remain unchanged.

Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI – Global Europe)

Staffing

A decrease in the administrative support line (14 01 01 01) by EUR 154 000 per year for 2023-2027 is related to a transfer of one contract agent in EU Delegation to the European External Action Service, i.e. a total amount of EUR 0,77 million for 2023-2027.

A further decrease in the administrative support line (14 01 01 01) yearly by EUR 0,189 million as from 2023 is related to the higher forecasts for the salary adjustments in the European Education and Culture Executive Agency (EACEA). The amount on the line 'European Education and Culture Executive Agency — Contribution from the Neighbourhood, Development and International Cooperation Instrument' (14 01 01 75) is increased correspondingly.

The overall Neighbourhood, Development and International Cooperation Instrument—Global Europe (NDICI—Global Europe) envelope has been increased by EUR 8,5 million in 2023 and EUR 3,2 million in 2024. At the same time, Pre-Accession Assistance (IPA III) has been reduced. For reasons of synergies and economies of scale, all technical assistance facilities, including the ones for Pre-Accession Assistance (IPA III), will be managed through joint contracts implemented under the Global Challenges programme.

The amounts for 2023 to 2025 on budget item 14 02 01 12 'Neighbourhood — Territorial and cross-border cooperation and supporting measures' have been revised in order to align them to the profile of MFF sub-heading 2a funds, which are being reprogrammed according to article 7 of the MFF regulation.

The breakdown per budget line within the Asia and Latin America envelopes for 2023-2027 has been adjusted to better reflect the results of the programming exercise. The annual profile of the instrument and the total envelopes for Asia and for Latin America are unchanged.

Following the finalisation of the programming exercise, the allocations of the Global Challenges budget lines for 2023-2027 have been adjusted. Autonomous transfers in 2021 and 2022 were carried out in line with this adjustment. In addition, the Global Challenges budget lines have been increased for the amounts for technical assistance by reducing all geographic budget lines, as described above.

The financial programming for the Neighbourhood, Development and International Cooperation Instrument—Global Europe (NDICI—Global Europe) has been decreased by EUR 50 million per year in 2025-2027 for the creation of the Union Secure Connectivity programme.

Union Secure Connectivity Programme

The financial programming for the Union Secure Connectivity Programme for the years 2025-2027 has been included, in line with the legislative financial statement that accompanied the Commission proposal ⁽¹⁾. The Programme would cover the capacity and capability gaps for governmental satellite communication services, as well as allow for the provision of commercial satellite communication services by the private sector, that can provide connectivity over geographical areas of strategic interest outside the Union. In parallel with this programme, the Neighbourhood, Development and International Cooperation Instrument—Global Europe (NDICI—Global Europe) will allocate a dedicated share of its activities to enable the sharing of the deployment and exploitation risks between public and private partners for the connectivity system that will allow to offer services with accrued benefits to international partners.

⁽¹⁾ Proposal for a Regulation of the European Parliament and of the Council establishing the Union Secure Connectivity Programme for the period 2023-2027 (COM(2022) 57 final, 15 February 2022).

Overseas Countries and Territories

The amount on budget article 'All overseas countries and Territories excluding Greenland' (14 05 02) is increased by EUR 2,6 million in 2023 for Regional programmes, as the programming for the Caribbean and Pacific regions has progressed well and has been prioritised for a top up in 2023. The amount on the budget article 'All countries and territories' (14 05 01) is decreased correspondingly in 2023. The total annual amounts of the instrument's envelope thus remain unchanged.

Humanitarian Aid (HUMA)

The amount on budget article 'Support expenditure for Humanitarian Aid' (14 01 02) is increased by EUR 1,2 million following on from the previous budgetisation (2021-2023) of the activities previously financed by the Facility for Refugees in Turkey (FRiT) covering 15 additional temporary full-time equivalents (FTEs) in 2024. An additional year is needed to implement two humanitarian aid projects, which were previously financed under the Facility for Refugees in Turkey (FRiT), and paid by Member States' contributions. The amount on the operational line 'Humanitarian aid' (14 03 01) is decreased correspondingly. The total annual amount of the Humanitarian Aid instrument thus remains unchanged.

Common Foreign and Security Policy (CFSP)

The increase of EUR 3 million on budget article 14 04 02 'European Union Special Representatives' in 2023 is related to the high political priority of appointing further EU Special Representatives (EUSRs), which the Member States appoint for longer periods. The increase will be compensated by the corresponding decrease on the budget article 14 04 03 'Non-proliferation and disarmament'. The total annual amount of the Common Foreign and Security budget remains unchanged.

Instrument for Pre-accession Assistance III (IPA III)

The increase on the operational expenditure line (15 02 01 01) by EUR 560 million in 2023 is related to the financing of the 2023 component of the Syrian refugees package announced in July 2021. This reinforcement comes from the MFF heading 6 margin (EUR 106,6 million), the Flexibility Instrument (EUR 452,9 million) and other savings in the MFF heading (EUR 0,5 million) and focuses on transitional support to refugees based in Turkey.

The Instrument for Pre-accession Assistance III (IPA III) is decreased by EUR 8,5 million in 2023 for the transfer of technical assistance actions to the Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI – Global Europe).

An increase in the administrative support line (15 01 01 01) by EUR 1 million per year is related to the full absorption into the EU budget of activities previously financed from Member States' assigned revenues under the Facility for Refugees in Turkey (FRiT). The Commission proposes to finance 20 currently employed full-time equivalents (FTEs) for the 5-year period 2023-2027, which were previously paid for by Member States' contributions, in order to fully implement the Facility for Refugees in Turkey (FRiT) projects. The Facility for Refugees in Turkey (FRiT) headcount paid by the assigned revenues will decrease in parallel from 2023. As some savings were identified after implementation of 2021, one third of the increase of staff lines is covered by the technical assistance line (within 15 01 01 01) and two thirds (EUR 1 million) are balanced by the offset with the Instrument for Pre-accession Assistance III (IPA III) operational line 'Preparation for accession' (15 02 01 01).

An increase on the line 'European Education and Culture Executive Agency — contribution from IPA' (15 01 01 75) by EUR 0,043 million annually from 2023 is related to the higher forecasts for the salary adjustments in the European Education and Culture Executive Agency. The amount the administrative support line (15 01 01 01) is decreased correspondingly.

Out of the total Instrument for Pre-accession Assistance III (IPA III) contribution to Erasmus+ of EUR 377,7 million for the period 2021-2027, EUR 3,7 million were allocated for the support of the Bologna activities in Western Balkans in 2022 and 2025. This allocation was planned to be programmed through Instrument for Pre-accession Assistance III (IPA III) comitology, outside the Erasmus + comitology process.

Considering the change in the programming approach, as well as the delay in the adoption of the Instrument for Pre-accession Assistance III (IPA III) basic act, the contribution to Erasmus+ in 2022 (budget line 15 02 01 02) had to be updated through the Amending Letter 1/2022, by a decrease in commitment appropriations of EUR 2,2 million. These appropriations were made available to the budget line 'Preparation for accession' (15 02 01 01). Consequently, the financial programming for 2025 is also updated to reflect the decrease of EUR 1,5 million of the Instrument for Pre-accession Assistance III (IPA III) contribution to Erasmus+ for the Bologna Activities, with the funds to be programmed out of budget line 'Preparation for accession' (15 02 01 01).

The financial programming of the line 'Territorial and cross-border cooperation' (15 02 03) for the years 2023-2025 has been adjusted to reflect the offsetting of EUR 11,66 million per year following the absorption in 2022 of a total amount of EUR 34,8 million on budget line 'Preparation for accession' (15 02 01 01) due to the need to facilitate the reprogramming of the 2021 tranche of the external contribution to the cross-border cooperation programmes.

Other actions and Commission's prerogatives

The increase of EUR 1,2 million is related to an increase of EUR 1 million on budget item 14 20 04 03 'Information policy and strategic communication for external action' – as compared with the previous financial programming – to address the disinformation and foreign information manipulation and interference in the context of the Russian invasion of Ukraine and EUR 0,2 million for evaluations and audits.

The decrease of EUR 1,6 million under the annual actions is due to some savings on the expected amount of fees and contributions due for international agreements and organisations, to which the Union is participating.

2.7. Heading 7 – European Public Administration

(current prices in EUR million, rounded to the nearest thousandth)

Heading 7 : European Public Administration	2023	2024	2025	2026	2027
	Difference	Difference	Difference	Difference	Difference
Pensions (all institutions)	146,890	143,329	140,561	137,643	134,049
European schools	17,949	18,610	19,283	19,982	20,718
European Parliament	25,483	71,204	67,553	72,338	94,160
European Council	25,981	26,870	27,789	28,741	29,725
Commission (excluding pensions and European schools)	115,548	105,005	128,194	138,545	149,227
Court of Justice	11,548	22,387	24,948	29,334	30,743
Court of Auditors	9,432	9,743	10,065	10,397	10,741
European Economic and Social Committee	5,065	5,550	5,420	5,607	5,800
Committee of Regions	5,876	6,058	6,246	6,440	6,640
European Ombudsman	0,642	0,664	0,687	0,711	0,735
European Data Protection Supervisor	- 1,506	1,014	1,168	1,093	1,188
European External Action service	28,141	28,896	29,673	30,473	31,296
Total changes in Heading 7	391,049	439,328	461,586	481,303	515,021
New margin	32,670	- 51,585	- 45,098	- 63,996	- 6,792
Margin difference	- 328,576	- 439,328	- 461,586	- 481,303	- 515,021

The changes under MFF heading 7 have an impact on the margin in 2023 (decrease of EUR 328,5 million) due to the high levels of inflation and the rising energy prices, which have a direct impact on the costs of administration. The commitment to the 2% limit on the growth of non-salary related expenditure is maintained – with the exception of the European Parliament - by very severe reprioritisation measures. Nevertheless, despite the efforts to maintain stable staffing and limit the increases in non-salary expenditure under challenging conditions, the margin under the sub-ceiling for administrative expenditure of the institutions is fully depleted, and recourse to special instruments is necessary in order to respect all legal obligations.

The financial programming for the period 2024-2027 has been updated on the basis of the 2023 draft budget request. A revised total estimated salary update rate for 2022 of 8.6% which includes the 2.5% suspended update, which was not made in 2020, has been taken into account for all institutions, pension expenditure and the European schools.

Further specific adjustments per institution (within the meaning of the Financial Regulation) are outlined below.

Commission

For the Commission the increase is mainly due to the following elements:

- A budget-neutral transfer of EUR 0,8 million from several institutions to the Office for Administration and Payment of Individual Entitlements (PMO) in the framework of a renegotiated Service Level Agreement.
- The increase of IT expenditure between 2022 and 2023 reflects the continued efforts in the modernisation of corporate systems to reach a full digital Commission in a (cyber)secure IT environment. After these increases, it is expected that IT expenditure will stabilise until 2027.
- The variation in expenditure relating to buildings is mainly due to the new delivery schedule for the JMO-2 building in Luxembourg, resulting in delays which require the Commission to maintain payments for current buildings.
- A further reduction of the appropriations requested for missions and meetings requiring travel to take account of the enhanced recourse to teleconferencing.

Other institutions

For the other institutions the main changes compared to the previous financial programming result from a revised forecast as described below.

- The European Parliament (EP)

Additional appropriations due to staff increase, increased investments in IT infrastructure, in particular in relation to cybersecurity (EUR 14,8 million) and for external communication and the outreach to the general public (EUR 16,7 million) is partially offset by significantly lower than anticipated building related expenditure (EUR -64,8 million).

- The European Council and Council

Additional appropriations due to a decrease in the Council's flat rate reduction for salary expenditure as a consequence of more efficient recruitment procedures and an ensuing higher occupancy rate.

- The Committee of the Regions (CoR)

Additional appropriations for 19 contract staff to provide additional support to Members to pursue the Committee of the Regions' political agenda and to reinforce the secretariats of the political groups.

- The European External Action Service (EEAS)

The European External Action Service plans a significant increase in costs linked to buildings in the 2023 draft budget (EUR 2,1 million). It is mainly due to the delays of the opening of the NEO building – causing the prolonged maintenance of costs for the Cortenberg C150 and C158 buildings – as well as the extraordinary increase of the energy costs.

At the same time another substantial increase of EUR 2,3 million is caused by shifting to the new ways of working (dynamic and collaborative workspaces), and new office settings in most of headquarters departments, combined with the need for the new furniture for the NEO building. The latter costs are expected to be one-off, hence not to be repeated in 2024.

In addition, the other administrative expenditures, i.e. mainly the budget for strategic communication and public information and events, as well for IT and telecommunications in delegations, are to rise altogether by EUR 3,3 million.

Pensions and the European schools

— Pensions

- The forecast for pension expenditure has been adjusted in line with the actual number of pension beneficiaries (staff and Members) at the end of 2021 and their expected evolution in 2023, and the resulting impact on the years thereafter. The contribution of the United Kingdom to pension expenditure has been taken into account for the years 2023-2027 at the level of the estimated amount to be paid for the year 2022 (EUR 261,4 million).

— European Schools

The revised forecast reflects the impact of the salary update for 2022 in 2023, the evolution of the number of pupils and the increasing utility bills, as well as the impact of new schools accredited by the Board of Governors of the European Schools (Paris, Lille and Warsaw) and the expected school in Lisbon.

3. ANNEXES

3.1. Overview

(current prices in EUR million, rounded to the nearest thousandth)

HEADING 1 - Single Market, Innovation and Digital	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
Co-decided programmes	19 831,395	19 412,420	19 793,076	20 188,479	20 578,247
Council decisions	1 296,326	1 087,536	977,986	1 150,117	971,846
Annual actions	9,700	9,500	9,500	9,500	9,500
Decentralised agencies	403,885	437,368	460,412	454,065	462,590
Prerogatives, specific competences	26,261	26,942	26,781	27,131	27,524
Pilot project and Preparatory actions					
Total	21 567,567	20 973,765	21 267,755	21 829,292	22 049,707
Financial framework ceiling	21 727,000	20 984,000	21 272,000	21 847,000	22 077,000
Margin	159,433	10,235	4,245	17,708	27,293
HEADING 2A - Economic, Social and territorial cohesion	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
Co-decided programmes	62 922,984	64 681,334	66 478,044	56 724,702	58 638,386
Pilot project and Preparatory actions					
Total	62 922,984	64 681,334	66 478,044	56 724,702	58 638,386
Financial framework ceiling	62 939,000	64 683,000	66 479,000	56 725,000	58 639,000
Margin	16,016	1,666	0,956	0,298	0,614
HEADING 2B - Resilience and Values	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
Co-decided programmes	6 399,052	6 840,318	7 646,655	8 929,977	10 749,327
Council decisions	33,613	34,286	34,971	35,671	36,197
Annual actions	7,900	8,859	8,937	9,017	9,077
Decentralised agencies	529,384	565,960	584,915	596,693	608,261
Prerogatives, specific competences	193,750	195,575	197,406	199,273	200,740
Pilot project and Preparatory actions					
Total	7 163,699	7 644,998	8 472,884	9 770,632	11 603,602
Financial framework ceiling	7 198,000	7 684,000	8 514,000	9 811,000	11 644,000
Margin	34,301	39,002	41,116	40,368	40,398

HEADING 3 - Natural Resources and Environment	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
- Co-decided programmes	56 974,232	57 119,081	57 220,259	56 989,762	57 206,016
- Annual actions	162,019	140,956	143,775	146,650	148,810
- Decentralised agencies	86,308	91,822	95,098	95,778	98,944
- Pilot project and Preparatory actions					
Total	57 222,558	57 351,859	57 459,132	57 232,190	57 453,770
<i>Of which Market related expenditure and direct payments</i>	40 692,211	41 649,000	41 782,000	41 913,000	42 047,000
<i>Net balance available for EAGF (after transfers between EAGF and EAFRD)</i>	40 693,000	41 649,000	41 782,000	41 913,000	42 047,000
<i>EAGF margin (after transfers between EAGF and EAFRD)</i>	0,789				
Financial framework ceiling	57 295,000	57 449,000	57 558,000	57 332,000	57 557,000
Margin	72,442	97,141	98,868	99,810	103,230
HEADING 4 - Migration and Border Management	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
Co-decided programmes	2 505,873	2 441,419	2 860,966	2 703,126	2 806,922
Decentralised agencies	1 221,439	1 388,663	1 487,628	1 559,310	1 610,449
Total	3 727,312	3 830,082	4 348,594	4 262,437	4 417,371
Financial framework ceiling	3 814,000	3 866,000	4 387,000	4 315,000	4 465,000
Margin	86,688	35,918	38,406	52,563	47,629
HEADING 5 - Security and Defence	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
Co-decided programmes	1 522,244	1 550,280	1 764,132	1 937,655	2 182,965
Council decisions	126,039	136,924	145,150	153,155	172,188
Decentralised agencies	230,412	261,795	280,390	293,608	301,439
Prerogatives, specific competences	22,414	22,862	23,319	23,921	24,272
Total	1 901,109	1 971,861	2 212,991	2 408,338	2 680,864
Financial framework ceiling	1 946,000	2 004,000	2 243,000	2 435,000	2 705,000
Margin	44,891	32,139	30,009	26,662	24,136

HEADING 6 - Neighbourhood and the World	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
Co-decided programmes	16 128,706	15 051,008	14 504,123	13 931,110	14 481,961
Council decisions	481,775	495,335	509,696	525,078	541,004
Annual actions	78,429	81,899	84,326	87,151	90,869
Prerogatives, specific competences	92,969	94,348	96,928	99,944	103,917
Total	16 781,879	15 722,590	15 195,073	14 643,282	15 217,750
Financial framework ceiling	16 329,000	15 830,000	15 304,000	14 754,000	15 331,000
Flexibility instrument	452,879				
HEADING 7 - European Public Administration	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
European Schools and Pensions	2 614,330	2 734,172	2 871,587	3 005,882	3 136,137
- Pensions (all institutions)	2 381,282	2 492,658	2 621,311	2 746,526	2 867,368
- European schools	233,048	241,514	250,276	259,356	268,770
Administrative expenditure of the institutions	8 834,473	9 090,413	9 297,511	9 564,113	9 829,655
- European Parliament	2 267,983	2 356,475	2 389,854	2 439,958	2 521,337
- European Council	654,340	673,245	692,731	712,817	733,523
- Commission (excluding pensions and European schools)	4 106,046	4 192,709	4 294,824	4 436,514	4 572,543
- Court of justice	491,240	513,850	528,726	545,331	535,378
- Court of Auditors	176,610	182,121	187,811	193,687	199,755
- European Economic and Social Committee	160,102	164,877	169,164	173,899	178,776
- Committee of Regions	117,300	120,621	124,043	127,568	131,201
- European Ombudsman	13,105	13,504	13,916	14,341	14,780
- European Data Protection Supervisor	22,172	26,422	28,263	29,630	29,195
- European External Action service	825,575	846,589	868,180	890,367	913,166
Sub-Total Administrative expenditure of the institutions	8 834,473	9 090,413	9 297,511	9 564,113	9 829,655
Sub-ceiling	8 772,000	9 006,000	9 219,000	9 464,000	9 786,000
Flexibility instrument	62,473				
Sub-margin		- 84,413	- 78,511	- 100,113	- 43,655
Total	11 448,802	11 824,585	12 169,098	12 569,996	12 965,792

Financial framework ceiling	11 419,000	11 773,000	12 124,000	12 506,000	12 959,000
Flexibility instrument	62,473				
Margin	32,670	- 51,585	- 45,098	- 63,996	- 6,792
Solidarity mechanisms within and outside the Union (Special instruments)	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
Co-decided programmes	1 580,256	259,466	1 412,342	267,929	272,287
Council decisions	1 274,897	1 301,395	1 328,423	1 355,991	1 384,111
Total	2 855,153	1 560,861	2 740,765	1 623,920	1 656,398
GRAND TOTAL	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
HEADING 1 - Single Market, Innovation and Digital	21 567,567	20 973,765	21 267,755	21 829,292	22 049,707
HEADING 2 - Cohesion, Resilience and Values	70 086,683	72 326,332	74 950,928	66 495,334	70 241,988
HEADING 3 - Natural Resources and Environment	57 222,558	57 351,859	57 459,132	57 232,190	57 453,770
HEADING 4 - Migration and Border Management	3 727,312	3 830,082	4 348,594	4 262,437	4 417,371
HEADING 5 - Security and Defence	1 901,109	1 971,861	2 212,991	2 408,338	2 680,864
HEADING 6 - Neighbourhood and the World	16 781,879	15 722,590	15 195,073	14 643,282	15 217,750
HEADING 7 - European Public Administration	11 448,802	11 824,585	12 169,098	12 569,996	12 965,792
Total	182 735,910	184 001,073	187 603,571	179 440,869	185 027,242
Ceiling	182 667,000	184 273,000	187 881,000	179 725,000	185 377,000
Flexibility instrument	515,352				
Margin	446,442	271,927	277,429	284,131	349,758
Solidarity mechanisms within and outside the Union (Special instruments)	2 855,153	1 560,861	2 740,765	1 623,920	1 656,398
Grand Total	185 591,063	185 561,934	190 344,335	181 064,788	186 683,641

