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DRAFT AMENDING BUDGET No 3 TO THE GENERAL BUDGET 2021

ENTERING THE SURPLUS OF THE FINANCIAL YEAR 2020

Having regard to:

– the Treaty on the Functioning of the European Union, and in particular Article 314 thereof, in conjunction with the Treaty establishing the European Atomic Energy Community, and in particular Article 106a thereof,

– 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 (…)[1], and in particular Article 18 and Article 44(1)(a) thereof,

– the general budget of the European Union for the financial year 2021, as adopted on 18 December 2020[2],

– draft amending budget No°1/2021[3], adopted on 22 January 2021,

– draft amending budget No°2/2021[4], adopted on 24 March 2021,

The European Commission hereby presents to the European Parliament and to the Council Draft Amending Budget No 3 to the 2021 budget.

CHANGES TO THE STATEMENT OF REVENUE AND EXPENDITURE BY SECTION

The changes to the general statement of revenue and to the individual section III are available on EUR-Lex (https://eur-lex.europa.eu/budget/www/index-en.htm).

1 OJ L 193, 30.7.2018.
2 OJ L 93, 17.3.2021.
3 COM(2021) 30 final.
4 COM(2021) 200 final.

EXPLANATORY MEMORANDUM

Draft Amending Budget (DAB) No 3/2021 is intended to enter in the 2021 budget the surplus resulting from the implementation of the budget year 2020. As provided for in Article 18(3) of the Financial Regulation applicable to the general budget of the Union[5] ("Financial Regulation"), the surplus is the only subject of this DAB and it has to be submitted within 15 days of the submission of the provisional accounts at the end of March 2021.

1. The implementation of the budget year 2020 shows a surplus of EUR 1 768 617 610, which is therefore entered as revenue in the 2021 budget.

(in EUR)

Outturn breakdown 2020	
Surplus Revenue	**1 647 317 114**
Surplus Expenditure	**121 300 497**
Total surplus	**1 768 617 610**

2. Budgeting the surplus will reduce the total contribution of the Member States to the financing of the 2021 budget accordingly. The contributions by Member States will also be influenced by the revised own resources forecast which will be available after the meeting of the Advisory Committee on Own Resources later in 2021 and will be included in a subsequent Draft Amending Budget in accordance with Article 44(1)(b) of the Financial Regulation.

3. The table below presents a breakdown of the outturn for 2020 in terms of the implementation of revenue:

(in EUR)

Outturn breakdown 2020	**2020 Budget (incl. AB1-9)**	**Outturn**	**Variation**
Sub-total Revenue	**164 108 041 747**	**165 755 358 861**	**1 647 317 114**
— Title 1 - Own resources	159 831 817 731	160 141 480 962	309 663 231
Levies and other duties in the sugar sector	*0*	*858*	*858*
Custom duties	*18 507 300 000*	*19 866 544 097*	*1 359 244 097*
Own resources accruing from VAT	*17 344 303 050*	*17 191 081 738*	*-153 221 312*
Own resources based on GNI	*123 980 214 681*	*122 944 280 683*	*-1 035 933 998*
Correction of budgetary imbalances granted to UK	*0*	*147 188 637*	*147 188 637*
Gross reduction in the annual GNI-based contribution granted to some MS	*0*	*-7 615 050*	*-7 615 050*
— Title 3 - Surpluses, balances and adjustments	2 101 773 955	3 166 819 181	1 065 045 226
— Title 4 - Persons working with the Institutions	1 651 322 700	1 615 079 910	-36 242 790
— Title 5 - Administrative operation of the institutions	15 050 000	23 804 343	8 754 343
— Title 6 - Refunds in connection with Union agreements and programmes	130 000 000	173 311 140	43 311 140
— Title 7 - Interests on late payments and fines	361 000 000	628 994 739	267 994 739
— Title 8 - Borrowing and lending operations	2 076 361	0	-2 076 361
— Title 9 - Miscellaneous	15 001 000	5 868 587	-9 132 413

4. The combined net variations in Title 1 (*Own Resources*) and Title 3 (*Surpluses, balances and adjustments*) totals EUR 1 375 million. The additional amount budgeted for exchange rate differences (under title 3) more or less covers the shortfall in VAT and GNI own resources under title 1. Therefore, the surplus is predominantly driven by a higher than expected collection of customs duties.

