



Draft EU Budget 2017: Commission proposes a budget focused on priorities - growth, jobs and a solid response to the refugee crisis

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Draft EU Budget 2017: Commission proposes a budget focused on priorities - growth, jobs and a solid response to the refugee crisis

The Commission has today proposed the 2017 draft EU Budget of €134.9 billion in payments focusing on the two main policy priorities for Europe: supporting the ongoing recovery of the European economy and addressing the security and humanitarian challenges in our neighbourhood. Increased funding will go to investments in growth, jobs and competitiveness in the European Union as well as to securing the necessary resources to protect the external borders of the EU, to reinforce security inside and outside the Union, to provide support for the reception and integration of refugees, and to address the root causes of migration in the countries of origin and transit.

European Commission Vice-President Kristalina Georgieva, in charge of budget and human resources, said: *"The EU is facing massive challenges and in these difficult times a focused and effective EU budget is not a luxury but a necessity. It helps buffer against shocks, providing a boost to our economy and helping to deal with issues like the refugee crisis. As always, we continue to focus our budget on results, making sure that every euro from the EU budget is well spent."*

The proposed budget operates within the tight limitations set by the European Parliament and Member States in the Multiannual Financial Framework. Within those boundaries, the Commission is proposing to be as flexible and focused as possible. It is providing the necessary means to move forward in priority areas whilst reducing spending for less urgent activities.

The European Parliament and the European Union Member States will now jointly discuss this proposal.

Boosting jobs, growth and investments

The money specifically for supporting economic growth will total €74.6 billion in commitments in 2017, compared to €69.8 billion in 2016. This breaks down as follows:

- €21.1 billion on growth, employment and competitiveness. This includes €10.6 billion for research and innovation under **Horizon 2020**, €2.0 billion for education under **Erasmus+**, €299 million for small and medium sized-enterprises under the **COSME** programme, and €2.5 billion under the **Connecting Europe Facility** (CEF).
- €2.66 billion for **the European Fund for Strategic Investments** (EFSI), the vehicle behind the Investment Plan for Europe. This is a success story for Europe, which has secured €106.7 billion in investments in 26 EU Member States in less than a year.
- €53.57 billion to support productive investments and structural reforms to foster convergence among Member States and among regions via the **European Structural and Investment Funds** (ESIF).

Support to **European farmers** is proposed at €42.9 billion.

Better managing the EU's external borders and addressing the refugee challenges inside and outside the EU.

The Draft EU Budget 2017 proposes **€5.2 billion to reinforce the external borders of the Union and address the refugee crisis and irregular migration** by funding stronger tools to prevent migrant smuggling and address the long-term drivers of migration in cooperation with countries of origin and transit, stronger policies for legal migration, including resettlement for persons in need of protection, and instruments to support Member States with respect to the integration of refugees inside the EU.

The Draft EU Budget includes about **€3 billion to fund actions within the EU**, such as:

- The setting up of the European Border and Coast Guard;
- The proposal for a new Entry-Exit System to strengthen border management;

- The proposals to review the Common European Asylum System, including a reform of the Dublin mechanism;
- The establishment of an EU Agency for Asylum.

It also includes €200 million for the new [instrument to provide humanitarian assistance](#) within the EU.

Furthermore, the draft budget proposes **€2.2 billion for actions outside the EU**, in order to address in particular the root causes of the refugee flow. This includes in particular:

- €750 million under the **Facility for Refugees in Turkey**, to help reach the €1 billion contribution to this fund from the EU budget;
- The **pledge for Lebanon and Jordan** made at the UN London conference with €525 million from the EU budget, €160 million from the Syria Trust Fund and €200 million of macro-financial assistance.

More funding for security

In view of the growing security challenges the EU and its Member States are facing,, the Draft EU Budget 2017 is also allocating significant resources for security: €111.7 million will go to support **Europol** and €61.8 million will be dedicated to enhancing the **security of the EU institutions**, together with an extra €16 million for security measures in 2016.

In line with the increasing importance of stronger European defence cooperation, the Commission is also proposing a **preparatory action for research in the defence area** with €25 million in 2017.

Background

The draft EU Budget 2017 includes two amounts for each programme to be financed – commitments and payments. "Commitments" refers to the funding that can be agreed in contracts in a given year; "payments" to the money actually paid out. In the draft 2017 budget, commitments represent €157.7 billion (compared to €155.0 in 2016) and payments €134.9 billion (down from €143.9 billion in 2016), the difference being due to the slow take-up of the cohesion programmes for 2014-2020. In this press release, the overall figure of €134.9 billion refers to payments whereas all other figures mentioned refer to proposed commitments.

The EU budget amounts to roughly 1% of EU GDP, but thanks to its multiplication effect and its focus on results, it has a big impact. Over 2007–2013 for instance, the average increase in GDP as a result of Cohesion Policy is estimated at 2.1% a year in Latvia, 1.8% a year in Lithuania and 1.7% a year in Poland.

More information:

- [Questions and Answers on the EU draft budget 2017](#).
- [Draft EU budget 2017](#).
- [European Commission Vice-President Kristalina Georgieva on Twitter](#).
- [EU Budget for Results](#).

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