3.2. Summary by programme

(current prices in EUR million, rounded to the nearest thousandth)

Heading	Type	Period	Reference amount (*)	Total amount (**)	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
Heading 1 : Single Market, Innovation and Digital					20 016,325	21 319,483	21 127,721	20 499,955	20 771,062	21 338,596	21 550,093
Co-decided programmes					18 887,583	20 338,688	19 831,395	19 412,420	19 793,076	20 188,479	20 578,247
Horizon Europe – the Framework Programme for Research and Innovation	co	(21-27)	86 123,000	86 678,027	11 507,554	12 239,157	12 342,890	12 271,589	12 513,620	12 775,593	13 027,624
InvestEU Programme	co	(21-27)	3 067,707	2 992,707	656,672	1 196,627	340,742	194,046	197,927	201,886	204,807
Connecting Europe Facility (CEF)	co	(21-27)	20 733,457	20 181,175	2 848,053	2 841,615	2 897,531	2 754,105	2 830,788	2 973,134	3 035,950
Digital Europe Programme	co	(21-27)	7 588,000	8 220,975	1 130,484	1 247,755	1 310,429	1 157,908	1 160,961	1 096,828	1 116,610
Single Market Programme, including COSME, ISA2, ESP, consumer involvement in fin. Services, financial reporting, Health, Food and Feed, consumer programme	co	(21-27)	4 208,041	4 241,441	583,126	613,544	592,820	601,500	610,234	619,656	620,561
EU Anti-Fraud Programme	co	(21-27)	181,207	181,207	24,053	24,369	24,850	25,506	26,351	27,402	28,676
Cooperation in the field of taxation (FISCALIS)	co	(21-27)	269,237	267,810	34,789	36,940	37,679	38,432	39,201	39,985	40,785
Cooperation in the field of customs (CUSTOMS)	co	(21-27)	950,000	948,630	125,517	130,444	133,053	135,714	138,429	141,197	144,276
European Space Programme	co	(21-27)	14 880,000	14 390,002	1 977,335	2 008,237	2 045,101	2 088,270	2 051,215	2 095,099	2 124,745
Union Secure Connectivity Programme	pc	(23-27)		927,913			106,300	145,350	224,350	217,700	234,213
Council's decisions					1 128,743	980,794	1 296,326	1 087,536	977,986	1 150,117	971,846

Heading	Type	Period	Reference amount (*)	Total amount (**)	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
Euratom Research and Training Programme	dc	(21-27)	1 382,000	1 979,347	264,749	270,700	276,477	281,236	287,838	293,809	304,538
International Thermonuclear Experimental Reactor (ITER)	pd	(21-27)	5 614,000	5 614,000	863,994	710,094	1 019,848	806,300	690,148	856,308	667,308
Supplementary High Flux Reactor (HFR) programmes (2020-2023)	dc	(20-23)									
Heading 2A : Economic, Social and territorial cohesion					1 768,971	61 311,511	62 922,984	64 681,334	66 478,044	56 724,702	58 638,386
Co-decided programmes					1 768,971	61 311,511	62 922,984	64 681,334	66 478,044	56 724,702	58 638,386
Cohesion Fund (CF)	co	(21-27)	48 026,156	48 026,156	1 458,801	7 528,602	7 755,914	8 007,553	8 267,161	7 365,291	7 642,835
European Social Fund (ESF)	co	(21-27)	98 499,618	98 456,523	71,373	16 358,698	16 774,496	17 222,319	17 668,640	14 943,130	15 417,867
European Regional Development Fund (ERDF)	co	(21-27)	226 047,490	226 043,254	238,798	37 424,211	38 392,573	39 451,462	40 542,244	34 416,281	35 577,684
Heading 2B : Resilience and Values					4 250,922	5 554,452	6 432,665	6 874,604	7 681,626	8 965,648	10 785,524
Co-decided programmes					3 987,236	5 520,176	6 399,052	6 840,318	7 646,655	8 929,977	10 749,327
Recovery and Resilience Facility	co	(21-27)									
Technical Support Instrument	co	(21-27)	864,000	864,406	116,364	118,692	121,065	123,486	125,956	128,476	130,367
Protection of the euro against counterfeiting (the 'Pericles IV programme')	co	(21-27)	6,193	6,193	0,834	0,850	0,867	0,885	0,902	0,920	0,935
Union Civil Protection Mechanism (rescEU)	co	(21-27)	1 262,929	1 326,740	182,605	101,254	146,575	230,311	219,321	220,623	226,050
EU4Health Programme	co	(21-27)	2 446,000	3 096,544	329,079	839,673	731,750	308,088	318,076	326,203	243,673
Erasmus+	co	(21-27)	24 574,000	25 116,703	2 663,016	3 401,740	3 548,525	3 474,828	3 663,316	3 857,953	4 507,325
European Solidarity Corps (ESC)	co	(21-27)	1 009,000	1 012,000	135,713	141,428	141,196	144,020	146,901	149,839	152,903

Heading	Type	Period	Reference amount (*)	Total amount (**)	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
Creative Europe	co	(21-27)	1 842,000	2 026,336	306,382	406,528	325,290	239,673	244,466	249,355	254,642
Justice Programme	co	(21-27)	298,974	299,277	46,696	43,627	42,225	41,791	41,750	41,743	41,445
Citizens, Equality, Rights and Values Programme	co	(21-27)	648,260	894,061	98,914	214,902	212,282	92,086	92,200	92,163	91,514
Employment and Social Innovation	co	(21-27)	761,581	750,608	102,632	106,482	93,500	108,755	110,930	113,149	115,160
European Union Recovery Instrument (Next Generation EU)	co	(21-27)		14 679,872	5,000	145,000	1 035,775	2 076,394	2 682,836	3 749,554	4 985,313
Council's decisions					263,686	34,276	33,613	34,286	34,971	35,671	36,197
Support to the Turkish Cypriot Community	dc	(21-27)	193,037	241,000	31,986	34,276	33,613	34,286	34,971	35,671	36,197
Emergency support within the Union (ESI)	dc	(21-27)		231,700	231,700						
Heading 3 : Natural Resources and Environment					56 564,848	56 429,395	56 974,232	57 119,081	57 220,259	56 989,762	57 206,016
Co-decided programmes					56 564,848	56 429,395	56 974,232	57 119,081	57 220,259	56 989,762	57 206,016
European Agricultural Guarantee Fund (EAGF)	co	(21-27)	290 533,954	288 823,524	40 371,454	40 368,859	40 692,211	41 649,000	41 782,000	41 913,000	42 047,000
European Agricultural Fund for Rural Development (EAFRD)	co	(21-27)	87 998,317	89 439,417	15 341,490	12 727,699	12 934,677	12 108,888	12 108,888	12 108,888	12 108,888
European Maritime, Fisheries and Aquaculture Fund (EMFAF)	co	(21-27)	6 108,000	6 082,000	109,097	1 134,286	1 102,825	1 069,716	981,866	835,922	848,290
Programme for the Environment and Climate Action (LIFE)	co	(21-27)	5 432,000	5 455,807	738,827	755,545	728,318	751,617	783,514	826,602	871,382
Just Transition Fund	co	(21-27)	8 452,844	8 452,844	3,980	1 443,006	1 466,201	1 489,860	1 513,992	1 255,349	1 280,456
Public sector loan facility under the Just Transition Mechanism (JTM)	co	(21-27)	250,000	250,000			50,000	50,000	50,000	50,000	50,000

Heading	Type	Period	Reference amount (*)	Total amount (**)	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
Heading 4 : Migration and Border Management					786,627	2 197,515	2 505,873	2 441,419	2 860,966	2 703,126	2 806,922
Co-decided programmes					786,627	2 197,515	2 505,873	2 441,419	2 860,966	2 703,126	2 806,922
Asylum, Migration and Integration Fund (AMIF)	co	(21-27)	9 882,000	10 023,532	497,581	1 318,583	1 418,121	1 500,715	1 785,704	1 705,635	1 797,192
Integrated Border Management Fund (IBMF) - instrument for border management and visa (BMVi)	co	(21-27)	5 241,000	5 272,509	153,566	740,742	946,798	796,930	928,613	847,910	857,948
Integrated Border Management Fund (IBMF) - Instrument for financial support for customs control equipment (CCEi)	co	(21-27)	1 006,407	1 006,407	135,480	138,190	140,953	143,773	146,648	149,581	151,782
Heading 5 : Security and Defence					1 384,465	1 574,411	1 648,284	1 687,204	1 909,282	2 090,809	2 355,153
Co-decided programmes					1 242,760	1 431,572	1 522,244	1 550,280	1 764,132	1 937,655	2 182,965
Internal Security Fund (ISF)	co	(21-27)	1 931,000	1 887,996	70,000	254,128	309,858	314,886	334,657	319,097	285,371
European Defence Fund (EDF)	co	(21-27)	7 953,000	7 553,001	945,698	945,701	945,701	898,027	1 072,166	1 246,307	1 499,402
Military mobility 2021-2027	co	(21-27)	1 690,612	1 690,612	227,062	231,744	236,686	241,367	246,309	251,251	256,193
Union Secure Connectivity Programme	pc	(23-27)		500,000			30,000	96,000	111,000	121,000	142,000
Council's decisions					141,705	142,839	126,039	136,924	145,150	153,155	172,188
Nuclear decommissioning (Lithuania)	dc	(21-27)	552,000	552,000	72,500	98,900	68,800	74,600	74,700	80,100	82,400
Nuclear Safety and decommissioning (incl. For Bulgaria and Slovakia)	dc	(21-27)	466,000	466,000	69,205	43,939	57,239	62,324	70,450	73,055	89,788
Heading 6 : Neighbourhood and the World					16 919,973	17 003,502	16 610,481	15 546,343	15 013,819	14 456,187	15 022,964
Co-decided programmes					16 463,156	16 534,212	16 128,706	15 051,008	14 504,123	13 931,110	14 481,961

Heading	Type	Period	Reference amount (*)	Total amount (**)	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
Neighbourhood, Development and International Cooperation Instrument - Global Europe	co	(21-27)	79 461,700	79 750,327	12 411,293	12 716,647	11 970,770	11 373,889	10 700,883	10 051,959	10 524,884
Humanitarian Aid (HUMA)	co	(21-27)	11 569,156	12 445,216	2 168,060	1 806,059	1 626,864	1 660,704	1 693,582	1 727,497	1 762,450
Pre-Accession Assistance (IPA III)	co	(21-27)	14 161,541	14 748,732	1 883,803	2 011,505	2 531,071	2 016,414	2 059,657	2 101,653	2 144,626
Union Secure Connectivity Programme	pc	(23-27)		150,000					50,000	50,000	50,000
Council's decisions					456,817	469,290	481,775	495,335	509,696	525,078	541,004
European Instrument for International Nuclear Safety Cooperation (INSC)	dc	(21-27)	300,000	300,000	37,620	38,580	39,930	41,760	44,100	47,160	50,850
Common Foreign and Security Policy (CFSP)	dc	(21-27)	2 678,725	2 678,994	352,197	361,746	371,817	382,146	392,739	403,604	414,746
Overseas Countries and Territories (OCT) (including Greenland)	dc	(21-27)	500,000	500,000	67,000	68,964	70,028	71,429	72,857	74,314	75,408
Heading 7 : : European Public Administration					10 442,813	10 620,124	11 448,802	11 824,585	12 169,098	12 569,996	12 965,792
Council's decisions					10 442,813	10 620,124	11 448,802	11 824,585	12 169,098	12 569,996	12 965,792
European Schools and Pensions					2 412,488	2 332,179	2 614,330	2 734,172	2 871,587	3 005,882	3 136,137
Pensions (all institutions)	dc	(21-27)		17 448,715	2 214,957	2 124,614	2 381,282	2 492,658	2 621,311	2 746,526	2 867,368
European schools	dc	(21-27)		1 658,060	197,531	207,565	233,048	241,514	250,276	259,356	268,770
Administrative expenditure of the institutions					8 030,325	8 287,946	8 834,473	9 090,413	9 297,511	9 564,113	9 829,655
European Parliament	dc	(21-27)		16 150,641	2 062,870	2 112,164	2 267,983	2 356,475	2 389,854	2 439,958	2 521,337
European Council	dc	(21-27)		4 672,517	594,387	611,474	654,340	673,245	692,731	712,817	733,523

Heading	Type	Period	Reference amount (*)	Total amount (**)	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
Commission (excluding pensions and European schools)	dc	(21-27)		29 194,949	3 724,183	3 868,129	4 106,046	4 192,709	4 294,824	4 436,514	4 572,543
Court of justice	dc	(21-27)		3 523,303	444,003	464,774	491,240	513,850	528,726	545,331	535,378
Court of Auditors	dc	(21-27)		1 255,846	153,722	162,141	176,610	182,121	187,811	193,687	199,755
European Economic and Social Committee	dc	(21-27)		1 142,715	145,025	150,872	160,102	164,877	169,164	173,899	178,776
Committee of Regions	dc	(21-27)		835,851	106,741	108,377	117,300	120,621	124,043	127,568	131,201
European Ombudsman	dc	(21-27)		94,066	12,323	12,097	13,105	13,504	13,916	14,341	14,780
European Data Protection Supervisor	dc	(21-27)		175,349	19,463	20,202	22,172	26,422	28,263	29,630	29,195
European External Action service	dc	(21-27)		5 889,200	767,608	777,715	825,575	846,589	868,180	890,367	913,166
Solidarity mechanisms within and outside the Union (Special instruments)					193 740,439	197 637,170	2 855,153	1 560,861	2 740,765	1 623,920	1 656,398
Co-decided programmes					2 682,663	1 550,251	1 580,256	259,466	1 412,342	267,929	272,287
European Globalisation Adjustment Fund for Displaced Workers (EGF)	co	(21-27)		1 451,367	181,338	201,332	205,359	209,466	213,656	217,929	222,287
SEAR – advance payments under European Union Solidary Fund (EUSF)	co	(21-27)		1 103,392	803,392	50,000	50,000	50,000	50,000	50,000	50,000
Brexit Adjustment Reserve (BAR)	co	(21-27)		5 470,435	1 697,933	1 298,919	1 324,897		1 148,686		
Council's decisions					40,776	1 248,919	1 274,897	1 301,395	1 328,423	1 355,991	1 384,111
Solidarity and Emergency Aid Reserve (SEAR)	pd	(21-27)		7 934,512	40,776	1 248,919	1 274,897	1 301,395	1 328,423	1 355,991	1 384,111
(*) Reference Amnt. Legal Basis: for coded programmes, this corresponds to the reference amount in the legal basis; for non-coded basic acts, this corresponds to the amount in the financial statement. (**) Total Amnt. programmed over period: The total amount only takes into consideration the period covered by the programme in question. Legend; Column C : co = codecision, dc = decision, pc = proposal codecision, pd = proposal decision											

3.3. Heading 1 – Single Market, Innovation and Digital

(current prices in EUR millions, rounded to the nearest thousandth)

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
TOTAL HEADING 1 - Single Market, Innovation and Digital					20 816,320	21 775,080	21 567,567	20 973,765	21 267,755	21 829,292	22 049,707
01	Research and Innovation				12 646,070	13 236,771	13 639,216	13 359,124	13 491,606	13 925,710	13 999,470
01 01	Support administrative expenditure of the "Research and Innovation" cluster				796,505	848,172	878,610	923,030	938,312	957,954	974,808
01 01 01	Support expenditure for Horizon Europe				681,931	734,060	763,601	807,708	822,610	837,894	852,840
01 01 01 01	Expenditure related to officials and temporary staff implementing Horizon Europe — Indirect research	HORIZONEU	co	(21-27)	152,101	150,000	169,435	184,409	184,879	188,654	183,432
01 01 01 02	External personnel implementing Horizon Europe — Indirect research	HORIZONEU	co	(21-27)	44,499	45,751	47,975	52,263	53,301	54,390	52,884
01 01 01 03	Other management expenditure for Horizon Europe — Indirect research	HORIZONEU	co	(21-27)	64,445	87,979	83,874	113,343	118,095	119,741	142,847
01 01 01 11	Expenditure related to officials and temporary staff implementing Horizon Europe — Direct research	HORIZONEU	co	(21-27)	149,135	151,373	155,843	155,948	158,287	160,661	163,071
01 01 01 12	External personnel implementing Horizon Europe — Direct research	HORIZONEU	co	(21-27)	35,361	35,892	36,430	36,977	37,531	38,094	38,666

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
01 01 01 13	Other management expenditure for Horizon Europe — Direct research	HORIZONEU	co	(21-27)	52,400	53,186	51,784	54,794	55,615	56,450	57,296
01 01 01 71	European Research Council Executive Agency — Contribution from Horizon Europe	HORIZONEU	co	(21-27)	53,968	54,792	58,383	54,222	54,769	55,442	51,969
01 01 01 72	European Research Executive Agency — Contribution from Horizon Europe	HORIZONEU	co	(21-27)	76,756	91,212	97,157	87,582	90,564	93,420	90,965
01 01 01 73	European Health and Digital Executive Agency — Contribution from Horizon Europe	HORIZONEU	co	(21-27)	14,691	20,459	17,464	23,436	24,674	25,951	26,904
01 01 01 74	European Climate, Infrastructure and Environment Executive Agency — Contribution from Horizon Europe	HORIZONEU	co	(21-27)	13,047	13,332	14,884	14,254	14,621	14,996	15,110
01 01 01 76	European Innovation Council and SMEs Executive Agency — Contribution from Horizon Europe	HORIZONEU	co	(21-27)	25,527	30,084	30,373	30,479	30,275	30,093	29,696
01 01 02	Support expenditure for the Euratom Research and Training Programme				107,714	107,001	107,289	107,456	107,678	111,937	113,681
01 01 02 01	Expenditure related to officials and temporary staff implementing the Euratom Research and Training Programme — Indirect research	EURATOM	dc	(21-27)	6,613	6,736	7,433	7,566	7,743	7,899	8,187
01 01 02 02	External personnel implementing the Euratom Research and Training Programme — Indirect research	EURATOM	dc	(21-27)	0,271	0,276	0,314	0,320	0,328	0,334	0,346

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
01 01 02 03	Other management expenditure for the Euratom Research and Training Programme — Indirect research	EURATOM	dc	(21-27)	1,846	1,880	1,560	1,588	1,625	1,658	1,718
01 01 02 11	Expenditure related to officials and temporary staff implementing the Euratom Research and Training Programme — Direct research	EURATOM	dc	(21-27)	58,081	56,277	56,477	55,277	55,277	56,277	57,277
01 01 02 12	External personnel implementing the Euratom Research and Training Programme — Direct research	EURATOM	dc	(21-27)	10,664	10,455	10,455	10,455	10,455	10,455	10,455
01 01 02 13	Other management expenditure for the Euratom Research and Training Programme — Direct research	EURATOM	dc	(21-27)	30,239	31,377	31,050	32,250	32,250	35,314	35,697
01 01 03	Support expenditure for the International Thermonuclear Experimental Reactor (ITER)				6,861	7,112	7,720	7,867	8,024	8,123	8,287
01 01 03 01	Expenditure related to officials and temporary staff implementing ITER	ITER	pd	(21-27)	5,205	5,409	5,822	5,689	5,803	5,919	6,038
01 01 03 02	External personnel implementing ITER	ITER	pd	(21-27)	0,196	0,203	0,215	0,214	0,219	0,223	0,227
01 01 03 03	Other management expenditure for ITER	ITER	pd	(21-27)	1,460	1,500	1,683	1,963	2,002	1,981	2,022
01 02	Horizon Europe				10 825,624	11 505,098	11 579,289	11 463,881	11 691,010	11 937,699	12 174,784
01 02 01	Excellent Science (Pillar I)				2 915,672	3 238,363	3 301,552	3 179,339	3 239,457	3 329,610	3 423,413
01 02 01 01	European Research Council	HORIZONEU	co	(21-27)	1 847,150	2 084,994	2 126,151	2 029,262	2 066,247	2 132,801	2 202,461