5. The variations in Title 7 *(Default interest and fines)* amounts to EUR 268 million, which comprises competition fines and default interest, other penalty payments and interest linked to fines and penalty payments.

[5] OJ L 193, 30.7.2018, p. 1.

6. The table below presents a breakdown of the outturn for 2020 in terms of budget implementation of expenditure for all institutions:

(in EUR)

Outturn breakdown 2020	2020 Budget (incl. AB1-9)	Outturn	Variation
Sub-total Expenditure	**164 108 041 747**	**163 986 741 250**	**-121 300 497**
Outturn appropriations authorised in the budget	**164 108 041 747**	**163 886 682 092**	**-221 359 655**
— European Commission	159 882 839 662	159 781 861 767	-100 977 895
Heading 1a - Competitiveness for growth and jobs	*21 753 198 170*	*21 733 892 007*	*-19 306 164*
Heading 1b - Economic, social and territorial cohesion	*55 525 172 813*	*55 523 775 848*	*-1 396 964*
Heading 2 - Sustainable growth: Natural resources	*58 771 501 095*	*58 762 251 051*	*-9 250 044*
Heading 3 - Security and Citizenship	*6 292 509 342*	*6 287 474 663*	*-5 034 679*
Heading 4 - Global Europe	*10 386 029 342*	*10 381 984 160*	*-4 045 183*
Heading 5 - Administration	*6 048 265 458*	*5 986 565 846*	*-61 699 612*
Other special instruments	*1 106 163 442*	*1 105 918 193*	*-245 249*
— Other Institutions	4 225 202 085	4 104 820 324	-120 381 761
European Parliament	*2 038 745 000*	*2 021 452 993*	*-17 292 007*
Council & European Council	*590 633 000*	*550 168 962*	*-40 464 038*
Court of Justice of the European Union	*436 637 500*	*432 086 272*	*-4 551 228*
European Court of Auditors	*152 237 000*	*145 698 138*	*-6 538 862*
European Economic & Social Committee	*142 539 393*	*130 862 193*	*-11 677 200*
Committee of the Regions	*101 508 480*	*94 131 888*	*-7 376 592*
European Ombudsman	*12 348 231*	*11 719 664*	*-628 567*
European Data Protection Supervisor	*19 476 998*	*14 211 719*	*-5 265 279*
European External Action Service	*731 076 483*	*704 488 497*	*-26 587 986*
Cancellation of appropriations carried over from previous years	**0**	**-107 353 808**	**-107 353 808**
— European Commission	0	-55 438 590	-55 438 590
Cancellation of unused appropriations carried over from previous years (automatic)	*0*	*-49 454 817*	*-49 454 817*
Cancellation of unused appropriations carried over from previous years (by decision)	*0*	*-5 983 773*	*-5 983 773*
— Other Institutions	0	-51 915 219	-51 915 219
European Parliament	0	*-27 285 399*	*-27 285 399*
Council & European Council	0	*-7 167 827*	*-7 167 827*
Court of Justice of the European Union	0	*-3 736 777*	*-3 736 777*
European Court of Auditors	0	*-505 461*	*-505 461*
European Economic & Social Committee	0	*-932 521*	*-932 521*
Committee of the Regions	0	*-909 075*	*-909 075*
European Ombudsman	0	*-84 603*	*-84 603*
European Data Protection Supervisor	0	*-212 892*	*-212 892*
European External Action Service	0	*-11 080 664*	*-11 080 664*
Exchange rate variations on expenditure	**0**	**207 412 967**	**207 412 967**

7. The Commission implemented 99,9 % of the authorised payment appropriations. The amount not implemented was EUR 101 million, of which EUR 62 million under Heading 5 - Administration that is attributable to the exceptional circumstances prevailing in relation to the COVID-19 pandemic, which had a direct impact on the number of missions, meetings, traineeships and recruitments.

8. The under-implementation of the other institutions of EUR 120 million is slighly higher than in 2019 (EUR 82 million).