

# 2016 EU budget reports: generating added value out of every euro spent

The European Commission today published [three](#) reports on the implementation of the 2016 EU budget. They show that the EU budget in 2016 has helped achieve the political priorities of the European Union, has created added value for the EU citizens and was spent in line with EU rules.

Another conclusion from those reports is that simplifying EU rules is key to making it easier for local authorities, farmers or businesses to use EU funds effectively and correctly. This ties in with the [recommendations](#) of the High Level Group on simplification, also presented today, which are feeding into the [broader reflection on the future of EU finances launched](#) by Commissioner Günther H. Oettinger in June.

Günther H. **Oettinger**, in charge of budget and human resources, said: *“As the data demonstrate, the EU budget delivers concrete results, be it boosting research and innovation, supporting farmers, helping Europeans find jobs, supporting investment, fighting against climate change or providing humanitarian assistance across the world.. This is real added value that only our common EU budget can bring”*.

Below are some key achievements of the EU budget in 2016:

- The Nobel Prize in Chemistry was awarded to three scientists who have benefitted from EU funding. This made a total of 17 Nobel prize laureates, four Fields medal winners and countless discoveries with global impact linked to the EU’s investment into research and innovation.
- About seven million farmers were supported with direct payments in 2016, €150 million was made available to compensate for the milk crises.
- More than 140 000 Small and Medium Enterprises in 21 countries received a total of €5.5 billion of loans from the COSME programme.
- 21% of the 2016 budget was devoted to fighting climate change.
- Over 120 million vulnerable people in more than 80 countries, including those most affected by the Syria crisis, received humanitarian aid worth over €2 billion.
- Hundreds of thousands lives saved in the Central Mediterranean alone with the joint efforts of EU Member States and the newly established European Border and Coast Guard Agency.

## Background

The three reports mark the beginning of the annual procedure by which the European Parliament assesses the way the Commission has implemented the EU budget in 2016. At the end of that procedure the Parliament decides whether

to sign off the EU's accounts or not. In addition to today's reports, the Parliament will take into account the European Court of Auditors' annual report which is expected in September 2017. The Commission has received the Parliament's approval every year since 1997, and the European Court of Auditors has found that the EU accounts to be fully reliable every year since 2007.

For More Information:

- [Integrated financial reporting package – 2016 brochure](#)
- [Annual Management and Performance Report for the EU budget 2016](#)
- [EU Accounts 2016](#)
- [Commission Report on the follow-up to the discharge for the 2015 financial year](#)
- [Reflection paper on the Future of EU finances](#)
- Follow Commissioner Oettinger on [Twitter](#)

---

## [Commissioner Moscovici's introductory remarks at the Eurogroup press conference](#)

Je commencerai par les discussions qui ont eu lieu sur le secteur bancaire.

Comme l'a dit Jeroen, Valdis Dombrovskis a présenté la position de la Commission avec Margrethe Vestager qui est venue expliquer les récentes décisions prises sur les banques italiennes.

Tout a été dit par le Président.

Pour moi, j'ajouterais qu'il est essentiel de retenir trois choses:

D'abord, c'est que des décisions ont été prises qui mettent fin à l'incertitude qui pesait sur le secteur bancaire et donc sur l'économie italienne. Et c'est une bonne nouvelle pour économie italienne.

Deuxièmement, il faut mesurer ce que cela représente, ces transactions enlèvent d'un seul coup environ 13% des prêts improductifs du secteur bancaire italien, ce qui est là encore très positif pour la solidité du secteur et pour sa capacité à fournir du crédit à l'économie réelle.

La troisième, c'est que quoi qu'on en dise, les décisions ont été prises

suivant les règles de l'union bancaire, qui sont des règles efficaces mais aussi intelligentes.

Nous avons agréé un cadre commun qui nous a permis de prendre des décisions rapides, de façon ordonnée, dans l'intérêt général, en sauvegardant la stabilité financière et en évitant des développements négatifs qui auraient pu avoir un impact difficile en particulier sur l'économie de certaines régions.

Donc je pense là que nos règles ont fait la preuve de leur efficacité et l'union bancaire aussi.

Nous avons ensuite eu une première discussion sur la réforme de notre union économique et monétaire, suite à la publication de notre "*reflection paper*" le 31 mai. C'était la première discussion, ce ne sera pas la dernière – la prochaine aura lieu en effet à Tallinn et cela sera aussi dans le format ECOFIN, ce qui est important parce que ce sont des décisions qui sont à prendre à 19, mais aussi à 27. Il était très important que nous ayons commencé à échanger à ce sujet au niveau de l'Eurogroupe, parce qu'il n'y a pas de temps à perdre. Nous le savons tous, il y a une fenêtre d'opportunité qui s'est ouverte, qui s'ouvrira encore d'avantage à l'automne mais comme toute fenêtre d'opportunité, si on la saisit pas, elle se fermera. Donc il faut lancer le débat maintenant.

Sans entrer dans les détails de ce qui a été dit, je crois franchement que la discussion a été très positive. Elle a montré surtout une chose, c'est qu'il y a une détermination à avancer dans l'avenir proche, parce que – même si on doit reconnaître qu'il existe des divergences de vue – le moment pour agir est maintenant – disons, je ne sais pas si c'est dans les six, douze, ou dix-huit mois – mais maintenant.

Comme je l'ai dit à plusieurs reprises, il faut avancer pour jeter les bases d'une zone euro plus forte, plus stable, plus équilibrée, plus égale, fabriquant la convergence économique, mieux gouvernée, bref, plus capable de créer de la croissance et de la prospérité pour tous ses citoyens. Et j'ai eu le sentiment que même avec les différences que j'ai évoquées, le papier de la Commission a été considéré comme utile par tous. Certains y ont été plus favorables que d'autres mais au total, il y avait cette utilité.