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
01 02 01 02	Marie Skłodowska-Curie Actions	HORIZONEU	co	(21-27)	796,621	847,935	864,131	853,472	870,639	888,151	906,068
01 02 01 03	Research infrastructures	HORIZONEU	co	(21-27)	271,901	305,433	311,271	296,606	302,571	308,657	314,884
01 02 02	<i>Global Challenges and European Industrial Competitiveness (Pillar II)</i>				5 825,123	6 043,792	6 068,067	6 104,441	6 246,886	6 352,334	6 454,906
01 02 02 10	Cluster 'Health'	HORIZONEU	co	(21-27)	625,814	606,731	536,130	597,112	640,760	690,690	830,773
01 02 02 11	Cluster 'Health' — Innovative Health Initiative Joint Undertaking	HORIZONEU	co	(21-27)	100,455	150,928	201,391	201,694	201,976	202,295	141,227
01 02 02 12	Cluster 'Health' — Global Health EDCTP3 Joint Undertaking	HORIZONEU	co	(21-27)	33,336	68,135	133,694	168,339	168,406	149,474	78,480
01 02 02 20	Cluster 'Culture, Creativity and Inclusive Society'	HORIZONEU	co	(21-27)	168,097	258,071	263,019	198,205	202,189	202,550	204,629
01 02 02 30	Cluster 'Civil Security for Society'	HORIZONEU	co	(21-27)	238,315	202,756	164,234	131,069	138,796	141,961	132,569
01 02 02 40	Cluster 'Digital, Industry and Space'	HORIZONEU	co	(21-27)	1 284,452	1 272,162	1 073,294	1 042,998	1 133,669	1 265,610	1 307,904
01 02 02 41	Cluster 'Digital, Industry and Space' — European High-Performance Computing Joint Undertaking (EuroHPC)	HORIZONEU	co	(21-27)	117,464	122,941	122,391	128,847	131,438	134,082	136,778
01 02 02 42	Cluster 'Digital, Industry and Space' — Chips Joint Undertaking	HORIZONEU	co	(21-27)	210,000	250,000	506,097	568,600	494,600	302,800	299,227
01 02 02 43	Cluster 'Digital, Industry and Space' — Smart Networks and Services Joint Undertaking	HORIZONEU	co	(21-27)	121,128	121,929	131,204	131,015	130,150	130,900	127,421
01 02 02 50	Cluster 'Climate, Energy and Mobility'	HORIZONEU	co	(21-27)	1 210,435	1 290,578	1 108,862	1 239,580	1 053,075	1 425,415	1 222,715

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
01 02 02 51	Cluster 'Climate, Energy and Mobility' — Single European Sky ATM Research 3 Joint Undertaking	HORIZONEU	co	(21-27)	40,000	86,281	86,511	93,721	93,794	93,871	101,390
01 02 02 52	Cluster 'Climate, Energy and Mobility' — Clean Aviation Joint Undertaking	HORIZONEU	co	(21-27)	229,925	150,583	231,570	190,688	388,057	133,814	375,363
01 02 02 53	Cluster 'Climate, Energy and Mobility' — Europe's Rail Joint Undertaking	HORIZONEU	co	(21-27)	73,000	90,590	91,734	107,000	94,000	80,000	59,000
01 02 02 54	Cluster 'Climate, Energy and Mobility' — Clean Hydrogen Joint Undertaking	HORIZONEU	co	(21-27)	150,000	150,000	195,179	83,413	133,875	133,987	148,725
01 02 02 60	Cluster 'Food, Bioeconomy, Natural Resources, Agriculture and Environment'	HORIZONEU	co	(21-27)	1 119,808	1 011,750	1 042,612	1 040,990	1 059,847	1 082,153	1 097,976
01 02 02 61	Cluster 'Food, Bioeconomy, Natural Resources, Agriculture and Environment' — Circular Bio-based Europe Joint Undertaking	HORIZONEU	co	(21-27)	71,130	178,490	147,800	148,340	148,930	148,910	156,400
01 02 02 70	Non-nuclear direct actions of the Joint Research Centre	HORIZONEU	co	(21-27)	31,763	31,867	32,345	32,830	33,323	33,822	34,330
01 02 03	Innovative Europe (Pillar III)				1 524,667	1 598,358	1 619,435	1 614,607	1 633,106	1 663,419	1 698,333
01 02 03 01	European Innovation Council	HORIZONEU	co	(21-27)	1 120,602	1 147,748	1 159,787	1 173,537	1 183,053	1 204,326	1 229,916
01 02 03 02	European innovation ecosystems	HORIZONEU	co	(21-27)	56,614	66,363	67,631	62,630	63,890	65,175	66,490
01 02 03 03	European Institute of Innovation and Technology (EIT)	HORIZONEU	co	(21-27)	347,451	384,248	392,016	378,440	386,164	393,919	401,927

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
01 02 04	Widening participation and strengthening the European Research Area				444,911	462,922	432,580	419,670	427,827	435,830	443,803
01 02 04 01	Widening participation and spreading excellence	HORIZONEU	co	(21-27)	365,989	379,745	382,680	378,489	390,590	398,447	406,484
01 02 04 02	Reforming and enhancing the European R&I system	HORIZONEU	co	(21-27)	78,922	83,177	49,900	41,182	37,237	37,384	37,319
01 02 05	Horizontal operational activities	HORIZONEU	co	(21-27)	115,251	161,663	157,656	145,823	143,735	156,505	154,330
01 03	Euratom Research and Training Programme				157,035	163,700	169,188	173,780	180,160	181,872	190,857
01 03 01	Fusion research and development	EURATOM	dc	(21-27)	101,864	106,794	110,561	113,764	118,144	116,268	122,436
01 03 02	Nuclear fission, safety and radiation protection (indirect actions)	EURATOM	dc	(21-27)	46,253	48,776	50,497	51,960	53,960	53,103	55,921
01 03 03	Nuclear direct actions of the Joint Research Centre	EURATOM	dc	(21-27)	8,918	8,130	8,130	8,055	8,055	12,500	12,500
01 04	International Thermonuclear Experimental Reactor (ITER)				857,133	702,982	1 012,129	798,433	682,124	848,185	659,021
01 04 01	Construction, operation and exploitation of the ITER facilities — European Joint Undertaking for ITER — and the Development of Fusion Energy	ITER	pd	(21-27)	857,133	702,982	1 012,129	798,433	682,124	848,185	659,021
01 20	Pilot projects, preparatory actions, prerogatives and other actions				9,773	16,819					

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
02	European Strategic Investments				5 237,694	5 509,182	4 775,120	4 338,926	4 427,544	4 514,659	4 605,268
02 01	Support administrative expenditure of the "European Strategic Investments" cluster				27,556	41,288	41,688	42,076	42,747	43,433	43,846
02 01 10	Support expenditure for the InvestEU Programme	INVESTEU	co	(21-27)	1,000	1,000	1,000	1,000	1,000	1,000	1,000
02 01 21	Support expenditure for the Connecting Europe Facility — Transport				8,316	9,297	9,726	9,545	9,555	9,561	9,566
02 01 21 01	Support expenditure for the Connecting Europe Facility — Transport	CEF	co	(21-27)	1,600	2,040	2,081	2,122	2,165	2,208	2,252
02 01 21 74	European Climate, Infrastructure and Environment Executive Agency — Contribution from the Connecting Europe Facility — Transport	CEF	co	(21-27)	6,716	7,257	7,646	7,422	7,390	7,353	7,314
02 01 22	Support expenditure for the Connecting Europe Facility — Energy				4,181	4,799	5,030	5,040	5,118	5,197	5,276
02 01 22 01	Support expenditure for the Connecting Europe Facility — Energy	CEF	co	(21-27)	1,800	1,836	1,873	1,910	1,948	1,987	2,027
02 01 22 74	European Climate, Infrastructure and Environment Executive Agency — Contribution from the Connecting Europe Facility — Energy	CEF	co	(21-27)	2,381	2,963	3,157	3,130	3,169	3,209	3,249
02 01 23	Support expenditure for the Connecting Europe Facility — Digital				3,681	5,662	5,412	6,035	6,156	6,279	6,405
02 01 23 01	Support expenditure for the Connecting Europe Facility — Digital	CEF	co	(21-27)	1,000	1,020	1,040	1,061	1,082	1,104	1,126

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
02 01 23 73	European Health and Digital Executive Agency — Contribution from the Connecting Europe Facility — Digital	CEF	co	(21-27)	2,681	4,642	4,372	4,974	5,074	5,175	5,279
02 01 30	Support expenditure for the Digital Europe Programme				10,098	20,530	20,520	20,456	20,918	21,396	21,599
02 01 30 01	Support expenditure for the Digital Europe Programme	DIGITALEU	co	(21-27)	10,098	15,390	13,062	14,446	14,450	14,454	14,166
02 01 30 73	European Health and Digital Executive Agency — Contribution from the Digital Europe Programme	DIGITALEU	co	(21-27)		5,140	7,458	6,010	6,468	6,942	7,432
02 01 40	Support expenditure for other actions				0,280						
02 01 40 74	European Climate, Infrastructure and Environment Executive Agency — Contribution from the renewable energy financing mechanism		co		0,280						
02 02	InvestEU Fund				655,672	1 195,627	339,742	193,046	196,927	200,886	203,807
02 02 02	EU guarantee – from the InvestEU Fund – Provisioning of the common provisioning fund	INVESTEU	co	(21-27)	637,555	1 163,727	339,742	140,546	144,427	148,386	153,724
02 02 03	InvestEU Advisory Hub, InvestEU Portal and accompanying measures	INVESTEU	co	(21-27)	18,117	31,900		52,500	52,500	52,500	50,083
02 03	Connecting Europe Facility (CEF)				2 831,874	2 821,857	2 877,363	2 733,485	2 809,959	2 952,097	3 014,703
02 03 01	Connecting Europe Facility (CEF) — Transport	CEF	co	(21-27)	1 774,330	1 748,962	1 783,054	1 725,192	1 773,183	1 862,178	1 900,174

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
02 03 02	Connecting Europe Facility (CEF) — Energy	CEF	co	(21-27)	783,150	795,674	810,644	827,200	843,607	860,163	877,326
02 03 03	Connecting Europe Facility (CEF) — Digital				274,395	277,220	283,665	181,093	193,169	229,756	237,204
02 03 03 01	Connecting Europe Facility (CEF) — Digital	CEF	co	(21-27)	174,395	277,220	283,665	81,093	193,169	229,756	237,204
02 03 03 02	European High-Performance Computing joint undertaking (EuroHPC)	CEF	co	(21-27)	100,000			100,000			
02 04	Digital Europe Programme				1 120,386	1 227,225	1 289,909	1 137,452	1 140,042	1 075,432	1 095,011
02 04 01	Cybersecurity				234,552	271,312	203,420	110,728	117,179	133,715	137,921
02 04 01 10	Cybersecurity	DIGITALEU	co	(21-27)	194,575	120,000	24,362				
02 04 01 11	European Cybersecurity Industrial, Technology and Research Competence Centre	DIGITALEU	co	(21-27)	39,978	151,312	179,058	110,728	117,179	133,715	137,921
02 04 02	High-performance computing				317,407	357,593	343,813	99,205	238,845	314,685	352,126
02 04 02 10	High-performance computing	DIGITALEU	co	(21-27)	65,504	61,513	16,233	20,529	17,407	16,223	10,022
02 04 02 11	High-Performance Computing Joint Undertaking (EuroHPC)	DIGITALEU	co	(21-27)	251,903	296,080	327,580	78,676	221,438	298,462	342,104
02 04 03	Artificial intelligence	DIGITALEU	co	(21-27)	330,840	332,511	226,317	272,045	172,227	196,307	170,643
02 04 04	Skills	DIGITALEU	co	(21-27)	83,433	92,948	66,903	64,892	56,578	70,477	72,107
02 04 05	Deployment				154,154	172,861	162,579	117,382	122,014	135,048	137,013
02 04 05 01	Deployment	DIGITALEU	co	(21-27)	134,380	143,242	138,789	93,252	96,502	106,474	107,852
02 04 05 02	Deployment / Interoperability	DIGITALEU	co	(21-27)	19,774	29,619	23,790	24,131	25,512	28,573	29,162
02 04 06	Semiconductors						286,878	473,200	433,200	225,200	225,200

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
02 04 06 10	Semiconductors – Chips Fund InvestEU	DIGITALEU	co	(21-27)			35,000	30,000	30,000	30,000	
02 04 06 11	Semiconductors – Chips Joint Undertaking	DIGITALEU	co	(21-27)			251,878	443,200	403,200	195,200	225,200
02 10	Decentralised agencies				189,391	192,724	202,407	208,375	212,887	217,330	221,926
02 10 01	European Union Aviation Safety Agency (EASA)	EASA	ag		38,900	39,125	42,990	42,174	43,011	43,864	44,735
02 10 02	European Maritime Safety Agency (EMSA)	EMSA	ag		80,334	82,697	85,538	88,561	90,333	92,139	93,982
02 10 03	European Union Agency for Railways (ERA)	ERA	ag		27,002	26,164	27,349	27,967	28,526	29,096	29,678
02 10 04	European Union Agency for Cybersecurity (ENISA)	ENISA	ag		21,669	22,893	24,155	24,953	25,440	25,937	26,443
02 10 05	Agency for Support for BEREC (BEREC Office)	BEREC	ag		7,250	7,338	7,647	7,851	8,008	8,168	8,332
02 10 06	European Union Agency for the Cooperation of Energy Regulators (ACER)	ACER	ag		14,236	14,507	14,728	16,869	17,570	18,125	18,756
02 20	Pilot projects, preparatory actions, prerogatives and other actions				412,815	30,460	24,011	24,492	24,981	25,481	25,974
02 20 03	Other actions				371,883						
02 20 03 01	European Investment Fund — Provision of paid-up shares of subscribed capital		dc		371,883						
02 20 04	Actions financed under the prerogatives of the Commission and specific powers conferred on the Commission				24,907	23,598	24,011	24,492	24,981	25,481	25,974

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
02 20 04 01	Support activities to the European transport policy, transport security and passenger rights including communication activities		Tp		14,352	14,150	14,433	14,722	15,016	15,316	15,623
02 20 04 02	Support activities for the European energy policy and internal energy market		Tp		7,240	6,500	6,630	6,763	6,898	7,036	7,177
02 20 04 03	Definition and implementation of the Union's policy in the field of electronic communications		Tp		3,315	2,948	2,948	3,007	3,067	3,129	3,175
03	Single Market				899,253	952,589	927,068	963,475	993,131	993,048	1 002,385
03 01	Support administrative expenditure of the 'Single Market' cluster				27,651	29,142	28,196	29,548	29,464	29,374	29,283
03 01 01	Support expenditure for the Single Market Programme				27,051	28,542	27,596	28,948	28,864	28,774	28,683
03 01 01 01	Support expenditure for the Single Market Programme	SINGLEMKT	co	(21-27)	12,879	13,286	13,710	13,768	13,975	14,194	14,429
03 01 01 73	European Health and Digital Executive Agency — Contribution from the Single Market Programme	SINGLEMKT	co	(21-27)	1,709	2,888	1,613	2,897	2,854	2,809	2,762
03 01 01 76	European Innovation Council and SMEs Executive Agency — Contribution from the Single Market Programme	SINGLEMKT	co	(21-27)	12,462	12,368	12,273	12,283	12,035	11,771	11,492
03 01 02	Support expenditure for Fiscalis	FISCALIS	co	(21-27)	0,300	0,300	0,300	0,300	0,300	0,300	0,300
03 01 03	Support expenditure for Customs	CUSTOMS	co	(21-27)	0,300	0,300	0,300	0,300	0,300	0,300	0,300

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
03 02	Single Market Programme				556,075	585,002	565,224	572,552	581,370	590,882	591,878
03 02 01	<i>Making the internal market more effective</i>				79,069	77,617	74,386	75,776	75,868	76,311	76,122
03 02 01 01	Operation and development of the internal market of goods and services	SINGLEMKT	co	(21-27)	35,824	28,406	24,418	25,418	25,053	25,094	24,492
03 02 01 02	Internal market governance tools	SINGLEMKT	co	(21-27)	5,414	5,470	5,620	5,670	5,720	5,770	5,854
03 02 01 03	Taxud regulatory work support – Implementation and development of the internal market	SINGLEMKT	co	(21-27)	0,723	3,300	3,350	3,400	3,450	3,500	3,515
03 02 01 04	Company law	SINGLEMKT	co	(21-27)	1,198	1,000	1,050	1,050	1,060	1,060	1,064
03 02 01 05	Competition policy for a stronger Union in the digital age	SINGLEMKT	co	(21-27)	19,857	19,883	19,999	19,999	20,000	20,000	20,000
03 02 01 06	Implementation and development of the internal market for financial services	SINGLEMKT	co	(21-27)	5,494	5,350	5,460	5,460	5,510	5,510	5,511
03 02 01 07	Market surveillance	SINGLEMKT	co	(21-27)	10,559	14,208	14,489	14,779	15,075	15,377	15,686
03 02 02	<i>Improving the competitiveness of enterprises, particularly SMEs, and supporting their access to markets</i>	SINGLEMKT	co	(21-27)	119,770	151,450	126,384	129,511	131,567	136,523	137,719
03 02 03	<i>European standardisation and international financial reporting and auditing standards</i>				27,776	30,126	32,292	31,525	31,993	32,460	32,773
03 02 03 01	European standardisation	SINGLEMKT	co	(21-27)	20,007	21,676	23,567	22,616	23,123	23,490	23,712

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
03 02 03 02	International financial and non-financial reporting and auditing standards	SINGLEMKT	co	(21-27)	7,768	8,450	8,725	8,909	8,870	8,970	9,061
03 02 04	<i>Empowering consumer and civil society and ensuring high level of consumer protection and product safety including the participation of end users in financial services policy-making</i>				25,798	24,995	25,143	25,543	26,344	26,445	26,590
03 02 04 01	Ensuring high level of consumer protection and product safety	SINGLEMKT	co	(21-27)	24,305	23,500	23,648	24,048	24,849	24,950	25,086
03 02 04 02	The participation of end users in financial services policy-making	SINGLEMKT	co	(21-27)	1,494	1,495	1,495	1,495	1,495	1,495	1,504
03 02 05	<i>Producing and disseminating high quality statistics on Europe</i>	SINGLEMKT	co	(21-27)	74,000	75,000	75,700	75,700	75,700	75,700	75,646
03 02 06	<i>Contributing to a high level of health and welfare for humans, animals and plants</i>	SINGLEMKT	co	(21-27)	229,662	225,814	231,319	234,497	239,898	243,443	243,028
03 03	Union Anti-Fraud Programme				24,053	24,369	24,850	25,506	26,351	27,402	28,676
03 03 01	<i>Preventing and combatting fraud, corruption and any other illegal activities affecting the financial interests of the Union</i>	ANTIFRAUD	co	(21-27)	15,160	15,425	15,662	16,076	16,608	17,271	18,005
03 03 02	<i>Support the reporting of irregularities, including fraud</i>	ANTIFRAUD	co	(21-27)	0,929	0,934	0,960	0,985	1,018	1,058	1,116
03 03 03	<i>Provide funding for actions carried out in accordance with Regulation (EC) No 515/97</i>	ANTIFRAUD	co	(21-27)	7,964	8,010	8,228	8,445	8,725	9,073	9,556

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
03 04	Cooperation in the field of taxation (Fiscalis)				34,489	36,640	37,379	38,132	38,901	39,685	40,485
03 04 01	Cooperation in the field of taxation (Fiscalis)	FISCALIS	co	(21-27)	34,489	36,640	37,379	38,132	38,901	39,685	40,485
03 05	Cooperation in the field of customs (Customs)				125,217	130,144	132,753	135,414	138,129	140,897	143,976
03 05 01	Cooperation in the field of customs (Customs)	CUSTOMS	co	(21-27)	125,217	130,144	132,753	135,414	138,129	140,897	143,976
03 10	Decentralised agencies				118,428	119,736	126,716	150,373	167,616	153,658	157,037
03 10 01	European Chemical Agency (ECHA)				70,474	72,246	74,879	81,716	83,070	85,296	87,653
03 10 01 01	European Chemicals Agency — Chemicals legislation	ECHA	ag		60,561	64,146	68,362	73,971	75,174	77,238	79,434
03 10 01 02	European Chemicals Agency — Activities in the field of biocides legislation	ECHA	ag		9,913	8,100	6,516	7,745	7,896	8,058	8,219
03 10 02	European Banking Authority (EBA)	EBA	ag		17,819	18,336	19,037	19,514	19,652	20,045	20,446
03 10 03	European Insurance and Occupational Pensions Authority (EIOPA)	EIOPA	ag		12,141	12,852	13,368	13,740	14,015	14,295	14,581
03 10 04	European Securities and Markets Authority (ESMA)	ESMA	ag		17,993	16,301	18,347	19,992	20,443	21,146	21,224
03 10 05	Anti-Money Laundering Authority (AMLA)	AMLA	ag				1,085	15,411	30,436	12,876	13,134
03 20	Pilot projects, preparatory actions, prerogatives and other actions				13,340	27,556	11,950	11,950	11,300	11,150	11,050

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
03 20 03	Other actions				8,600	10,300	11,950	11,950	11,300	11,150	11,050
03 20 03 01	Procedures for awarding and advertising public supply, works and service contracts		dc		8,600	10,300	9,700	9,500	9,500	9,500	9,500
03 20 03 02	Carbon Border Adjustment Mechanism		Ts				2,250	2,450	1,800	1,650	1,550
04	Space				2 033,303	2 076,538	2 226,163	2 312,240	2 355,474	2 395,876	2 442,585
04 01	Support administrative expenditure of the 'Space' cluster				7,547	7,259	7,200	7,800	8,250	8,250	9,050
04 01 01	Support expenditure for the Union Space Programme	SPACE	co	(21-27)	7,547	7,259	6,950	7,600	8,050	8,050	9,000
04 01 02	Support expenditure for the Union Secure Connectivity programme	USC	pc	(23-27)			0,250	0,200	0,200	0,200	0,050
04 02	Union Space Programme				1 969,788	2 000,978	2 038,151	2 080,670	2 043,165	2 087,049	2 115,745
04 02 01	Galileo / EGNOS	SPACE	co	(21-27)	1 298,956	1 150,978	1 247,851	1 265,670	1 163,165	1 232,049	1 253,620
04 02 02	Copernicus	SPACE	co	(21-27)	635,613	700,000	750,000	775,000	780,000	830,000	838,771
04 02 03	GOVSATCOM/SSA	SPACE	co	(21-27)	35,219	150,000	40,300	40,000	100,000	25,000	23,355
04 03	Union Secure Connectivity Programme						106,050	145,150	224,150	217,500	234,163
04 03 01	Union Secure Connectivity — Contribution from Heading 1	USC	pc	(23-27)			106,050	145,150	224,150	217,500	234,163
04 10	Decentralised agencies				55,968	68,301	74,762	78,620	79,909	83,077	83,627
04 10 01	European Union Agency for the Space Programme	EUSPA	ag		55,968	68,301	74,762	78,620	79,909	83,077	83,627

co = codecion, dc = decision, pc = proposal codecision, pd = proposal decision, pp = pilot projects, pa = preparatory

ag = agencies, tp = Commission's prerogatives, Ts = specific competencies, Ta = administrative autonomy

