

# Tackling COVID-19: Council adopts amended EU budget for 2020



The EU unlocks €3.1 billion from the 2020 budget to respond to the COVID-19 outbreak

The EU is making available almost all the remaining money from this year's budget to fight the COVID-19 pandemic.

The Council has today adopted by written procedure two proposals which amend the EU budget for 2020 in order to free up funds to respond to the COVID-19 crisis

Money is also being made available to help Greece deal with increased migratory pressures, and to support Albania's post-earthquake reconstruction.

Commitments have been increased overall by **€3.57 billion** and amount to €172.2 billion. Payments have been increased by **€1.6 billion**, reaching a total of €155.2 billion.

The revised EU budget for 2020 unlocks crucial resources to address the unprecedented challenges facing the EU and its member states. Our top priority is to help national health systems tackle the COVID-19 outbreak. This money will be used to fund medical supplies, to construct field hospitals, and to transfer patients for treatment in other member states.

*Zdravko Maric, Deputy Prime Minister and Minister of Finance*

**Draft amending budget No 1** increases commitments by €567 million and payments by €77 million.

- €115 million is earmarked for co-financing measures to address the COVID-19 outbreak. This includes helping member states repatriate stranded citizens as well as obtain personal protective equipment through joint procurements. A further €3.6 million is committed to strengthening the European Centre for Disease Prevention and Control (ECDC).
- €350 million will be made available to support Greece as the country faces increasing migratory pressures. The funds will be used to develop reception facilities, enhance the asylum systems and procedures, and improve the protection of the external borders of Greece and Bulgaria. Some of these measures will also help combat COVID-19, as migrants and refugees represent a highly vulnerable group.
- €100 million is allocated to supporting reconstruction in Albania in the aftermath of the earthquake that hit the country on 26 November 2019.
- Other minor adjustments are implemented for the European Public Prosecutor's Office, the European Court of Auditors and the Ombudsman.

**Draft amending budget No 2** earmarks an additional €3 billion in commitments and €1.53 billion in payments to tackle the COVID-19 pandemic.

€2.7 billion will be used to fund the provision of emergency healthcare support such as the stockpiling and distribution of essential resources, the creation of temporary hospitals, and the cross-border transportation of patients.

These actions will be channelled through the Emergency Support Instrument (ESI), which was created in 2016 to deal with the massive influx of refugees in Greece. To this end, the Council has in parallel adopted a regulation to reactivate the ESI and broaden its scope.

The remaining €300 million will be used to increase capacities for stockpiling, coordinating and distributing essential medical supplies, such as protective gear and ventilators. Such measures will be financed through the Union Civil Protection Mechanism/rescEU.

Headings	Amended 2020 EU budget (in € billion)	
	Commitments	Payments
1. Smart and inclusive growth	83 930 597 837	72 353 828 442
1a Competitiveness for growth and jobs	25 284 773 982	22 308 071 592
1b Economic social and territorial cohesion	58 645 823 855	50 045 756 850
2. Sustainable growth: natural resources	59 907 021 051	57 904 492 439
3. Security and citizenship	7 152 374 489	5 278 527 141
4. Global Europe	10 406 572 239	8 944 061 191
5. Administration	10 271 193 494	10 274 196 704
Other special Instruments	587 763 000	418 500 000
<b>Total</b>	<b>172 255 522 110</b>	<b>155 173 605 917</b>

## Financing

The amended budget increases by €3.4 billion the commitments under **heading 3** (security and citizenship) of the multiannual financial framework (MFF). This amount will be financed through existing special instruments which the EU can mobilise to respond to unforeseen events, namely:

- the Global Margin for Commitments for an amount of €2.4 billion
- the Flexibility Instrument for an amount of €316 million
- the Contingency Margin for the balance of €714.6 million

Commitments under **heading 4** (global Europe) have been increased by €145 million in the revised budget. This amount is financed from the unallocated margin available under this heading (€248 million).

As a result of this, the Global Margin for Commitments and the Flexibility

Instrument are completely exhausted. To enable this, the Council adopted an amendment to the MFF regulation removing the limitations on the scope of the Global Margin for Commitments. The Council also adopted a proposal to adjust the amounts used from the Flexibility Instrument as well as a proposal to use the Contingency Margin.

## **Next steps**

During its plenary on 16-17 April 2020, the European Parliament is expected to agree its position on the two draft amending budget proposals. Once there is an agreement, the budget will be adopted. The European Parliament will also agree its position on the three proposals on the special financial instruments.