\*\*\*

We had also a good discussion this afternoon with Niels Thygesen, the Chair of the European Fiscal Board on the euro area fiscal stance for 2018.

What matters here is that we strike the right balance between putting debt on a sustainable path and supporting the recovery, which is strengthening but remains characterised by low inflation, limited wage growth and a persistent investment gap. That is why from my side, I think that speaking of "expansion" rather than "recovery" might be a little bit too early. We still have a demand problem. But that is not a theoretical debate, but obviously, our recovery is now strong and solid. And that calls for a neutral, broadly

neutral fiscal stance in 2018.

What is key is that Member States design their fiscal policies in a way that reflects their specific situation.

That means that those countries which do not have fiscal space, and especially those that are still in the EDP, should proceed with fiscal consolidation at an appropriate pace, and in particular, they should comply with the relevant Council recommendations.

And it also means that those countries with fiscal space, those that have achieved or are indeed overachieving their Medium-Term Objectives, should use those resources to support demand and in particular investment. That's the way this broadly neutral fiscal stance could be and should be established.

I also presented very briefly today our latest Post-Programme Surveillance assessment of Ireland, together with the other institutions. Our overall message is that the outlook for the Irish economy remains bright, though there are of course some significant external risks. That is why it is as important as ever to pursue a prudent fiscal policy, and I believe the Irish government – I met this morning with the new Irish minister, Paschal Donohoe – is firmly committed to doing precisely that.

\*\*\*

Enfin, il faut dire que cette réunion a été importante pour ce dont elle n'a pas parlé: c'est-à-dire la Grèce. Je n'ai pas beaucoup de souvenirs de réunions de l'Eurogroupe sans la Grèce sur son agenda. Ce qui veut dire que la deuxième revue s'est formellement conclue avec la décision de vendredi dernier. Je remercie le Président et tous ceux qui ont participé, de procéder à un déboursement important de 8,5 milliards, dont 7,7 milliards tout de suite. C'est une très bonne nouvelle et c'est aussi la récompense plus que méritée pour un pays et pour un peuple qui font des efforts, des sacrifices, des réformes. Et je pense vraiment qu'avec cette décision, comme avec l'état d'esprit qui préside à l'Eurogroupe, que Jeroen a animé, développé, c'est le chapitre de la reprise, de la confiance, de l'investissement et de l'emploi qui peut désormais s'ouvrir en Grèce. Et si j'osais dire, le moins nous en parlerons à l'Eurogroupe, le meilleur signe ce sera pour l'avenir.

---

## [ESMA issues final standards for publication of derivatives data](#)

ESMA's RTS define the operational standards for aggregation and comparison of aggregate position data across TRs, which is important to assess risks associated to those markets.

ESMA's RTS ensure that the market activity in derivatives traded both on and off venue is correctly identified and aggregated. The RTS are setting out several additional requirements to better specify and enhance the data quality made available publicly by TRs and also to allow the publication of certain aggregated figures that are required by MiFID II and the Benchmarks Regulation.

In order to ensure that the end users are able to aggregate and compare the aggregate position data published by TRs, ESMA's RTS establish general rules by defining:

- the frequency and timeliness of publication;
- the general technical aspects of aggregation for the purposes of publication; and
- the details of aggregations for the purposes of benchmarks' and commodities' thresholds

Under the European Market Infrastructure Regulation (EMIR), derivative contracts are to be reported from both sides. This often includes several parties such as brokers and clearing members, which stand between the counterparty and the central clearing counterparty (CCP).

In order to ensure a good quality of data, further to the breakdowns per asset class and contract type, additional data per type of venue of execution, reporting and cleared status have been included. The final RTS also includes further clarifications related to the publication of data by TRs, specifically on:

- calculation of market activity and outstanding volumes for on and off-venue traded derivatives;
- the avoidance of double counting across different trade repositories;

ESMA has sent its final RTS to the European Commission, which has three months to decide whether or not to endorse them.

---

## **ESMA issues final standards for publication of derivatives data**

ESMA's RTS define the operational standards for aggregation and comparison of aggregate position data across TRs, which is important to assess risks associated to those markets.

ESMA's RTS ensure that the market activity in derivatives traded both on and off venue is correctly identified and aggregated. The RTS are setting out several additional requirements to better specify and enhance the data quality made available publicly by TRs and also to allow the publication of

certain aggregated figures that are required by MiFID II and the Benchmarks Regulation.

In order to ensure that the end users are able to aggregate and compare the aggregate position data published by TRs, ESMA's RTS establish general rules by defining:

- the frequency and timeliness of publication;
- the general technical aspects of aggregation for the purposes of publication; and
- the details of aggregations for the purposes of benchmarks' and commodities' thresholds

Under the European Market Infrastructure Regulation (EMIR), derivative contracts are to be reported from both sides. This often includes several parties such as brokers and clearing members, which stand between the counterparty and the central clearing counterparty (CCP).

In order to ensure a good quality of data, further to the breakdowns per asset class and contract type, additional data per type of venue of execution, reporting and cleared status have been included. The final RTS also includes further clarifications related to the publication of data by TRs, specifically on:

- calculation of market activity and outstanding volumes for on and off-venue traded derivatives;
- the avoidance of double counting across different trade repositories;

ESMA has sent its final RTS to the European Commission, which has three months to decide whether or not to endorse them.

---

## **[Final report on draft technical standards on data to be made publicly available by TRs under Article 81 of EMIR](#)**

[Download PDF](#)