3.4. Sub-heading 2a – Economic, social and territorial cohesion

(current prices in EUR millions, rounded to the nearest thousandth)

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
TOTAL HEADING 2A - Economic, Social and territorial cohesion					1 770,571	61 314,192	62 922,984	64 681,334	66 478,044	56 724,702	58 638,386
05	Regional Development and Cohesion				1 699,199	44 955,494	46 148,487	47 459,015	48 809,404	41 781,572	43 220,519
05 20	Cohesion Fund (CF)	CF	<i>co</i>	<i>(21-27)</i>	1 458,801	7 528,602	7 755,914	8 007,553	8 267,161	7 365,291	7 642,835
	European Regional Development Fund (ERDF)	ERDF	<i>co</i>	<i>(21-27)</i>	238,798	37 424,211	38 392,573	39 451,462	40 542,244	34 416,281	35 577,684
	Pilot projects, preparatory actions, prerogatives and other actions				1,600	2,681					
07	Investing in People, Social Cohesion and Values				71,373	16 358,698	16 774,496	17 222,319	17 668,640	14 943,130	15 417,867
	European Social Fund Plus (ESF+)	ESF+	<i>co</i>	<i>(21-27)</i>	71,373	16 358,698	16 774,496	17 222,319	17 668,640	14 943,130	15 417,867
<p>co = codecision, dc = decision, pc = proposal codecision, pd = proposal decision, pp = pilot projects, pa = preparatory ag = agencies, tp = Commission's prerogatives, Ts = specific competencies, Ta = administrative autonomy</p>											

3.5. Sub-heading 2b – Resilience and values

(current prices in EUR millions, rounded to the nearest thousandth)

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
TOTAL HEADING 2B - Resilience and Values					5 025,323	6 330,186	7 163,699	7 644,998	8 472,884	9 770,632	11 603,602
05	Regional Development and Cohesion				31,986	34,276	33,613	34,286	34,971	35,671	36,197
05 01	Support administrative expenditure of the 'Regional Development and Cohesion' cluster				1,873	1,873	1,873	1,873	1,873	1,873	1,873
05 01 03	<i>Support expenditure for the support to the Turkish Cypriot community</i>	TCC	dc	(21-27)	1,873	1,873	1,873	1,873	1,873	1,873	1,873
05 04	Support to the Turkish Cypriot community				30,113	32,403	31,740	32,413	33,098	33,798	34,324
05 04 01	<i>Financial support for encouraging the economic development of the Turkish Cypriot community</i>	TCC	dc	(21-27)	30,113	32,403	31,740	32,413	33,098	33,798	34,324
06	Recovery and Resilience				1 201,437	1 508,039	2 308,938	3 030,048	3 640,431	4 724,137	5 891,121
06 01	Support administrative expenditure of the 'Recovery and Resilience' cluster				18,037	31,499	31,410	29,844	31,664	33,547	35,399
06 01 01	<i>Support expenditure for the Recovery and Resilience Facility and the Technical Support Instrument</i>				2,000	2,040	2,081	2,122	2,165	2,208	2,241
06 01 01 01	Support expenditure for the Technical Support Instrument	TSI	co	(21-27)	2,000	2,040	2,081	2,122	2,165	2,208	2,241
06 01 02	<i>Support expenditure for the protection of the euro against counterfeiting</i>	PERICLES	co	(21-27)			0,200				0,200

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
06 01 03	<i>Support expenditure for the European Union Recovery Instrument (EURI)</i>	EURI_N-GEU_21_27	co	(21-27)	5,000	5,000	5,000	5,000	5,000	5,000	5,000
06 01 05	<i>Support expenditure for the EU4Health Programme</i>				11,037	24,459	24,129	22,722	24,499	26,339	27,958
06 01 05 01	Support expenditure for the EU4Health Programme	EU4HEALTH	co	(21-27)	3,500	9,138	9,322	3,714	3,789	3,864	3,655
06 01 05 73	European Health and Digital Executive Agency — Contribution from the EU4Health programme	EU4HEALTH	co	(21-27)	7,537	15,321	14,807	19,008	20,711	22,475	24,303
06 02	Recovery and Resilience Facility and Technical Support Instrument				114,364	116,652	118,984	121,364	123,791	126,268	128,126
06 02 02	<i>Technical Support Instrument</i>	TSI	co	(21-27)	114,364	116,652	118,984	121,364	123,791	126,268	128,126
06 03	Protection of the euro against counterfeiting				0,834	0,850	0,667	0,885	0,902	0,920	0,735
06 03 01	<i>Protection of the euro against counterfeiting</i>	PERICLES	co	(21-27)	0,834	0,850	0,667	0,885	0,902	0,920	0,735
06 04	European Union Recovery Instrument (EURI)					140,000	1 030,775	2 071,394	2 677,836	3 744,554	4 980,313
06 04 01	<i>European Union Recovery Instrument (EURI) – Payment of periodic coupon and redemption at maturity</i>	EURI_N-GEU_21_27	co	(21-27)		140,000	1 030,775	2 071,394	2 677,836	3 744,554	4 980,313
06 05	Union Civil Protection Mechanism				182,605	101,254	146,575	230,311	219,321	220,623	226,050
06 05 01	<i>Union Civil Protection Mechanism</i>	RESCEU	co	(21-27)	182,605	101,254	146,575	230,311	219,321	220,623	226,050

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
06 06	EU4Health Programme				318,042	815,214	707,621	285,366	293,577	299,864	215,715
06 06 01	EU4Health Programme	EU4HEALTH	co	(21-27)	318,042	815,214	707,621	285,366	293,577	299,864	215,715
06 07	Emergency support within the Union				231,700						
06 07 01	Emergency support within the Union	ESI	dc	(21-27)	231,700						
06 10	Decentralised agencies				324,455	290,571	260,905	278,785	280,999	285,775	291,944
06 10 01	European Centre for Disease Prevention and Control	ECDC	ag		162,906	90,529	85,925	90,289	89,412	91,037	93,961
06 10 02	European Food Safety Authority	EFSA	ag		125,371	145,861	150,541	154,028	157,109	160,251	163,456
06 10 03	European Medicines Agency				36,179	54,182	24,438	34,469	34,478	34,487	34,527
06 10 03 01	Union contribution to the European Medicines Agency	EMA	ag		24,370	40,182	10,438	20,469	20,478	20,487	20,527
06 10 03 02	Special contribution for orphan medicinal products	EMA	ag		11,809	14,000	14,000	14,000	14,000	14,000	14,000
06 20	Pilot projects, preparatory actions, prerogatives and other actions				11,400	12,000	12,000	12,098	12,340	12,587	12,838
06 20 04	Actions financed under the prerogatives of the Commission and specific powers conferred on the Commission				11,400	12,000	12,000	12,098	12,340	12,587	12,838
06 20 04 01	Coordination and surveillance of, and communication on, the economic and monetary union, including the euro		Tp		11,400	12,000	12,000	12,098	12,340	12,587	12,838

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
07	Investing in People, Social Cohesion and Values				3 791,899	4 787,870	4 821,148	4 580,664	4 797,482	5 010,824	5 676,285
07 01	Support administrative expenditure of the "Investing in People, Social Cohesion and Values" cluster				77,175	89,567	95,880	95,009	100,127	105,451	112,765
07 01 01	Support expenditure for the European Social Fund Plus (ESF+)				2,500	2,000	2,000	2,653	2,706	2,760	2,808
07 01 01 02	Support expenditure for the Employment and Social Innovation strand	ESF+	co	(21-27)	2,500	2,000	2,000	2,653	2,706	2,760	2,808
07 01 02	Support expenditure for Erasmus+				42,878	50,373	54,096	53,219	56,315	59,545	64,702
07 01 02 01	Support expenditure for Erasmus+	ERASMUS+	co	(21-27)	15,839	23,533	24,515	21,630	22,642	23,712	26,628
07 01 02 75	European Education and Culture Executive Agency — Contribution from Erasmus+	ERASMUS+	co	(21-27)	27,039	26,840	29,581	31,589	33,672	35,833	38,074
07 01 03	Support expenditure for the European Solidarity Corps				6,586	6,718	6,898	7,034	7,173	7,315	7,459
07 01 03 01	Support expenditure for the European Solidarity Corps	ESC	co	(21-27)	4,966	5,152	5,311	5,474	5,642	5,813	5,990
07 01 03 75	European Education and Culture Executive Agency — Contribution from the European Solidarity Corps	ESC	co	(21-27)	1,620	1,566	1,587	1,560	1,532	1,502	1,470
07 01 04	Support expenditure for Creative Europe				17,241	20,875	22,462	21,029	22,185	23,382	24,622
07 01 04 01	Support expenditure for Creative Europe	CREATIVEEU	co	(21-27)	3,000	5,560	5,671	3,184	3,247	3,312	3,378

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
07 01 04 75	European Education and Culture Executive Agency — Contribution from Creative Europe	CREATIVEEU	co	(21-27)	14,241	15,315	16,791	17,845	18,938	20,070	21,244
07 01 05	Support expenditure for Citizens, Equality, Rights and Values				6,970	8,501	9,323	9,973	10,648	11,348	12,073
07 01 05 01	Support expenditure for Citizens, Equality, Rights and Values	RIGHTS	co	(21-27)	1,600	2,000	2,000	2,000	2,000	2,000	2,000
07 01 05 75	European Education and Culture Executive Agency — Contribution from Citizens, Equality, Rights and Values	RIGHTS	co	(21-27)	5,370	6,501	7,323	7,973	8,648	9,348	10,073
07 01 06	Support expenditure for Justice	JUSTICE	co	(21-27)	1,000	1,100	1,100	1,100	1,100	1,100	1,100
07 02	European Social Fund Plus (ESF+)				100,132	104,482	91,500	106,102	108,224	110,389	112,352
07 02 04	ESF+ — Employment and Social Innovation (EaSI) strand	ESF+	co	(21-27)	100,132	104,482	91,500	106,102	108,224	110,389	112,352
07 03	Erasmus+				2 620,138	3 351,367	3 494,429	3 421,608	3 607,001	3 798,408	4 442,623
07 03 01	Promoting learning mobility of individuals and groups, and cooperation, inclusion and equity, excellence, creativity and innovation at the level of organisations and policies in the field of education and training				2 298,695	2 934,931	3 061,161	2 997,335	3 159,739	3 327,412	3 891,790
07 03 01 01	Promoting learning mobility of individuals and groups, and cooperation, inclusion and equity, excellence, creativity and innovation at the level of organisations and policies in the field of education and training — Indirect management	ERASMUS+	co	(21-27)	1 929,650	2 361,275	2 282,120	2 475,620	2 609,757	2 748,245	3 214,445

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
07 03 01 02	Promoting learning mobility of individuals and groups, and cooperation, inclusion and equity, excellence, creativity and innovation at the level of organisations and policies in the field of education and training — Direct management	ERASMUS+	co	(21-27)	369,045	573,656	779,041	521,715	549,982	579,167	677,346
07 03 02	<i>Promoting non-formal and informal learning mobility and active participation among young people, and cooperation, inclusion, creativity and innovation at the level of organisations and policies in the field of youth</i>	ERASMUS+	co	(21-27)	272,638	351,401	365,603	357,999	377,397	397,424	464,789
07 03 03	<i>Promoting learning mobility of sport staff, and cooperation, inclusion, creativity and innovation at the level of sport organisations and sport policies</i>	ERASMUS+	co	(21-27)	48,805	65,036	67,665	66,274	69,865	73,573	86,044
07 04	European Solidarity Corps				129,128	134,710	134,298	136,986	139,727	142,524	145,443
07 04 01	European Solidarity Corps	ESC	co	(21-27)	129,128	134,710	134,298	136,986	139,727	142,524	145,443
07 05	Creative Europe				289,141	385,653	302,828	218,644	222,281	225,973	230,020
07 05 01	Culture strand	CREATI-VEEU	co	(21-27)	94,520	131,098	100,041	72,262	73,464	74,684	76,181
07 05 02	Media strand	CREATI-VEEU	co	(21-27)	167,490	220,518	175,662	126,835	128,945	131,087	133,435
07 05 03	Cross-sectoral strand	CREATI-VEEU	co	(21-27)	27,131	34,037	27,125	19,547	19,872	20,202	20,404
07 06	Citizens, Equality, Rights and Values				91,944	206,401	202,959	82,113	81,552	80,814	79,441
07 06 01	Equality and rights	RIGHTS	co	(21-27)	28,099	39,861	36,863	15,406	15,225	15,033	14,607

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
07 06 02	<i>Citizens engagement and participation in the democratic life of the Union</i>	RIGHTS	co	(21-27)	13,408	40,671	32,154	23,828	35,006	23,576	17,371
07 06 03	<i>Daphne</i>	RIGHTS	co	(21-27)	19,190	33,581	25,258	5,188	4,604	3,989	3,114
07 06 04	<i>Union values</i>	RIGHTS	co	(21-27)	31,248	92,288	108,684	37,691	26,718	38,215	44,349
07 07	<i>Justice</i>				45,696	42,527	41,125	40,691	40,650	40,643	40,345
07 07 01	<i>Promoting judicial cooperation</i>	JUSTICE	co	(21-27)	12,532	11,444	11,104	10,987	10,976	10,974	10,893
07 07 02	<i>Supporting judicial training</i>	JUSTICE	co	(21-27)	17,664	16,606	16,039	15,869	15,854	15,851	15,735
07 07 03	<i>Promoting effective access to justice</i>	JUSTICE	co	(21-27)	15,499	14,477	13,982	13,835	13,821	13,819	13,717
07 10	<i>Decentralised Agencies and European Public Prosecutor's Office</i>				219,820	246,262	268,479	287,175	303,916	310,919	316,317
07 10 01	<i>European Foundation for the improvement of living and working conditions (Eurofound)</i>	EURO-FOUND	ag		21,600	21,778	23,577	23,404	23,872	24,350	24,837
07 10 02	<i>European Agency for Safety and Health at Work (EU-OSHA)</i>	EUOSHA	ag		15,347	15,660	16,306	16,790	17,126	17,469	17,818
07 10 03	<i>European Centre for the Development of Vocational Training (Cedefop)</i>	CEDEFOP	ag		17,805	18,233	18,883	19,459	19,848	20,245	20,650
07 10 04	<i>European Union Agency for Fundamental Rights (FRA)</i>	FRA	ag		23,750	23,634	24,575	25,154	25,657	26,170	26,693
07 10 05	<i>European Institute for Gender Equality (EIGE)</i>	EIGE	ag		8,552	7,983	8,594	8,890	9,818	10,199	10,185
07 10 06	<i>European Training Foundation (ETF)</i>	ETF	ag		21,053	21,379	22,534	23,162	23,625	24,098	24,579

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
07 10 07	<i>European Union Agency for Criminal Justice Cooperation (Eurojust)</i>	EUROJUST	ag		52,345	45,804	52,472	56,112	67,481	69,571	70,361
07 10 08	<i>European Public Prosecutor's Office (EPPO)</i>	EPPO	ag		35,150	57,102	62,101	64,256	65,541	66,852	68,189
07 10 09	<i>European Labour Authority (ELA)</i>	ELA	ag		24,220	34,690	39,435	49,947	50,947	51,966	53,005
07 20	Pilot projects, preparatory actions, prerogatives and other actions				218,726	226,901	189,650	192,337	194,004	195,703	196,979
07 20 03	Other actions				8,634	8,708	7,900	8,859	8,937	9,017	9,077
07 20 03 01	Free movement of workers, coordination of social security schemes and measures for migrants, including migrants from third countries		dc		8,634	8,708	7,900	8,859	8,937	9,017	9,077
07 20 04	Actions financed under the prerogatives of the Commission and specific powers conferred on the Commission				183,891	182,890	181,750	183,477	185,066	186,686	187,902
07 20 04 01	Multimedia actions		Tp		20,212	20,384	20,560	20,739	20,921	21,108	21,248
07 20 04 02	Executive and corporate communication services		Tp		46,689	47,506	47,916	48,334	48,759	49,192	49,518
07 20 04 03	Commission Representations		Tp		26,645	27,589	27,826	28,070	28,317	28,569	28,757
07 20 04 04	Communication services for citizens		Tp		33,356	32,504	32,783	33,068	33,360	33,657	33,880
07 20 04 05	House of European History		Tp		3,000	3,000	3,000	3,000	3,000	3,000	3,000
07 20 04 06	Specific competences in the area of social policy, including social dialogue		Tp		28,070	25,521	23,219	23,421	23,628	23,838	23,996

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
07 20 04 07	Other activities in the area of fundamental rights		Tp		0,898	0,906	0,914	0,922	0,930	0,938	0,944
07 20 04 08	Analysis of and studies on the social situation, demography and the family		Tp		2,730	3,140	3,000	3,194	3,222	3,251	3,273
07 20 04 09	Information and training measures for workers' organisations		Tp		22,291	22,340	22,532	22,729	22,929	23,133	23,286

co = codecision, dc = decision, pc = proposal codecision, pd = proposal decision, pp = pilot projects, pa = preparatory
ag = agencies, tp = Commission's prerogatives, Ts = specific competencies, Ta = administrative autonomy

3.6. Heading 3 – Natural Resources and Environment

(current prices in EUR millions, rounded to the nearest thousandth)

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
TOTAL HEADING 3 - Natural Resources and Environment					56 791,138	56 681,112	57 222,558	57 351,859	57 459,132	57 232,190	57 453,770
08	Agriculture and Maritime Policy				55 994,391	54 420,292	54 921,267	54 999,143	55 047,622	55 036,089	55 185,322
08 01	Support administrative expenditure of the "Agriculture and Maritime Policy" cluster				7,400	7,810	7,695	7,880	8,069	8,263	8,462
08 01 03	Support expenditure for the European Maritime, Fisheries and Aquaculture Fund				7,400	7,810	7,695	7,880	8,069	8,263	8,462
08 01 03 01	Support expenditure for the European Maritime, Fisheries and Aquaculture Fund	EMFAF	co	(21-27)	3,369	3,739	3,197	3,371	3,437	3,505	3,574
08 01 03 74	European Climate, Infrastructure and Environment Executive Agency — Contribution from the European Maritime, Fisheries and Aquaculture Fund	EMFAF	co	(21-27)	4,031	4,071	4,498	4,509	4,632	4,758	4,888

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
	European Agricultural Guarantee Fund (EAGF) (Sub-ceiling before transfers between EAGF and EAFRD)		<i>co</i>	(21-27)	40 368,000	40 639,000	41 518,000	41 649,000	41 782,000	41 913,000	42 047,000
	Additional net transfers between EAGF and EAFRD (and rounding excluded for calculating margin)				- 557,000	- 618,000	- 825,000				
	European Agricultural Guarantee Fund (net balance available after transfers between EAGF and EAFRD)		<i>co</i>	(21-27)	39 811,000	40 021,000	40 693,000	41 649,000	41 782,000	41 913,000	42 047,000
08 02	European Agricultural Guarantee Fund (EAGF)	EAGF	<i>co</i>	(21-27)	40 371,454	40 368,859	40 692,211	41 649,000	41 782,000	41 913,000	42 047,000
08 03	European Agricultural Fund for Rural Development (EAFRD)	EAFRD	<i>co</i>	(21-27)	15 341,490	12 727,699	12 934,677	12 108,888	12 108,888	12 108,888	12 108,888
08 04	European Maritime, Fisheries and Aquaculture Fund (EMFAF)				101,696	1 126,475	1 095,129	1 061,836	973,796	827,659	839,828
08 04 01	EMFAF — Operational expenditure under shared management	EMFAF	<i>co</i>	(21-27)		1 029,772	993,738	958,425	868,326	720,003	731,324
08 04 02	EMFAF — Operational expenditure under direct and indirect management	EMFAF	<i>co</i>	(21-27)	97,107	91,786	94,208	96,199	98,249	100,552	101,280
08 04 03	EMFAF — Operational technical assistance	EMFAF	<i>co</i>	(21-27)	4,589	4,573	5,074	5,178	5,378	5,576	5,671
08 04 05	Border Management and Visa Instrument (BMVI) — Contribution from the EMFAF	EMFAF	<i>co</i>	(21-27)		0,344	2,109	2,034	1,843	1,528	1,552
08 05	Sustainable Fisheries Partnership Agreements (SFPAs) and Regional Fisheries Management Organisations (RFMOs)				151,609	159,219	162,019	140,956	143,775	146,650	148,810

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
08 05 01	<i>Establishing a governance framework for fishing activities carried out by Union fishing vessels in third-country waters</i>		dc		146,326	153,519	156,319	135,256	138,075	140,950	143,110
08 05 02	<i>Promoting sustainable development for fisheries management and maritime governance in line with the CFP objectives (compulsory contributions to international bodies)</i>		dc		5,284	5,700	5,700	5,700	5,700	5,700	5,700
08 10	Decentralised agencies				20,741	28,739	29,535	30,584	31,093	31,629	32,334
08 10 01	European Fisheries Control Agency	EFCA	ag		20,741	28,739	29,535	30,584	31,093	31,629	32,334
08 20	Pilot projects, preparatory actions, prerogatives and other actions					1,490					
09	Environment and Climate Action				796,746	2 260,820	2 301,292	2 352,716	2 411,510	2 196,100	2 268,448
09 01	Support administrative expenditure of the 'Environment and Climate Action' Cluster				17,888	23,530	25,786	29,477	30,161	30,775	31,627
09 01 01	<i>Support expenditure for the Programme for the Environment and Climate Action (LIFE)</i>				17,888	23,530	25,786	29,477	30,161	30,775	31,627
09 01 01 01	Support expenditure for the Programme for the Environment and Climate Action (LIFE)	LIFE	co	(21-27)	7,150	9,833	10,558	13,560	13,293	12,924	12,762
09 01 01 74	European Climate, Infrastructure and Environment Executive Agency — Contribution from the Programme for Environment and Climate Action (LIFE)	LIFE	co	(21-27)	10,738	13,697	15,229	15,918	16,868	17,851	18,865

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
09 02	Programme for the Environment and Climate Action (LIFE)				720,939	732,016	702,532	722,140	753,352	795,827	839,754
09 02 01	Nature and biodiversity	LIFE	co	(21-27)	272,220	284,033	275,063	288,156	305,043	327,139	352,756
09 02 02	Circular economy and quality of life	LIFE	co	(21-27)	183,169	181,653	174,358	178,644	189,305	203,428	219,473
09 02 03	Climate change mitigation and adaptation	LIFE	co	(21-27)	128,975	128,382	122,358	122,555	123,949	127,681	128,332
09 02 04	Clean energy transition	LIFE	co	(21-27)	136,575	137,948	130,753	132,785	135,055	137,579	139,192
09 03	Just Transition Fund	JTF	co	(21-27)	3,980	1 443,006	1 466,201	1 489,860	1 513,992	1 255,349	1 280,456
09 04	Public sector loan facility under the Just Transition Mechanism (JTM)						50,000	50,000	50,000	50,000	50,000
09 04 01	Public sector loan facility under the Just Transition Mechanism (JTM)	PSLF_JTM	co	(21-27)			50,000	50,000	50,000	50,000	50,000
09 10	Decentralised agencies				50,440	54,148	56,772	61,238	64,005	64,148	66,610
09 10 01	European Chemicals Agency – Environmental directives and international conventions	ECHA	ag		5,260	4,700	5,389	5,720	6,495	6,597	6,912
09 10 02	European Environment Agency	EEA	ag		45,180	49,448	51,383	55,518	57,510	57,551	59,698
09 20	Pilot projects, preparatory actions, prerogatives and other actions				3,500	8,121					

co = codecion, dc = decision, pc = proposal codecision, pd = proposal decision, pp = pilot projects, pa = preparatory

ag = agencies, tp = Commission's prerogatives, Ts = specific competencies, Ta = administrative autonomy

3.7. Heading 4 – Migration and Border Management

(current prices in EUR millions, rounded to the nearest thousandth)

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
TOTAL HEADING 4 - Migration and Border Management					1 626,956	3 360,000	3 727,312	3 830,082	4 348,594	4 262,437	4 417,371
10	Migration				635,392	1 472,244	1 587,291	1 681,393	1 969,996	1 893,612	1 988,929
10 01	Support administrative expenditure of the "Migration" Cluster				3,000	3,000	3,000	3,000	3,000	3,000	3,000
10 01 01	Support expenditure for the Asylum, Migration and Integration Fund	AMIF	co	(21-27)	3,000	3,000	3,000	3,000	3,000	3,000	3,000
10 02	Asylum, Migration and Integration Fund				494,581	1 315,583	1 415,121	1 497,715	1 782,704	1 702,635	1 794,192
10 02 01	Asylum, Migration and Integration Fund	AMIF	co	(21-27)	494,581	1 315,583	1 414,825	1 497,356	1 779,423	1 699,511	1 794,192
10 02 02	Border Management and Visa Instrument (BMVI) — Contribution from AMIF	AMIF	co	(21-27)			0,296	0,360	0,711	0,554	
10 02 03	Internal Security Fund (ISF) – Contribution from AMIF	AMIF	co	(21-27)					2,570	2,570	
10 10	Decentralised Agencies				137,811	153,661	169,169	180,678	184,291	187,977	191,737
10 10 01	European Union Agency for Asylum (EUAA)	EUAA	ag		137,811	153,661	169,169	180,678	184,291	187,977	191,737
11	Border Management				991,564	1 887,756	2 140,021	2 148,689	2 378,598	2 368,824	2 428,442
11 01	Support administrative expenditure of the 'Border Management' cluster				2,077	2,079	2,081	2,082	2,084	2,085	2,087
11 01 01	Support expenditure for the Integrated Border Management Fund — Instrument for financial support for border management and visa	BMVI	co	(21-27)	2,000	2,000	2,000	2,000	2,000	2,000	2,000

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
11 01 02	<i>Support expenditure for the Integrated Border Management Fund — Instrument for financial support for customs control equipment</i>	CCEI	co	(21-27)	0,077	0,079	0,081	0,082	0,084	0,085	0,087
11 02	Integrated Border Management Fund (IBMF) — Instrument for financial support for border management and visa				151,566	738,742	944,798	794,930	926,613	845,910	855,948
11 02 01	<i>Instrument for financial support for border management and visa</i>	BMVI	co	(21-27)	151,566	738,742	944,798	794,930	926,613	845,910	855,948
11 03	Integrated Border Management Fund (IBMF) — Instrument for financial support for customs control equipment				135,403	138,111	140,872	143,691	146,564	149,496	151,695
11 03 01	<i>Instrument for financial support for customs control equipment</i>	CCEI	co	(21-27)	135,403	138,111	140,872	143,691	146,564	149,496	151,695
11 10	Decentralised agencies				702,519	1 008,824	1 052,270	1 207,985	1 303,337	1 371,333	1 418,712
11 10 01	<i>European Border and Coast Guard Agency (Frontex)</i>	FRONTEX	ag		491,426	692,794	793,614	924,989	1 049,849	1 130,401	1 177,330
11 10 02	<i>European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice ('eu-LISA')</i>	EU_LISA	ag		211,093	316,030	258,656	282,996	253,487	240,932	241,382

co = codecision, dc = decision, pc = proposal codecision, pd = proposal decision, pp = pilot projects, pa = preparatory

ag = agencies, tp = Commission's prerogatives, Ts = specific competencies, Ta = administrative autonomy

3.8. Heading 5 – Security and Defence

(current prices in EUR millions, rounded to the nearest thousandth)

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
TOTAL HEADING 5 - Security and Defence					1 598,298	1 812,328	1 901,109	1 971,861	2 212,991	2 408,338	2 680,864
12	Security				425,538	634,883	688,723	736,467	783,515	789,780	783,270
12 01	Support administrative expenditure of the "Security" cluster				3,765	4,760	4,806	4,854	4,901	4,950	5,021
12 01 01	Support expenditure for the Internal Security Fund (ISF)	ISF	co	(21-27)	1,500	2,450	2,450	2,450	2,450	2,450	2,470
12 01 03	Support expenditure for the nuclear safety and decommissioning, including for Bulgaria and Slovakia	ND_OTHER	dc	(21-27)	2,265	2,310	2,356	2,404	2,451	2,500	2,551
12 02	Internal Security Fund (ISF)				68,500	251,678	307,408	312,436	332,207	316,647	282,901
12 02 01	Internal Security Fund (ISF)	ISF	co	(21-27)	68,500	251,678	307,408	312,436	332,207	316,647	282,901
12 03	Nuclear decommissioning for Lithuania				72,500	98,900	68,800	74,600	74,700	80,100	82,400
12 03 01	Nuclear decommissioning assistance to Lithuania	ND_LITH	dc	(21-27)	72,500	98,900	68,800	74,600	74,700	80,100	82,400
12 04	Nuclear Safety and decommissioning, including for Bulgaria and Slovakia				66,940	41,629	54,883	59,920	67,999	70,555	87,237
12 04 01	Kozloduy programme	ND_OTHER	dc	(21-27)	9,000	9,000	9,000	9,000	9,000	9,000	9,000
12 04 02	Bohunice programme	ND_OTHER	dc	(21-27)	27,500		9,500	9,000	9,000		
12 04 03	Decommissioning and Waste Management Programme of the Joint Research Centre (JRC)	ND_OTHER	dc	(21-27)	30,440	32,629	36,383	41,920	49,999	61,555	78,237

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
12 10	Decentralised agencies				192,814	215,942	230,412	261,795	280,390	293,608	301,439
12 10 01	European Union Agency for Law Enforcement Cooperation (Europol)	EUROPOL	ag		166,601	189,031	202,078	218,228	223,615	235,649	236,926
12 10 02	European Union Agency for Law Enforcement Training (CEPOL)	CEPOL	ag		9,620	10,072	10,806	11,435	11,664	11,897	12,135
12 10 03	European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)	EMCDDA	ag		16,594	16,839	17,528	32,132	33,989	35,098	35,880
12 10 04	EU Centre to prevent and counter child sexual abuse (CSA)	CSA	ag						11,122	10,964	16,497
12 20	Pilot projects, preparatory actions, prerogatives and other actions				21,019	21,975	22,414	22,862	23,319	23,921	24,272
12 20 04	Actions financed under the prerogatives of the Commission and specific powers conferred on the Commission				21,019	21,975	22,414	22,862	23,319	23,921	24,272
12 20 04 01	Nuclear safeguards		Ts		18,019	18,914	19,292	19,678	20,071	20,608	20,909
12 20 04 02	Nuclear safety and protection against radiation		Ts		3,000	3,061	3,122	3,184	3,248	3,313	3,362
13	Defence				1 172,760	1 177,445	1 212,386	1 235,394	1 429,475	1 618,558	1 897,594
13 01	Support administrative expenditure of the "Security and Defence" cluster				4,422	10,614	12,462	13,599	15,382	17,152	18,593
13 01 01	Support expenditure for the European Defence Fund — Non-research	EDF	co	(21-27)	1,358	2,430	2,600	2,500	3,000	3,540	4,210

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
13 01 02	Support expenditure for the European Defence Fund — Research				1,400	6,508	8,147	9,373	10,645	11,865	12,625
13 01 02 01	Expenditure related to officials and temporary staff implementing the European Defence Fund — Research	EDF	co	(21-27)	0,800	4,000	4,857	5,542	6,185	6,861	7,066
13 01 02 02	External personnel implementing the European Defence Fund — Research	EDF	co	(21-27)	0,175	0,670	1,156	1,380	1,610	1,854	1,910
13 01 02 03	Other management expenditure for the European Defence Fund — Research	EDF	co	(21-27)	0,425	1,838	2,134	2,450	2,850	3,150	3,650
13 01 03	Support expenditure for military mobility				1,664	1,676	1,715	1,726	1,737	1,747	1,758
13 01 03 01	Support expenditure for military mobility	MM	co	(21-27)	0,700	0,714	0,728	0,743	0,758	0,773	0,788
13 01 03 74	European Climate, Infrastructure and Environment Executive Agency — Contribution from Connecting Europe Facility (Transport) for military mobility	MM	co	(21-27)	0,964	0,962	0,987	0,984	0,980	0,974	0,969
13 02	European Defence Fund (EDF) — Non-research				621,210	624,924	623,847	591,323	706,275	821,310	1 025,473
13 02 01	Capability development	EDF	co	(21-27)	621,210	624,924	623,847	591,323	706,275	821,310	1 025,473
13 03	European Defence Fund (EDF) — Research				321,730	311,839	311,107	294,831	352,246	409,592	457,093
13 03 01	Defence research	EDF	co	(21-27)	321,730	311,839	311,107	294,831	352,246	409,592	457,093
13 04	Military mobility				225,398	230,068	234,971	239,641	244,572	249,504	254,435
13 04 01	Military mobility	MM	co	(21-27)	225,398	230,068	234,971	239,641	244,572	249,504	254,435

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
13 05	Union Secure Connectivity Programme						30,000	96,000	111,000	121,000	142,000
13 05 01	<i>Union Secure Connectivity — Contribution from Heading 5</i>	USC	pc	(23-27)			30,000	96,000	111,000	121,000	142,000

co = codecion, dc = decision, pc = proposal codecision, pd = proposal decision, pp = pilot projects, pa = preparatory
ag = agencies, tp = Commission's prerogatives, Ts = specific competencies, Ta = administrative autonomy

3.9. Heading 6 – Neighbourhood and the World

(current prices in EUR millions, rounded to the nearest thousandth)

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
TOTAL HEADING 6 - Neighbourhood and the World					17 031,000	17 170,443	16 781,879	15 722,590	15 195,073	14 643,282	15 217,750
14	External Action				15 147,197	15 158,937	14 250,808	13 706,176	13 135,416	12 541,629	13 073,124
14 01	Support administrative expenditure of the 'External Action' cluster				341,001	346,069	350,470	353,928	358,667	363,501	368,431
14 01 01	<i>Support expenditure for the Neighbourhood, Development and International Cooperation Instrument — Global Europe (NDICI — Global Europe)</i>				326,833	330,949	335,148	339,588	344,117	348,736	353,448
14 01 01 01	Support expenditure for the Neighbourhood, Development and International Cooperation Instrument — Global Europe	NDICI	co	(21-27)	322,359	324,805	328,660	332,936	337,295	341,739	346,269
14 01 01 75	European Education and Culture Executive Agency — Contribution from the Neighbourhood, Development and International Cooperation Instrument — Global Europe	NDICI	co	(21-27)	4,474	6,145	6,488	6,653	6,823	6,998	7,179

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
14 01 02	Support expenditure for humanitarian aid	HUMA	co	(21-27)	10,734	11,658	11,831	10,820	11,001	11,185	11,372
14 01 03	Support expenditure for the Common Foreign and Security Policy	CFSP	dc	(21-27)	0,600	0,600	0,600	0,600	0,600	0,600	0,600
14 01 04	Support expenditure for overseas countries and territories	OCT	dc	(21-27)	1,329	1,347	1,364	1,382	1,400	1,419	1,438
14 01 05	Support expenditure for the European Instrument for International Nuclear Safety Cooperation (INSC)	INSC	dc	(21-27)	1,505	1,516	1,526	1,538	1,549	1,561	1,572
14 02	Neighbourhood, Development and International Cooperation Instrument — Global Europe (NDICI — Global Europe)				12 084,461	12 385,698	11 635,622	11 034,301	10 356,766	9 703,223	10 171,436
14 02 01	Geographic programmes				8 877,232	9 343,611	8 730,984	8 282,139	7 878,964	7 408,430	7 763,148
14 02 01 10	Southern neighbourhood	NDICI	co	(21-27)	1 589,601	1 629,861	1 657,210	1 630,932	1 122,769	1 122,636	1 085,329
14 02 01 11	Eastern neighbourhood	NDICI	co	(21-27)	690,571	709,703	618,890	622,538	574,230	415,165	410,155
14 02 01 12	Neighbourhood — Territorial and cross-border cooperation and supporting measures	NDICI	co	(21-27)	87,470	89,150	111,852	113,602	115,382	96,210	98,060
14 02 01 20	West Africa	NDICI	co	(21-27)	1 689,410	1 320,668	1 624,960	1 540,753	1 262,853	1 174,888	1 242,539
14 02 01 21	East and Central Africa	NDICI	co	(21-27)	1 394,550	1 287,651	1 584,336	1 502,235	1 231,282	1 145,516	1 211,475
14 02 01 22	Southern Africa and Indian Ocean	NDICI	co	(21-27)	192,673	693,351	853,104	808,896	662,998	616,816	652,333
14 02 01 30	Middle East and Central Asia	NDICI	co	(21-27)	375,851	414,766	395,413	371,762	288,796	300,862	332,706

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
14 02 01 31	South and East Asia	NDICI	co	(21-27)	388,063	445,958	631,021	603,608	507,448	435,071	500,754
14 02 01 32	The Pacific	NDICI	co	(21-27)	61,176	96,423	119,140	113,213	92,421	85,421	30,893
14 02 01 40	The Americas	NDICI	co	(21-27)	258,061	253,148	340,741	326,295	251,370	231,756	240,431
14 02 01 41	The Caribbean	NDICI	co	(21-27)	111,500	101,075	101,491	101,508	95,108	88,839	87,865
14 02 01 50	Erasmus+ — NDICI — Global Europe contribution	NDICI	co	(21-27)	20,000	296,667	296,667	296,667	296,667	296,667	296,667
14 02 01 70	NDICI — Global Europe — Provisioning of the common provisioning fund	NDICI	co	(21-27)	2 018,306	2 005,190	396,159	250,132	1 377,640	1 398,585	1 573,941
14 02 02	Thematic programmes				2 366,898	1 019,379	1 047,894	990,773	866,298	787,845	826,434
14 02 02 10	Election observation missions — Human Rights and Democracy	NDICI	co	(21-27)	50,297	51,949	49,512	46,957	44,281	41,480	43,487
14 02 02 11	Fundamental rights and freedoms — Human Rights and Democracy	NDICI	co	(21-27)	150,171	155,900	148,630	141,009	133,027	124,671	130,657
14 02 02 20	Civil Society Organisations	NDICI	co	(21-27)	199,995	207,866	198,173	188,012	177,369	166,227	174,209
14 02 02 30	Peace, Stability and Conflict Prevention	NDICI	co	(21-27)	134,126	137,932	131,432	124,620	117,483	110,013	115,365
14 02 02 40	People — Global Challenges	NDICI	co	(21-27)	1 611,808	187,192	199,410	195,154	175,679	168,326	173,594
14 02 02 41	Planet — Global Challenges	NDICI	co	(21-27)	75,700	133,034	124,715	163,612	115,800	78,269	88,477
14 02 02 42	Prosperity — Global Challenges	NDICI	co	(21-27)	130,000	112,248	152,082	89,895	65,348	59,331	63,641
14 02 02 43	Partnerships — Global Challenges	NDICI	co	(21-27)	14,800	33,259	43,939	41,514	37,311	39,528	37,005

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
14 02 03	Rapid response actions				840,331	484,396	461,653	437,812	412,839	386,698	405,426
14 02 03 10	Crisis response	NDICI	co	(21-27)	261,039	268,446	255,797	242,538	228,649	214,110	224,526
14 02 03 20	Resilience	NDICI	co	(21-27)	530,000	165,259	157,554	149,476	141,015	132,158	138,503
14 02 03 30	Foreign policy needs	NDICI	co	(21-27)	49,292	50,690	48,302	45,798	43,175	40,430	42,397
14 02 04	Emerging challenges and priorities cushion	NDICI	co	(21-27)		1 538,311	1 395,090	1 323,576	1 198,665	1 120,249	1 176,428
14 03	Humanitarian Aid				2 157,325	1 794,402	1 615,033	1 649,884	1 682,581	1 716,312	1 751,078
14 03 01	Humanitarian aid	HUMA	co	(21-27)	2 082,325	1 717,902	1 537,003	1 570,294	1 601,399	1 633,506	1 666,615
14 03 02	Disaster prevention, disaster risk reduction and preparedness	HUMA	co	(21-27)	75,000	76,500	78,030	79,591	81,182	82,806	84,462
14 04	Common Foreign and Security Policy				351,597	361,146	371,217	381,546	392,139	403,004	414,146
14 04 01	Civilian Common Security and Defence Policy (CSDP)				308,875	311,249	319,931	328,835	337,967	347,333	356,938
14 04 01 01	EULEX Kosovo	CFSP	dc	(21-27)	52,521	82,122	84,408	86,753	89,158	91,624	94,154
14 04 01 02	Monitoring mission in Georgia	CFSP	dc	(21-27)	20,524	22,869	23,506	24,159	24,829	25,516	26,220
14 04 01 03	Other civilian CSDP missions	CFSP	dc	(21-27)	235,831	193,783	199,195	204,745	210,438	216,275	222,262
14 04 01 04	Civilian CSDP emergency measures	CFSP	dc	(21-27)		11,435	11,753	12,080	12,414	12,758	13,110

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
14 04 01 05	Civilian CSDP preparatory measures	CFSP	dc	(21-27)		1,040	1,068	1,098	1,129	1,160	1,192
14 04 02	European Union Special Representatives	CFSP	dc	(21-27)	34,405	20,790	24,369	21,963	22,572	23,196	23,836
14 04 03	Non-proliferation and disarmament	CFSP	dc	(21-27)	8,317	29,107	26,917	30,748	31,600	32,474	33,371
14 05	Overseas countries and territories				65,671	67,617	68,664	70,047	71,457	72,895	73,970
14 05 01	All overseas countries and territories	OCT	dc	(21-27)	2,500		2,500	6,700	4,900	10,750	12,970
14 05 02	Overseas countries and territories other than Greenland	OCT	dc	(21-27)	3,171	67,617	43,664	56,748	1,905	51,895	
14 05 03	Greenland	OCT	dc	(21-27)	60,000		22,500	6,599	64,651	10,250	61,000
14 06	European Instrument for International Nuclear Safety Cooperation (INSC)				36,115	37,064	38,404	40,222	42,551	45,599	49,278
14 06 01	Nuclear safety, radiation protection and safeguards	INSC	dc	(21-27)	36,115	35,940	35,080	40,222	42,551	45,599	24,897
14 06 02	INSC — Provisioning of the common provisioning fund	INSC	dc	(21-27)		1,124	3,324				24,380
14 07 01	Union Secure Connectivity — Contribution from Heading 6	USC	pc	(23-27)					50,000	50,000	50,000
14 20	Pilot projects, preparatory actions, prerogatives and other actions				111,027	166,941	171,399	176,247	181,254	187,095	194,786
14 20 03	Other actions				18,595	72,171	78,429	81,899	84,326	87,151	90,869
14 20 03 01	Macro-financial assistance (MFA) grants		dc		0,227	50,000	56,711	57,367	59,268	61,512	64,536
14 20 03 06	International organisations and agreements		dc		18,367	22,171	21,719	24,532	25,058	25,639	26,333

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
14 20 04	Actions financed under the prerogatives of the Commission and specific powers conferred on the Commission				92,433	94,770	92,969	94,348	96,928	99,944	103,917
14 20 04 01	International Organisations of Vine and Wine		Tp		0,140	0,140	0,140	0,140	0,140	0,140	0,140
14 20 04 02	External trade relations and Aid for Trade		Tp		18,100	18,487	19,023	19,517	20,072	20,718	21,570
14 20 04 03	Information policy and strategic communication for external action		Tp		43,115	43,660	45,760	46,144	47,358	48,781	50,659
14 20 04 04	Strategic evaluations and audits		Tp		24,132	25,061	20,409	20,711	21,300	21,986	22,888
14 20 04 05	Promotion of the coordination between the Union and Member States on development cooperation and humanitarian aid		Tp		6,946	7,422	7,637	7,836	8,058	8,318	8,660
15	Pre-accession Assistance				1 883,803	2 011,505	2 531,071	2 016,414	2 059,657	2 101,653	2 144,626
15 01	Support administrative expenditure of the "Pre-accession Assistance" cluster				46,101	47,476	49,257	50,052	50,864	51,691	52,535
15 01 01	Support expenditure for the Instrument for Pre-accession Assistance (IPA)				46,101	47,476	49,257	50,052	50,864	51,691	52,535
15 01 01 01	Support expenditure for IPA	IPAIII	co	(21-27)	45,466	46,077	47,779	48,537	49,310	50,097	50,900
15 01 01 75	European Education and Culture Executive Agency — Contribution from IPA	IPAIII	co	(21-27)	0,635	1,399	1,478	1,515	1,554	1,594	1,635

Nomenclature	Heading	Instrument Programme	Type	Period	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
15 02	Instrument for Pre-accession Assistance (IPA III)				1 837,702	1 964,029	2 481,815	1 966,362	2 008,794	2 049,962	2 092,092
15 02 01	Fundamentals, Union policies and people-to-people				622,417	600,811	1 135,889	565,970	564,470	565,970	565,770
15 02 01 01	Preparation for accession	IPAIII	co	(21-27)	618,917	540,611	1 073,489	503,570	503,570	503,570	503,570
15 02 01 02	Erasmus+ — Contribution from IPA III	IPAIII	co	(21-27)	3,500	60,200	62,400	62,400	60,900	62,400	62,200
15 02 02	Investment for Growth and Employment				1 166,285	1 296,756	1 271,286	1 307,562	1 361,864	1 409,203	1 453,172
15 02 02 01	Preparation for accession	IPAIII	co	(21-27)	1 079,809	1 004,238	917,153	919,077	956,379	993,718	881,920
15 02 02 02	Transition to the rules of the Union	IPAIII	co	(21-27)	72,364	113,000	113,000	153,000	170,000	180,000	185,000
15 02 02 03	IPA III — Provisioning of the common provisioning fund	IPAIII	co	(21-27)	14,112	179,519	241,133	235,485	235,485	235,485	386,252
15 02 03	Territorial and cross-border cooperation	IPAIII	co	(21-27)	49,000	66,462	74,640	92,830	82,460	74,790	73,150
<p>co = codecion, dc = decision, pc = proposal codecision, pd = proposal decision, pp = pilot projects, pa = preparatory</p> <p>ag = agencies, tp = Commission's prerogatives, Ts = specific competencies, Ta = administrative autonomy</p>											

3.10. Decentralised agencies

(current prices in EUR million, rounded to the nearest thousandth)

Line	Acronym	Heading	Location	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
GRAND TOTAL				2 012,386	2 378,907	2 471,427	2 745,608	2 908,443	2 999,454	3 081,683
Heading 1 : Single Market, Innovation and Digital				363,786	380,761	403,885	437,368	460,412	454,065	462,590
02 10 01	EASA	European Union Aviation Safety Agency	Köln (Germany)	38,900	39,125	42,990	42,174	43,011	43,864	44,735
02 10 02	EMSA	European Maritime Safety Agency	Lisbon (Portugal)	80,334	82,697	85,538	88,561	90,333	92,139	93,982
02 10 03	ERA	European Union Agency for Railways	Valencienne - Lille (France)	27,002	26,164	27,349	27,967	28,526	29,096	29,678
02 10 04	ENISA	European Union Agency for Cybersecurity	Heraklion (Greece)	21,669	22,893	24,155	24,953	25,440	25,937	26,443
02 10 05	BEREC	Agency for Support for BEREC (BEREC Office)	Riga (Latvia)	7,250	7,338	7,647	7,851	8,008	8,168	8,332
02 10 06	ACER	Agency for the Cooperation of Energy Regulators	Ljubljana (Slovenia)	14,236	14,507	14,728	16,869	17,570	18,125	18,756
03 10 01*	ECHA	European Chemicals Agency	Helsinki (Finland)	70,474	72,246	74,879	81,716	83,070	85,296	87,653
03 10 02	EBA	European Banking Authority	Paris (France)	17,819	18,336	19,037	19,514	19,652	20,045	20,446
03 10 03	EIOPA	European Insurance and Occupational Pensions Authority	Frankfurt (Germany)	12,141	12,852	13,368	13,740	14,015	14,295	14,581
03 10 04	ESMA	European Securities and Market Authority	Paris (France)	17,993	16,301	18,347	19,992	20,443	21,146	21,224
03 10 05	AMLA	Anti-Money Laundering Authority (AMLA)	TO BE CONFIRMED			1,085	15,411	30,436	12,876	13,134
04 10 01	EUSPA	European Union Agency for the Space Programme	Prague (Czechia)	55,968	68,301	74,762	78,620	79,909	83,077	83,627

Line	Acronym	Heading	Location	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
Heading 2 : Cohesion, Resilience and Values				544,275	536,833	529,384	565,960	584,915	596,693	608,261
06 10 01	ECDC	European Centre for Disease Prevention and Control	Stockholm (Sweden)	162,906	90,529	85,925	90,289	89,412	91,037	93,961
06 10 02	EFSA	European Food Safety Authority	Parma (Italy)	125,371	145,861	150,541	154,028	157,109	160,251	163,456
06 10 03*	EMA	European Medicines Agency	Amsterdam (The Netherlands)	36,179	54,182	24,438	34,469	34,478	34,487	34,527
07 10 01	EURO-FOUND	European Foundation for the improvement of Living and Working conditions	Dublin (Ireland)	21,600	21,778	23,577	23,404	23,872	24,350	24,837
07 10 02	EUOSH-A	European Agency for safety and Health at work	Bilbao (Spain)	15,347	15,660	16,306	16,790	17,126	17,469	17,818
07 10 03	CEDE-FOP	European Centre for the Development of Vocational Training	Thessaloniki (Greece)	17,805	18,233	18,883	19,459	19,848	20,245	20,650
07 10 04	FRA	European Union Agency for Fundamental Rights	Vienna (Austria)	23,750	23,634	24,575	25,154	25,657	26,170	26,693
07 10 05	EIGE	European Institute for Gender Equality	Vilnius (Lithuania)	8,552	7,983	8,594	8,890	9,818	10,199	10,185
07 10 06	ETF	European Training Foundation	Torino (Italy)	21,053	21,379	22,534	23,162	23,625	24,098	24,579
07 10 07	EURO-JUST	European Union Agency for Criminal Justice Cooperation	The Hague (The Netherlands)	52,345	45,804	52,472	56,112	67,481	69,571	70,361
07 10 08	EPPO	European Public Prosecutor's Office	Luxembourg (Luxembourg)	35,150	57,102	62,101	64,256	65,541	66,852	68,189
07 10 09	ELA	European Labour Authority	Bratislava (Slovakia)	24,220	34,690	39,435	49,947	50,947	51,966	53,005

Line	Acronym	Heading	Location	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
Heading 3 : Natural Resources and Environment				71,181	82,887	86,308	91,822	95,098	95,778	98,944
08 10 01	EFCA	European Fisheries Control Agency	Vigo (Spain)	20,741	28,739	29,535	30,584	31,093	31,629	32,334
09 10 01	ECHA	European Chemicals Agency	Helsinki (Finland)	5,260	4,700	5,389	5,720	6,495	6,597	6,912
09 10 02	EEA	European Environment Agency	Copenhagen (Denmark)	45,180	49,448	51,383	55,518	57,510	57,551	59,698
Heading 4 : Migration and Border Management				840,329	1 162,485	1 221,439	1 388,663	1 487,628	1 559,310	1 610,449
10 10 01	EUAA	European Union Agency for Asylum (EUAA)	Valletta (Malta)	137,811	153,661	169,169	180,678	184,291	187,977	191,737
11 10 01	FRON-TEX	European Border and Coast Guard Agency	Warsaw (Poland)	491,426	692,794	793,614	924,989	1 049,849	1 130,401	1 177,330
11 10 02	EU_LISA	European Union Agency for the operational management of large-scale IT systems in the area of freedom, security and justice	Tallinn (Estonia)	211,093	316,030	258,656	282,996	253,487	240,932	241,382
Heading 5 : Security and Defence				192,814	215,942	230,412	261,795	280,390	293,608	301,439
12 10 01	EURO-POL	European Union Agency for Law Enforcement Cooperation (Europol)	The Hague (The Netherlands)	166,601	189,031	202,078	218,228	223,615	235,649	236,926
12 10 02	CEPOL	European Union agency for law enforcement training	Budapest (Hungary)	9,620	10,072	10,806	11,435	11,664	11,897	12,135
12 10 03	EMCDD-A	European Monitoring Centre for Drugs and Addiction	Lisbon (Portugal)	16,594	16,839	17,528	32,132	33,989	35,098	35,880
12 10 04	CSA	EU Centre to prevent and counter child sexual abuse (CSA)	TO BE CONFIRMED					11,122	10,964	16,497
Heading 7 : European Public Administration										
20 10 01	CDT	Translation Centre for the Bodies of the European Union	Luxembourg (Luxembourg)							

3.11. Actions financed under the prerogatives and specific responsibilities of the Commission

(current prices in EUR million, rounded to the nearest thousandth)

Line	Heading	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
GRAND TOTAL		333,650	335,232	335,394	339,726	344,434	350,269	356,453
Heading 1 : Single Market, Innovation and Digital		24,907	23,598	26,261	26,942	26,781	27,131	27,524
02 20 04 01	Support activities to the European transport policy, transport security and passenger rights including communication activities	14,352	14,150	14,433	14,722	15,016	15,316	15,623
02 20 04 02	Support activities for the European energy policy and internal energy market	7,240	6,500	6,630	6,763	6,898	7,036	7,177
02 20 04 03	Definition and implementation of the Union's policy in the field of electronic communications	3,315	2,948	2,948	3,007	3,067	3,129	3,175
03 20 03 02	Carbon Border Adjustment Mechanism			2,250	2,450	1,800	1,650	1,550
Heading 2 : Cohesion, Resilience and Values		195,291	194,890	193,750	195,575	197,406	199,273	200,740
06 20 04 01	Coordination and surveillance of, and communication on, the economic and monetary union, including the euro	11,400	12,000	12,000	12,098	12,340	12,587	12,838
07 20 04 01	Multimedia actions	20,212	20,384	20,560	20,739	20,921	21,108	21,248
07 20 04 02	Executive and corporate communication services	46,689	47,506	47,916	48,334	48,759	49,192	49,518
07 20 04 03	Commission Representations	26,645	27,589	27,826	28,070	28,317	28,569	28,757
07 20 04 04	Communication services for citizens	33,356	32,504	32,783	33,068	33,360	33,657	33,880
07 20 04 05	House of European History	3,000	3,000	3,000	3,000	3,000	3,000	3,000
07 20 04 06	Specific competences in the area of social policy, including social dialogue	28,070	25,521	23,219	23,421	23,628	23,838	23,996
07 20 04 07	Other activities in the area of fundamental rights	0,898	0,906	0,914	0,922	0,930	0,938	0,944
07 20 04 08	Analysis of and studies on the social situation, demography and the family	2,730	3,140	3,000	3,194	3,222	3,251	3,273
07 20 04 09	Information and training measures for workers' organisations	22,291	22,340	22,532	22,729	22,929	23,133	23,286
Heading 5 : Security and Defence		21,019	21,975	22,414	22,862	23,319	23,921	24,272
12 20 04 01	Nuclear safeguards	18,019	18,914	19,292	19,678	20,071	20,608	20,909
12 20 04 02	Nuclear safety and protection against radiation	3,000	3,061	3,122	3,184	3,248	3,313	3,362

Line	Heading	2021 Budget	2022 Budget	2023 Draft Budget	2024 Financial Programming	2025 Financial Programming	2026 Financial Programming	2027 Financial Programming
Heading 6 : Neighbourhood and the World		92,433	94,770	92,969	94,348	96,928	99,944	103,917
14 20 04 01	International Organisations of Vine and Wine	0,140	0,140	0,140	0,140	0,140	0,140	0,140
14 20 04 02	External trade relations and Aid for Trade	18,100	18,487	19,023	19,517	20,072	20,718	21,570
14 20 04 03	Information policy and strategic communication for external action	43,115	43,660	45,760	46,144	47,358	48,781	50,659
14 20 04 04	Strategic evaluations and audits	24,132	25,061	20,409	20,711	21,300	21,986	22,888
14 20 04 05	Promotion of the coordination between the Union and Member States on development cooperation and humanitarian aid	6,946	7,422	7,637	7,836	8,058	8,318	8,660

4. ANNEXES SPECIFIC MFF ELEMENTS

4.1. Amounts under Article 5 MFF Regulation (overall amounts in the draft budget)

(current prices in EUR million, rounded to the nearest thousandth)

Code	Name	2023	2024	2025	2026	2027
1	Heading 1 : Single Market, Innovation and Digital	601,998	614,000	627,000	639,001	1 523,999
1.0.11	Horizon Europe	451,498	460,500	470,250	479,251	1 142,999
	Support expenditure	20,105	20,507	20,942	21,343	50,901
01 01 01 01	Expenditure related to officials and temporary staff implementing Horizon Europe — Indirect research	5,560	5,792	5,827	5,860	14,714
01 01 01 02	External personnel implementing Horizon Europe — Indirect research	1,589	1,641	1,680	1,689	4,242
01 01 01 03	Other management expenditure for Horizon Europe — Indirect research	3,420	3,667	3,834	3,831	11,801
01 01 01 71	European Research Council Executive Agency — Contribution from Horizon Europe	3,191	3,230	3,272	3,270	7,080
01 01 01 72	European Research Executive Agency — Contribution from Horizon Europe	5,732	5,555	5,687	6,032	11,559
01 01 01 73	European Health and Digital Executive Agency — Contribution from Horizon Europe	0,213	0,227	0,243	0,259	0,632
01 01 01 74	European Climate, Infrastructure and Environment Executive Agency — Contribution from Horizon Europe	0,185	0,189	0,194	0,199	0,467
01 01 01 76	European Innovation Council and SMEs Executive Agency — Contribution from Horizon Europe	0,215	0,206	0,205	0,203	0,406
	Operational expenditure	431,393	439,993	449,308	457,908	1 092,098
01 02 01 01	European Research Council	122,305	124,690	127,330	129,767	309,492
01 02 01 02	Marie Skłodowska-Curie Actions	33,395	34,037	34,757	35,422	84,482
01 02 01 03	Research infrastructures	27,315	27,848	28,438	28,982	69,121
01 02 02 20	Cluster 'Culture, Creativity and Inclusive Society'	97,122	99,015	101,112	103,047	245,765

Code	Name	2023	2024	2025	2026	2027
01 02 02 30	Cluster 'Civil Security for Society'	36,421	37,131	37,917	38,643	92,162
01 02 02 40	Cluster 'Digital, Industry and Space'	24,280	24,754	25,278	25,762	61,441
01 02 02 50	Cluster 'Climate, Energy and Mobility'	24,280	24,754	25,278	25,762	61,441
01 02 03 02	European innovation ecosystems	8,498	8,664	8,847	9,017	21,504
01 02 03 03	European Institute of Innovation and Technology (EIT)	30,361	30,966	31,622	32,227	76,860
01 02 04 01	Widening participation and spreading excellence	14,022	14,295	14,598	14,877	35,482
01 02 04 02	Reforming and enhancing the European R&I system	8,498	8,664	8,847	9,017	21,504
01 02 05	Horizontal operational activities	4,896	5,175	5,284	5,385	12,844
1.0.21	InvestEU Fund	150,500	153,500	156,750	159,750	381,000
	Operational expenditure	150,500	153,500	156,750	159,750	381,000
02 02 02	EU guarantee – from the InvestEU Fund – Provisioning of the common provisioning fund	150,500	153,500	146,117	149,117	370,367
02 02 03	InvestEU Advisory Hub, InvestEU Portal and accompanying measures			10,633	10,633	10,633
2	Heading 2 : Cohesion, Resilience and Values	904,000	922,000	940,000	958,998	2 276,000
2.2.25	EU4Health	437,002	445,704	454,405	463,589	1 100,240
	Support expenditure	5,681	5,794	5,907	6,026	14,303
06 01 05 01	Support expenditure for the EU4Health Programme	5,681	5,794	5,907	6,026	14,303
	Operational expenditure	431,321	439,910	448,498	457,563	1 085,937
06 06 01	EU4Health Programme	431,321	439,910	448,498	457,563	1 085,937
2.2.32	Erasmus+	256,203	261,304	266,406	271,790	645,041
	Support expenditure	3,843	3,920	3,996	4,077	9,676
07 01 02 01	Support expenditure for Erasmus+	3,843	3,920	3,996	4,077	9,676

Code	Name	2023	2024	2025	2026	2027
	Operational expenditure	252,360	257,384	262,410	267,713	635,365
07 03 01 01	Promoting learning mobility of individuals and groups, and cooperation, inclusion and equity, excellence, creativity and innovation at the level of organisations and policies in the field of education and training — Indirect management	181,125	184,731	188,338	192,145	456,018
07 03 01 02	Promoting learning mobility of individuals and groups, and cooperation, inclusion and equity, excellence, creativity and innovation at the level of organisations and policies in the field of education and training — Direct management	39,978	40,774	41,570	42,410	100,652
07 03 02	Promoting non-formal and informal learning mobility and active participation among young people, and cooperation, inclusion, creativity and innovation at the level of organisations and policies in the field of youth	26,389	26,914	27,440	27,994	66,439
07 03 03	Promoting learning mobility of sport staff, and cooperation, inclusion, creativity and innovation at the level of sport organisations and sport policies	4,868	4,965	5,062	5,164	12,256
2.2.34	Creative Europe	90,317	92,115	93,914	95,812	227,391
	Support expenditure	2,550	2,600	2,650	2,700	2,750
07 01 04 01	Support expenditure for Creative Europe	2,550	2,600	2,650	2,700	2,750
	Operational expenditure	87,767	89,515	91,264	93,112	224,641
07 05 01	Culture strand	28,963	29,540	30,117	30,727	74,132
07 05 02	Media strand	50,905	51,919	52,933	54,005	130,292
07 05 03	Cross-sectoral strand	7,899	8,056	8,214	8,380	20,217
2.2.352	Citizens, Equality, Rights and Values	120,478	122,877	125,275	127,807	303,328
	Operational expenditure	120,478	122,877	125,275	127,807	303,328
07 06 01	Equality and rights	20,489	20,614	20,750	20,916	48,592

Code	Name	2023	2024	2025	2026	2027
07 06 02	Citizens engagement and participation in the democratic life of the Union	18,268	31,844	47,621	32,755	57,730
07 06 03	Daphne	19,520	19,959	20,425	20,939	49,489
07 06 04	Union values	62,201	50,460	36,479	53,197	147,517
4	Heading 4 : Migration and Border Management	151,000	154,000	157,000	160,000	383,000
4.0.211	Integrated Border Management Fund (IBMF) - Instrument for border management and visa (BMVI)	151,000	154,000	157,000	160,000	383,000
	Operational expenditure	151,000	154,000	157,000	160,000	383,000
11 02 01	Instrument for financial support for border management and visa	151,000	154,000	157,000	160,000	383,000
	GRAND TOTAL	1 656,998	1 690,000	1 724,000	1 757,999	4 182,999

4.2. NextGenerationEU (variation compared to the technical update of the financial programming)

(current prices in EUR million, rounded to the nearest thousandth)

Name	Code	2021	2022	2023	2024	2025	2026	2027	2021-2027
Single Market, Innovation and Digital	1			-0,9	0,4	0,2	0,2	0,1	
Horizon Europe	1.0.11			-0,9	0,4	0,2	0,2	0,1	
Support expenditure				0,426	0,352	0,249	0,180	0,108	1,315
External personnel implementing Horizon Europe — Indirect research	01 01 01 02			0,499	0,509	0,524	0,540	0,556	2,628
Other management expenditure for Horizon Europe — Indirect research	01 01 01 03			-0,436	-0,445	-0,458	-0,472	-0,486	-2,296
European Health and Digital Executive Agency — Contribution from Horizon Europe	01 01 01 73			0,109	0,098	0,063	0,038	0,013	0,321

Name	Code	2021	2022	2023	2024	2025	2026	2027	2021-2027
European Climate, Infrastructure and Environment Executive Agency — Contribution from Horizon Europe	01 01 01 74			0,080	0,073	0,046	0,028	0,009	0,238
European Innovation Council and SMEs Executive Agency — Contribution from Horizon Europe	01 01 01 76			0,174	0,116	0,074	0,045	0,015	0,425
Operational expenditure				- 1,315					- 1,315
Cluster 'Health'	01 02 02 10			- 0,182					- 0,182
Cluster 'Digital, Industry and Space'	01 02 02 40			- 0,364					- 0,364
Cluster 'Climate, Energy and Mobility'	01 02 02 50			- 0,376					- 0,376
European Innovation Council	01 02 03 01			- 0,393					- 0,393
InvestEU Fund	1.0.21								
Support expenditure									
Support expenditure for the InvestEU Programme	02 01 10								
Operational expenditure									
EU guarantee – from the InvestEU Fund – Provisioning of the common provisioning fund	02 02 02								
InvestEU Advisory Hub, InvestEU Portal and accompanying measures	02 02 03								
Cohesion, Resilience and Values	2	- 3,6	4,8	1,1	0,0	0,1	0,2	0,3	2,9
European Regional Development Fund (ERDF)	2.1.11			1,9					1,9
Support expenditure				1,857					1,857

Name	Code	2021	2022	2023	2024	2025	2026	2027	2021-2027
Just Transition Fund	3.2.22	- 2 111,7	1 055,8	1 055,8					
Support expenditure									
Support expenditure for the Just Transition Fund	09 01 02								
Operational expenditure		- 2 111,677	1 055,838	1 055,838					
Just Transition Fund (JTF) — Operational expenditure	09 03 01	- 2 111,677	1 055,838	1 055,838					
Just Transition Fund (JTF) — Operational technical assistance	09 03 02								
GRAND TOTAL		- 39 256,1	- 182 270,9	226 695,8	0,4	0,4	0,4	0,4	5 170,3
Of which grants		- 2 115,3	1 060,6	1 056,1	0,4	0,4	0,4	0,4	2,9
Of which loans		- 37 140,8	- 183 331,5	225 639,7					5 167,4

4.3. NextGenerationEU (expected annual instalments)

(current prices in EUR million, rounded to the nearest thousandth)

Code	Name	2023	2024	2025	2026	2027
1	Heading 1 : Single Market, Innovation and Digital	4 299,326	13,607	10,133	7,794	5,361
1.0.11	Horizon Europe	1 828,326	13,107	9,633	7,294	4,861
	Support expenditure	17,612	13,107	9,633	7,294	4,861
01 01 01 02	External personnel implementing Horizon Europe — Indirect research	2,159	2,202	2,268	2,336	2,406
01 01 01 03	Other management expenditure for Horizon Europe — Indirect research	2,994	1,035	1,072	1,108	1,144
01 01 01 73	European Health and Digital Executive Agency — Contribution from Horizon Europe	3,731	3,374	2,153	1,317	0,451
01 01 01 74	European Climate, Infrastructure and Environment Executive Agency — Contribution from Horizon Europe	2,760	2,503	1,595	0,976	0,331

Code	Name	2023	2024	2025	2026	2027
01 01 01 76	European Innovation Council and SMEs Executive Agency — Contribution from Horizon Europe	5,968	3,993	2,545	1,557	0,529
	Operational expenditure	1 810,714				
01 02 02 10	Cluster 'Health'	454,191				
01 02 02 40	Cluster 'Digital, Industry and Space'	453,704				
01 02 02 50	Cluster 'Climate, Energy and Mobility'	452,975				
01 02 03 01	European Innovation Council	449,844				
1.0.21	InvestEU Fund	2 471,000	0,500	0,500	0,500	0,500
	Support expenditure	0,500	0,500	0,500	0,500	0,500
02 01 10	Support expenditure for the InvestEU Programme	0,500	0,500	0,500	0,500	0,500
	Operational expenditure	2 470,500				
02 02 02	EU guarantee – from the InvestEU Fund – Provisioning of the common provisioning fund	2 420,000				
02 02 03	InvestEU Advisory Hub, InvestEU Portal and accompanying measures	50,500				
2	Heading 2 : Cohesion, Resilience and Values	104 149,275	13,765	13,935	14,008	12,935
2.1.11	European Regional Development Fund (ERDF)	1,857				
	Support expenditure	1,857				
05 01 01 01	Support expenditure for the European Regional Development Fund	1,857				
	Operational expenditure					
05 02 05 01	ERDF — Operational expenditure — Financing under REACT-EU					
05 02 05 02	ERDF — Operational technical assistance — Financing under REACT-EU					

Code	Name	2023	2024	2025	2026	2027
2.1.311	European Social Fund (ESF)	1,077				
	Support expenditure	1,077				
07 01 01 01	Support expenditure for the ESF+ — shared management	1,077				
	Operational expenditure					
07 02 05 01	ESF — Operational expenditure — Financing under REACT-EU					
07 02 05 02	ESF — Operational technical assistance — Financing under REACT-EU					
07 02 06 01	FEAD — Operational expenditure — Financing under REACT-EU					
2.2.21	European Recovery and Resilience Facility and Technical Support Instrument	103 463,250	11,400	11,500	11,500	10,350
	Support expenditure	12,200	11,400	11,500	11,500	10,350
06 01 01 02	Support expenditure for the Recovery and Resilience Facility	12,200	11,400	11,500	11,500	10,350
	Operational expenditure	103 451,050				
06 02 01	Recovery and Resilience Facility — Non-repayable support	103 451,050				
2.2.24	Union Civil Protection Mechanism (RescEU)	683,091	2,365	2,435	2,508	2,585
	Support expenditure	2,250	2,365	2,435	2,508	2,585
06 01 04	Support expenditure for the Union Civil Protection Mechanism	2,250	2,365	2,435	2,508	2,585
	Operational expenditure	680,841				
06 05 01	Union Civil Protection Mechanism	680,841				
3	Heading 3 : Natural Resources and Environment	5 472,162				
3.2.12	European Agricultural Fund for Rural Development (EAFRD)					
	Support expenditure					
08 01 02	Support expenditure for the European Agricultural Fund for Rural Development					

Code	Name	2023	2024	2025	2026	2027
	Operational expenditure					
08 03 01 03	Rural development types of interventions financed from the European Union Recovery Instrument (EURI)					
08 03 03	EAFRD — Operational technical assistance financed from the European Union Recovery Instrument (EURI)					
3.2.22	Just Transition Fund	5 472,162				
	Support expenditure	6,890				
09 01 02	Support expenditure for the Just Transition Fund	6,890				
	Operational expenditure	5 465,272				
09 03 01	Just Transition Fund (JTF) — Operational expenditure	5 449,815				
09 03 02	Just Transition Fund (JTF) — Operational technical assistance	15,457				
	GRAND TOTAL	339 560,432	27,372	24,068	21,802	18,296
	Of which grants	113 920,763	27,372	24,068	21,802	18,296
	Of which loans	225 639,669				

4.4. Allocation under Article 15.3 of the Financial Regulation (variation compared to the technical update of the financial programming)

(current prices in EUR million, rounded to the nearest thousandth)

Name	Code	2023	2024	2025	2026	2027	2021-2027
Migration and Border Management	1	80,000	80,000	80,000	80,000	80,000	400,000
Horizon Europe	1.0.11	80,000	80,000	80,000	80,000	80,000	400,000
Cluster 'Health'	01 02 02 10						
Cluster 'Culture, Creativity and Inclusive Society'	01 02 02 20						
Cluster 'Digital, Industry and Space'	01 02 02 40	80,000	80,000	80,000	80,000	80,000	400,000
Cluster 'Climate, Energy and Mobility'	01 02 02 50						
Cluster 'Food, Bioeconomy, Natural Resources, Agriculture and Environment'	01 02 02 60						
GRAND TOTAL		80,000	80,000	80,000	80,000	80,000	400,000

The allocation under Article 15.3 of the Financial Regulation takes into account the joint declaration on the re-use of decommitted funds in relation to the research programme reached in December 2020 without changing the agreement on the voted budgets for 2021 and 2022. It deviates from the agreement insofar as to propose a financing solution for the Chips Act.

4.5. Allocation under Article 15.3 of the Financial Regulation (overall amounts in the draft budget)

(current prices in EUR million, rounded to the nearest thousandth)

Code	Name	2023	2024	2025	2026	2027
1	Heading 1 : Single Market, Innovation and Digital	158,811	175,259	177,164	179,106	136,926
1.0.11	Horizon Europe	158,811	175,259	177,164	179,106	136,926
	Operational expenditure	158,811	175,259	177,164	179,106	136,926
01 02 02 10	Cluster 'Health'					
01 02 02 20	Cluster 'Culture, Creativity and Inclusive Society'	15,762	19,052	19,433	19,821	11,385
01 02 02 40	Cluster 'Digital, Industry and Space'	127,287	137,155	138,298	139,464	114,156
01 02 02 50	Cluster 'Climate, Energy and Mobility'	15,762	19,052	19,433	19,821	11,385
01 02 02 60	Cluster 'Food, Bioeconomy, Natural Resources, Agriculture and Environment'					
	GRAND TOTAL	158,811	175,259	177,164	179,106	136,926

REVENUE — ANALYSIS BY TITLE

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1. GENERAL ASSESSMENT

The 2023 draft budget revenue forecast is based on Council Decision 2020/2053 of 14 December 2020 on the system of own resources of the European Union ⁽¹⁾ (ORD 2020). It is detailed in the table below and compared with the 2022 budget, including amending budgets no 1 ⁽²⁾ and draft amending budgets no 2 ⁽³⁾ and no 3 ⁽⁴⁾.

The ORD 2020 entered into force on 1 June 2021, after the approval by all Member States according to their national constitutional requirements. The ORD 2020 defines a new system of own resources, which includes the introduction of a new own resource, based on non-recycled plastic packaging waste (PPW).

Financing of the 2023 draft budget (DB)

Title	Revenue	B2022 (incl. AB 1 and DAB 2 and 3)	DB 2023	Percentage change 2023-2022
1	Own resources:			
	1. Customs duties	17 912 606 159	21 590 300 000	+20,53%
	2. VAT	19 071 387 750	20 719 666 800	+8,64%
	3. Plastics	5 997 306 880	6 376 668 800	+6,33%
	4. GNI	111 668 345 512	105 499 833 234	-5,52%
	Sub-total (Title 1)	154 649 646 301	154 186 468 834	-0,30%
2	Surpluses, balances and adjustments	3 227 058 807	p.m.	n/a
3	Administrative revenue	1 791 362 923	1 902 734 573	+6,22%
4	Financial revenue, default interest and fines	114 747 216	118 775 000	+3,51%
5	Budgetary guarantees, borrowing and lending operations	p.m.	p.m.	n/a
6	Revenue, contributions and refunds related to Union policies	10 996 505 308	10 060 264 923	-8,51%
	Sub-total (Titles 2–6)	16 129 674 254	12 081 774 496	-25,10%
	Grand total	170 779 320 555	166 268 243 330	-2,64%

The budget is financed by own resources and other revenue. The overall amount of own resources needed to finance the budget is determined by total expenditure minus other revenue. The amount of own resources (title 1 in the revenue part of the budget) needed to finance the appropriations for payments in the DB 2023 is the equivalent of 0.95% of the EU gross national income (GNI). The ORD 2020 sets the overall ceiling of own resources in 2023 at 1.40% of the total GNI of the Member States and the maximum amount of commitments at 1.46% of GNI. Both ceilings are temporarily increased by 0.6 percentage points to cover all liabilities of the Union resulting from the borrowing for NextGenerationEU until all such liabilities have ceased to exist, and at the latest by 31 December 2058.

⁽¹⁾ OJ L 424, 15.12.2020, p. 1.

⁽²⁾ COM(2022) 81 – 28 January 2022

⁽³⁾ COM(2022) 250 – 12 April 2022

⁽⁴⁾ COM(2022) 262 – 22 April 2022

Breakdown by type of revenue (in EUR million)

Type of revenue	B2022 (incl. AB1 and DAB2 to DAB3)		DB 2023		Difference (DB 2023-B2022)	
	EUR million	%	EUR million	%	EUR million	%
Customs duties	17 912,7	10,5%	21 590,3	13,0%	3 677,7	+20,5%
VAT based resource	19 071,4	11,2%	20 719,7	12,5%	1 648,3	+8,6%
Plastic based resource	5 997,3	3,5%	6 376,7	3,8%	379,4	+6,3%
GNI based resource	111 668,3	65,4%	105 499,8	63,5%	- 6 168,5	-5,5%
Other revenue	16 129,7	9,4%	12 081,8	7,3%	- 4 047,9	-25,1%
Total	170 779,3	100,0%	166 268,2	100,0%	- 4 511,1	-2,6%

The first own resource is customs duties, the so-called traditional own resources ⁽¹⁾. Member States retain 25 % of customs duties to cover their collection costs.

The second own resource results from applying a uniform rate to Member States' value added tax (VAT) bases. Article 2(1.b) of the ORD 2020 ⁽²⁾ sets the uniform rate at 0.30 %. The VAT bases are restricted (capped) to 50 % of each Member State's GNI base.

The third own resource results from applying a uniform call rate of EUR 0.80 per kilogram to the weight of plastic packaging waste generated in each Member State that is not recycled.

The fourth and 'balancing' resource results from applying a uniform rate to Member States' GNI base, which is calculated in such a way as to cover all expenditure that is not covered by the other resources. For the period 2021-2027, Denmark, Germany, the Netherlands, Austria and Sweden benefit from a gross reduction in their annual GNI-based contributions.

⁽¹⁾ Sugar levies no longer apply as of 2018 (Article 124 of Regulation (EU) No 1308/2013).

⁽²⁾ OJ L 424, 15.12.2020, p. 1.

2. OWN RESOURCES FORECASTS FOR 2023

The Advisory Committee on Own Resources (ACOR) agreed the 2023 forecasts of traditional own resources as well as the VAT, non-recycled plastic packaging waste and GNI bases on 23 May 2022. Representatives of the 27 Member States and the Commission participated in the meeting. These forecasts have been included in the DB 2023. The Commission's forecasting methodology is explained below. The final adopted forecasts are usually the result of a compromise between the Commission's forecasts and Member States' forecasts.

The Commission's revenue projections are based on the Commission 2022 spring economic forecast ⁽¹⁾, which states that shockwaves from the Russian invasion test the EU economic resilience. After the strong economic recovery at the end of 2021, the new forecast revises growth outlook downwards, while inflation is projected to be higher than previously predicted. The war exacerbates headwinds to growth that were previously expected to subside. Output is nevertheless projected to keep expanding throughout the forecast horizon, thanks to fading pandemic-related containment measures and the tailwinds of the strong policy action taken during the pandemic. A record strong and still improving labour market and a gradual normalisation of savings behaviour are set to offset rising cost of living and prop up private consumption. Investment is expected to benefit from the full deployment of the Recovery and Resilience Facility. Real GDP growth in both the EU and the euro area is now expected at 2.7% in 2022 and 2.3% in 2023, down from respectively 4.0% in 2022 (EU and euro area) and 2.8% (2.7% in the euro area) in 2023, in the Winter 2022 interim forecast.

The uncertainty around this forecast is extreme and the balance of risks is skewed heavily towards unfavourable outcomes. An escalation of the war, a sudden stop of energy deliveries, or a further deceleration of economic activity in the US and China, could result in a much grimmer outlook.

2.1. Traditional own resources

The TOR forecast builds on the strong economic recovery at the end of 2021 and reflects increasing commodity prices, but is also associated with a number of uncertainties. This applies in particular to the evolution of the war in Ukraine, and especially of its impact on energy markets. In addition, worse than expected problems in supply chains and further increases in non-energy commodity prices, especially food, could lead to additional downward pressures on growth, and further upward pressures on prices.

The forecast total customs duties to be collected in 2023 by the EU-27 amounts to EUR 21 590,3 million (after deduction of 25 % Member States retention rate). This represents an increase by 20.5% compared to the forecast amount included in the budget 2022 (i.e. EUR 17 912,7million). Customs duties for 2023 are projected based on the traditional ACOR forecast method applied to the revised forecast for 2022 (EUR 20 479,8 million): the customs duties per Member State forecast for 2022 are multiplied by their projected growth rate ⁽²⁾ 2022-2023 of extra EU imports of goods (for the EU as a whole +5.50 %), assuming a constant average tariff.

The forecast for 2022 based on the projected development of extra-EU-imports is lower than the extrapolation method using the TOR actually collected in the first months of 2022. The Commission takes a conservative approach for revising the 2022 TOR forecast ensuring sound budget management in a context of high economic uncertainties and potential disruptions in trade patterns. However, the forecast of customs duties to be collected in 2022, net of 25 % collection costs, is 14.33% higher than the amount entered in the budget 2022 (EUR + 2 567,2 million). The impact of the updated forecasts will be included in a specific Draft Amending Budget.

⁽¹⁾ European Commission, 2022, European Economic Forecast Spring 2022, European Economy, Institutional Paper 173.

⁽²⁾ As per the European Commission Spring 2022 Economic Forecast.

2.2. Value Added Tax (VAT) bases

The EU uncapped VAT base for EU-27 for 2023 is forecasted at EUR 6 925 198,0 million. This represents an increase by 8.5 % compared to the forecast of EUR 6 384 062,6 million used as a basis in the budget 2022.

Four Member States (Bulgaria, Croatia, Cyprus and Luxembourg) will have their VAT bases capped at 50 % of their respective GNI base in 2023.

The EU capped VAT base for EU-27 for 2023 will thus be forecast at EUR 6 906 555,6 million. This represents an increase by 8.6 % compared to the forecast of EUR 6 357 129,5 million used as a basis in the budget 2022.

Article 2(1.b) of the ORD 2020 ⁽¹⁾ sets the uniform rate at 0.30 %.

For each Member State, the VAT base for the year 2023 was forecast by applying to the latest available estimate or statement of the VAT base communicated to the Commission (i.e. an estimate for 2021 or a statement for 2020) - recalculated using the simplified method of the ORD 2020 – the weighted average forecast growth rates ⁽²⁾ of a representative aggregate, consisting of the sum of: private final consumption expenditure, general government net purchases of goods and services and general government gross fixed capital formation.

2.3. Non-recycled plastic packing waste bases

Non-recycled plastic packaging waste in the EU is forecast to amount to 8 859 902,5 tonnes in 2023.

The estimate for this own resource base results from the difference between plastic packaging waste and the recycled quantity thereof. Plastic packaging waste is forecast by applying the annual growth rates of GNI in constant prices ⁽³⁾ to the latest outturn data for plastic packaging waste (2019).

Member States' recycling rates are assumed to follow a linear convergence path between the recycling rate based on the latest available outturn data (2019) and the EU recycling target of 50 % to be met by 2025. However, the increase of recycling rates is capped at 2 percentage points per year to ensure a realistic convergence path. The recycling rate of Member States having already reached or surpassed the target in 2019 is kept constant.

2.4. Gross National Income (GNI) bases

The EU GNI base for EU-27 for 2023 is forecast at EUR 16 299 159,8 million. This represents an increase by 9.6 % compared to the forecast of EUR 14 874 288,2 million used as a basis in the budget 2022. The call rate to be applied to each Member State's GNI base to finance the part of the budget not covered by the other resources amounts to 0.64 % in 2023.

For each Member State, the GNI base for the year 2023 was forecast by applying to the latest estimate or statement of the GNI base communicated to the Commission (i.e. an estimate for 2021 or a statement for 2020) the forecast growth rates ⁽⁴⁾ of GNI.

⁽¹⁾ OJ L 424, 15.12.2020, p. 1.

⁽²⁾ As published by the Commission in the Spring 2022 Economic Forecast.

⁽³⁾ As published by the Commission in the Spring 2022 Economic Forecast.

⁽⁴⁾ As published by the Commission in the Spring 2022 Economic Forecast.

2.5. Member States' own resources payments

The distribution between Member States of the total own resources payments needed to finance the 2023 budget is the result of the budgetary forecast of traditional own resources and calculations based on the forecasts of the VAT, plastics and GNI bases.

The own resources payments by Member State are set out in the table below.

The 27 Member States will in principle pay one twelfth of the annual amounts of the plastics, VAT- and GNI-based resources indicated in the financing table of the 2023 budget each month between January and December 2023. Yet the Commission may ask Member States to bring forward monthly payments in the first six months of the year, leading to a corresponding decrease later in the year.

As for the traditional own resources (TOR), Member States pay 75 % of what they actually collect and retain the remaining 25% as collection costs. The actual TOR amounts collected might deviate from the amounts forecasted initially in the budget and presented in the financing table. The forecast of the total EU amount of traditional own resources indicated in the table serves as an estimate and also helps determine the total EU amount to call of the 'balancing resource' – the GNI resource. For the other own resources, the amounts in the table are the exact total amounts to be included in the monthly call for funds.

Summary of financing of the general budget by class of own resource and by Member State – DB 2023 (in EUR)

In EUR											
Member State	Traditional own resources (TOR)				VAT and GNI-based own resources						Total own resources
	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	Plastics own resource	GNI-based own resource	GNI lump sum reductions and their financing	Total 'national contributions'	Share in total 'national contributions' (%)	
	(1)	(2)	(3) = (1) + (2)	(4)	(5)	(6)	(7)	(8)	(9) = (5) + (6) + (7) + (8)	(10)	(11) = (3) + (9)
Belgium	p.m.	2 018 900 000	2 018 900 000	672 966 667	710 974 500	148 939 040	3 644 501 608	288 908 919	4 793 324 067	3,61%	6 812 224 067
Bulgaria	p.m.	125 900 000	125 900 000	41 966 667	119 367 900	45 700 160	515 089 681	40 832 470	720 990 211	0,54%	846 890 211
Czechia	p.m.	396 000 000	396 000 000	132 000 000	356 100 000	53 909 040	1 800 343 249	142 717 792	2 353 070 081	1,77%	2 749 070 081
Denmark	p.m.	431 000 000	431 000 000	143 666 667	435 068 400	108 464 640	2 442 916 310	- 221 040 846	2 765 408 504	2,09%	3 196 408 504
Germany	p.m.	4 686 400 000	4 686 400 000	1 562 133 335	5 099 693 100	1 380 200 960	26 733 127 670	- 1 918 868 106	31 294 153 624	23,60%	35 980 553 624
Estonia	p.m.	52 500 000	52 500 000	17 500 000	50 725 800	24 044 560	221 950 081	17 594 548	314 314 989	0,24%	366 814 989
Ireland	p.m.	444 800 000	444 800 000	148 266 667	340 309 200	198 624 240	2 397 301 785	190 040 214	3 126 275 439	2,36%	3 571 075 439
Greece	p.m.	238 300 000	238 300 000	79 433 333	232 593 300	69 986 080	1 355 367 323	107 443 418	1 765 390 121	1,33%	2 003 690 121
Spain	p.m.	1 615 600 000	1 615 600 000	538 533 333	1 903 035 000	519 598 800	8 950 851 055	709 556 746	12 083 041 601	9,11%	13 698 641 601
France	p.m.	2 180 000 000	2 180 000 000	726 666 667	3 796 743 000	1 295 480 720	18 071 572 717	1 432 579 568	24 596 376 005	18,55%	26 776 376 005
Croatia	p.m.	47 000 000	47 000 000	15 666 667	95 386 950	20 006 240	411 608 428	32 629 248	559 630 866	0,42%	606 630 866
Italy	p.m.	2 705 200 000	2 705 200 000	901 733 333	2 245 145 100	796 436 400	12 873 680 100	1 020 529 390	16 935 790 990	12,77%	19 640 990 990
Cyprus	p.m.	27 800 000	27 800 000	9 266 667	37 828 500	4 658 160	163 235 426	12 940 088	218 662 174	0,16%	246 462 174
Latvia	p.m.	64 500 000	64 500 000	21 500 000	51 085 800	14 740 720	243 827 214	19 328 804	328 982 538	0,25%	393 482 538
Lithuania	p.m.	139 900 000	139 900 000	46 633 333	73 563 000	13 465 680	398 442 276	31 585 533	517 056 489	0,39%	656 956 489
Luxembourg	p.m.	18 100 000	18 100 000	6 033 333	90 616 950	13 063 600	391 025 191	30 997 562	525 703 303	0,40%	543 803 303
Hungary	p.m.	239 500 000	239 500 000	79 833 333	212 444 100	206 997 440	1 081 256 212	85 713 932	1 586 411 684	1,20%	1 825 911 684
Malta	p.m.	18 100 000	18 100 000	6 033 333	20 870 400	9 073 060	100 720 640	7 984 381	138 648 481	0,10%	156 748 481
Netherlands	p.m.	3 064 900 000	3 064 900 000	1 021 633 333	1 299 356 700	180 202 720	6 244 961 237	- 1 618 030 947	6 106 489 710	4,61%	9 171 389 710

											<i>In EUR</i>
Austria	p.m.	234 100 000	234 100 000	78 033 333	621 325 200	150 980 320	2 944 652 131	- 388 065 495	3 328 892 156	2,51%	3 562 992 156
Poland	p.m.	1 290 200 000	1 290 200 000	430 066 667	1 000 029 300	549 479 200	4 342 134 180	344 212 029	6 235 854 709	4,70%	7 526 054 709
Portugal	p.m.	202 500 000	202 500 000	67 500 000	354 659 100	167 198 320	1 543 710 414	122 373 854	2 187 941 688	1,65%	2 390 441 688
Romania	p.m.	243 100 000	243 100 000	81 033 333	272 453 700	197 252 000	1 857 525 812	147 250 799	2 474 482 311	1,87%	2 717 582 311
Slovenia	p.m.	141 400 000	141 400 000	47 133 333	83 067 600	15 924 940	383 309 066	30 385 885	512 687 491	0,39%	654 087 491
Slovakia	p.m.	128 800 000	128 800 000	42 933 333	136 727 700	35 261 600	746 924 247	59 210 586	978 124 133	0,74%	1 106 924 133
Finland	p.m.	161 200 000	161 200 000	53 733 333	307 435 200	59 797 760	1 813 394 834	143 752 424	2 324 380 218	1,75%	2 485 580 218
Sweden	p.m.	674 600 000	674 600 000	224 866 667	773 061 300	97 182 400	3 826 404 347	- 872 562 796	3 824 085 251	2,88%	4 498 685 251
Total	p.m.	21 590 300 000	21 590 300 000	7 196 766 667	20 719 666 800	6 376 668 800	105 499 833 234	0	132 596 168 834	100,00%	154 186 468 834

3. OTHER REVENUE

3.1. Overview

Title 2 will include elements such as the surpluses, balances and adjustments, notably:

- the possible surplus from the 2022 exercise, which will be treated in accordance with the Financial Regulation; at the stage of the DB, it is proposed as a *p.m.* entry (i.e. no specific amount is written in);
- the VAT own resources balances for the year n-1 and corrections to the VAT balances for earlier years. The balance consists of the difference between the provisional payments and the amount due by reference to the actual bases communicated to the Commission by 31 July of the year n. The balance can be positive or negative.
- the balance of the additional resource (the GNI resource) for the year n-1 and corrections to the balances for earlier years. The balance comprises the difference between the provisional payments and the amount due in accordance with the figures on actual GNI sent to the Commission by 1 October of the year n. The balance can be positive or negative.
- the result of the calculation for the netting of adjustments to the VAT and GNI-based resources of previous financial years.
- considering the redistribution of the overall amount of VAT and GNI adjustments a *p.m.* entry is proposed for the net VAT and GNI balances.

Title 3 corresponds to administrative revenue. It comprises mainly the deductions from staff remunerations, which are the proceeds of the tax on salaries and pensions, staff contributions to the pension scheme, transfer or purchase of pension rights by staff and proceeds from the special levy on the salaries, and also revenues linked to property and the supply of goods, services and work.

Title 4 corresponds to financial revenue, default interest and fines. It comprises mainly revenue from investments, loans granted and bank accounts and different types of interest. It also comprises interest linked to any delay in the payment of own resources by the Member States. Fines, which the Commission may impose on firms and groups of firms for not respecting bans or not carrying out their obligations under the rules on competition or transport, as well as fines in the framework of the Union's economic governance, are also included under this Title.

Title 5 corresponds to borrowing and lending operations. It comprises capital repayments and interest payments on loans granted by the Commission, notably those under financial protocols. Revenue from EU financial operations from borrowed funds and the contributions from the general budget, in the form of both guarantees and appropriations for interest subsidies, are also recorded under this title.

Title 6 consists of all types of revenue, contributions and refunds related to Union policies. This Title corresponds to the structure used at the expenditure side of the budget and reflects the different EU policies. It comprises the Single market, innovation and digital, Cohesion, resilience and values, Natural resources and environment, Migration and border management, Security and Defence, Neighbourhood and the world. It also includes some other contributions such as the EFTA contribution, the contributions to the Innovation Fund and the Solidarity mechanisms.

Title 6 will also include the contributions of the United Kingdom to the EU budget in the framework of the Agreement on the withdrawal of the United Kingdom from the European Union ⁽¹⁾ and in the framework of the Trade and Cooperation Agreement.

⁽¹⁾ Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community, OJ L 29, 31.01.2020, p. 7.

3.2. UK Contribution for 2023

Based on Article 148 of the Agreement on the withdrawal of the United Kingdom from the European Union, the United Kingdom will make payments to the Union to cover the United Kingdoms' share in the outstanding commitments prior to 2021 to be paid in 2023, as well as the United Kingdom's share in the Union's liabilities (such as pensions) and the contingent financial liabilities. The overall United Kingdom's contribution will also include the Union's payments to the United Kingdom related to own resources corrections and adjustments for financial years until 2021.

The United Kingdom's share ⁽¹⁾ is calculated as the ratio between the own resources made available by the United Kingdom in the years 2014 to 2020 and the own resources made available during that period by all Member States and the United Kingdom. The definitive United Kingdom's share has been set at 12.43%.

The table below presents the elements of the estimated United Kingdom contribution, which are known at this stage. The amount to be entered in the EU budget in 2023 is calculated taking into account the payment modalities set out in Article 148 of the Withdrawal Agreement.

	Reference to the Article of the Withdrawal agreement	2023
Total provisional UK contribution for 2023, of which:		10 085 005 467
1. RAL prior 2021	Art. 140	8 830 625 805
2. Union's liabilities/pensions*	Art.142	290 534 222
3. Own resources corrections and adjustments, of which:		1 101 095 796
3.1 Surplus/deficit of 2020	Art.136(3)(a)	n/a
3.2 UK correction updates (2019)	Art.136	p.m.
3.3. VAT&GNI	Art.136	1 101 095 796
3.4. TOR	Art.136, Art. 140(4)	p.m.
4. Fines	Art.141	- 93 727 099
5. Contingent liabilities, of which:		p.m.
5.1 ELM, EFSI, EFSD, loans (Guarantee funds)	Art.143	p.m.
5.2 Financial Instruments	Art.144	p.m.
5.3 Legal cases (incl. fines)	Art.147	p.m.
6. ECSC net assets	Art.145	- 36 874 795
7. EIF investment	Art.146	- 6 648 463
8. Access to networks/systems/data bases**	Art. 49(2), Art. 50 and 53, Art. 62(2), Art. 63(1)(e), Art. 63(2), Art. 99(3), Art. 100(2)	p.m.
* - the amount of EUR 261 million will be entered in the EU budget as assigned revenues		
** - to be entered in the EU budget as assigned revenues		

(¹) Referred to in points (a) and (c) of Article 136(3), and in Articles 140 to 147 of the Withdrawal Agreement.

3.3. Competition fines

Definition

Competition fines are imposed by the Commission on undertakings infringing EU competition rules. Once the fines are imposed by the Commission, they are:

- either not contested before the Court of Justice of the European Union and as such become definitive and due within three months from the receipt of the letter notifying the fining decision, or
- contested before the Court of Justice of the European Union and therefore not definitive. The fined undertakings must cover such fines by a provisional payment or by an acceptable financial guarantee until the end of the legal proceedings (Article 108 of the Financial Regulation).

Definitive competition fines are, once they are cashed, recorded as budgetary revenue in the EU budget. Provisional payments are kept off-budget (Article 107(1) of the Financial Regulation) until the fines become definitive at the end of the legal proceedings.

Entry into the budget

According to Article 107(2) of the Financial Regulation, definitive fines shall be entered in the budget as soon as possible. Under duly justified exceptional circumstances or where the exhaustion of all legal remedies occur after 1 September of the current financial year, the amounts may be entered in the budget in the following financial year. In line with this rule, the amounts of definitive fines cashed in 2022 will be included in the EU budget of 2022 via an amending budget.

Fines provisionally cashed by the Commission cannot be considered as budgetary revenue in the year of the provisional payment. Until the final judgement, the Commission has to manage the funds and be prepared to reimburse the fines including the return thereon if the fines are reduced or annulled.

Due to unpredictability of the judgements' schedule and the judgements' results, is it not possible for fines currently at court to provide information as to when they enter the budget and what the cashed amount will be. Also, no information can be provided as to potential new fines to be imposed in the current year that may become definitive and cashed still in the same year.

Therefore, a prudent amount of EUR 100 million is included annually in the draft budget pending the finalization of the competition cases (under the Article 4 2 0 of the General Statement of Revenue).

Lists of definitive fines

In accordance with Article 41.7 of the Financial Regulation, the tables below include the lists of decisions of the Commission imposing fines in the area of competition law as of 25 April 2022.

A total amount of EUR 938.8 million of fines in the field of competition law decided by the Commission have become definitive in 2022 or in previous years. Out of this amount, EUR 747.5 million have been cashed, of which EUR 269.7 million in 2022 (of which EUR 7.85 million partially cashed). Later in the year, the Commission will propose in an amending budget to enter EUR 169.7 million in the EU budget 2022 (on top of the EUR 100 million already included in the voted budget 2022).

The tables below includes four types of fines:

— fines fully cashed in the current year:

<i>In EUR</i>					
Case Decision date	Case name	Definitive date	Fine amount	Cashed (in 2022 and before)	Still to be cashed
21/03/2018	AT.40136 Capacitors	14/12/2021	706 000	706 000	0
02/12/2021	AT.40135 Forex	18/02/2022	54 348 000	54 348 000	0
		02/03/2022	32 472 000	32 472 000	0
		22/03/2022	174 281 000	174 281 000	0
Total			261 807 000	261 807 000	0

— fines partially cashed for which the recovery is pending due to financial difficulties of the fined companies to pay the fine (fines with approved payment plans, enforced recoveries, difficult recoveries and partial recoveries of companies that in the course of the recovery became insolvent):

<i>In EUR</i>					
Case Decision date	Case name	Definitive date	Fine amount	Cashed (in 2022 and before)	Still to be cashed
30/09/2009	AT.37956 Reinforcing bars	11/03/2015	7 175 000	900 000	6 275 000
30/06/2010	COMP/38344 Prestressing Steel	26/10/2017	54 389 000	50 870 663	3 518 337
		14/09/2016	3 249 000	2 838 916	410 084
		07/07/2016	46 550 000	34 558 484	11 991 516
23/06/2010	COMP/39092 Bathroom Fittings and Fixtures	30/09/2010	421 569	40 407	381 162
10/12/2014	AT.39780 Envelopes	12/03/2015	4 996 000	3 593 497	1 402 503
06/04/2016	AT.39965 Mushrooms	19/01/2017	5 194 000	1 486 244	3 707 756
27/09/2019	AT.40127 Canned vegetables	23/01/2020	18 000 000	11 998 977	6 001 023
		13/12/2019	13 647 000	3 707 609	9 939 391
Total			153 621 569	109 994 797	43 626 772

— fines for which no amount has been cashed yet due to liquidations of the companies (fines are kept open, because the liquidation procedures are not closed, but the recovery likelihoods are often minimal);

<i>In EUR</i>					
Case Decision date	Case name	Definitive date	Fine amount	Cashed (in 2022 and before)	Still to be cashed
03-12-2003	COMP/E-2/38359 Electrical and mechanical carbon and graphite products	12-03-2004	1 060 000	0	1 060 000
13-09-2006	COMP/F/38456 Bitume - NL	27-12-2006	11 500 000	0	11 500 000
23-06-2010	COMP/39092 Bathroom Fittings and Fixtures	30-09-2010	253 600	0	253 600
07-12-2011	COMP/39600 Refrigeration Compressors	12-03-2012	9 000 000	0	9 000 000
27-11-2013	AT 39633 Shrimps	09-12-2016	27 082 000	0	27 082 000
Total			48 895 600	0	48 895 600

— fines for which we have not received the payment as they are not yet due, or which were paid and the cashing process is ongoing;

<i>In EUR</i>					
Case Decision date	Case name	Definitive date	Fine amount	Cashed (in 2022 and before)	Still to be cashed
22/07/2009	COMP/39396 Calcium Carbide (!)	15/05/2014	19 600 000	19 600 000	0
08/02/2017	AT.40018 Car battery recycling	03/06/2021	26 739 000		26 739 000
21/03/2018	AT.40136 Capacitors	14/12/2021	27 718 000		27 718 000
		11/01/2022	2 595 000		2 595 000
		11/03/2022	5 036 000		5 036 000
08/07/2021	AT.40178 Car emissions	22/09/2021	372 827 000	356 127 453	16 699 547
10/12/2021	AT.40054 - Ethanol Benchmarks	11/03/2022	20 000 000		20 000 000
Total			474 515 000	375 727 453	98 787 547

(!) Fine pending cashing of the late payment interest, which remained unpaid until end-2021 and are pending clarifications on calculations.

List of competition fines subject to an appeal before the Court of Justice of the European Union

On 25 April 2022, a total amount of EUR 12 420 million of fines in the field of competition law decided by the Commission is currently disputed at the Court of Justice of the European Union. The table below includes the list of cases concerned

<i>In EUR</i>		
Case Decision date	Case name	Fine amount
13/05/2009	COMP/C-3/37990 Intel	0
09/07/2014	AT.39612 Perindopril (Servier)	315 028 198
21/10/2015	AT.39639 Optical disk drives	79 256 000
07/12/2016	AT.39914 Euro Interest Rate Derivatives	451 850 000
27/06/2017	AT.39740 Google Search (Shopping)	2 424 495 000
27/09/2017	AT.39824 Trucks	880 523 000
02/10/2017	AT.39813 Baltic rail	20 068 650
24/01/2018	AT.40220 Qualcomm (Exclusivity payments)	997 439 000
21/03/2018	AT.40136 Capacitors	170 822 000
24/04/2018	M.7993 Altice/PT Portugal	118 275 000
18/07/2018	AT.40099 Google Android	4 342 865 000
17/12/2018	AT.39849 BEH Gas	77 068 000
20/03/2019	AT.40411 Google Search (AdSense)	1 494 459 000
27/06/2019	M.8179 Canon/Toshiba Medical Systems Corporation, Article 14(2) procedure	28 000 000
04/07/2019	AT.37956 Reinforcing bars	16 074 000
18/07/2019	AT.39711 Qualcomm (predation)	242 042 000
14/07/2020	AT.40410 Ethylene	155 769 000
26/11/2020	AT.39686 CEPHALON	60 480 000
17/12/2020	AT.39563 Retail food packaging	9 441 000
20/01/2021	AT.40413 Focus Home, AT.40414 Koch Media, AT.40420 ZeniMax, AT.40422 Bandai Namco, AT.40424 Capcom - Valve Corporation	1 624 000
28/04/2021	AT.40346 SSA Bonds	15 852 000
20/05/2021	AT.40324 EGB	371 393 000
28/06/2021	AT.39914 Euro Interest Rate Derivatives Readopted	31 739 000
19/11/2021	AT.40127 Canned vegetables	20 000 000
02/12/2021	AT.40135 Forex	83 294 000
25/01/2022	AT.39839 – Telefónica and Portugal Telecom	12 146 000
Total		12 420 002 848

Apart from this a total amount of EUR 801 million of fines in the field of competition law can still be appealed at the Court of Justice of the European Union. The table below includes the list of cases concerned

<i>In EUR</i>		
Case Decision date	Case name	Fine amount
08/02/2010	COMP/38589/ESBO Heat Stabilisers ESBO Sector	3 346 200
17/03/2017	AT.39258 Airfreight	730 762 616
25/01/2022	AT.39839 – Telefónica and Portugal Telecom	66 894 000
Total		801 002 816

