



2011 budget: focus on youth and economic recovery

Without enough money, the EU 2020 strategy risks turning into "another vague scoreboard for the Member States", the EP Budgets Committee warned on Thursday when adopting its priorities for the 2011 budget. According to the committee, next year's budget should focus on youth, research and recovery from the economic crisis.

The priorities for next year's EU budget adopted today by the Budgets Committee, if endorsed subsequently by the full Parliament, can be expected to influence the Commission's compilation of the draft budget - the first formal step in the annual budgetary procedure - which is to be presented on 28 April this year.

EU 2020 strategy, youth and economic crisis

While welcoming EU's new 2020 strategy, presented by the Commission on Wednesday, MEPs said that it needs more substance, especially in the field of climate change, environment and social policies. MEPs are also determined not to "duplicate the frustrating experience of the Lisbon Strategy":

"This strategy should not turn into another vague and purely indicative scoreboard for the Member States... with the Council making systematic cuts to the lines supporting efforts consistent with the agreed strategy".

Members of the Budgets Committee agreed that young people should top the EU's mid- and long-term priorities, since youth "is at the heart of social and inclusive strategies" and "its innovation ability is a key resource for development and growth in the EU".

To fight the economic crisis, the EU should support education, vocational training and research as well as innovative and in particular green technologies. In addition, the Member States should consider revising their operational programmes.

However, the financing of these priorities, should not, said MEPs, jeopardize "fundamental EU policies such as the cohesion, structural or common agriculture policies".

EU foreign policy

The committee stressed the "constant, almost unbearable pressure on the financing of the EU's activities as a global player, with its room for manoeuvre caught between low financial margins, unpredictable crises in third countries and an ever-growing desire to affirm its priorities on the world stage".

Regarding the new European external action service (EEAS), to be presented in the coming weeks, MEPs emphasised that Parliament will "fully exercise its scrutiny over the budget and budgetary control" and that the establishment of this new service needs "full budgetary transparency" and will probably entail a creation of a new budget line.

The budgetary limits for 2011

Press release

The 2011 budget is the first to be negotiated under the Lisbon Treaty, which means that Parliament now has a full say over the whole budget. Nevertheless, the 2011 budget still has to stay within the limits of the EU's "financial perspective" or long-term budgetary framework. The financial perspective lays down the following limits:

Budget limits in **commitments**:

1 a. Competitiveness for growth and employment	€13.0 billion
1 b. Cohesion for growth and employment	€50.7 billion
2. Conservation and management of natural resources (including market expenditure and direct payments)	€60.3 billion
3. Citizenship, freedom, security and justice:	
3 a. Freedom, security and justice	€1.21 billion
3 b. Citizenship	€0.683 billion
4. EU as a world player	€8.43 billion
5. Administration	€8.33 billion
Total	€142.6 billion (1.13% of GNI)

The limit for **payments** is €134.3 billion, or 1.06% of GNI

"Commitments" refer to how much the EU may commit (e.g. by signing a contract or starting a tender procedure) in a certain year. "Payments" refer to money actually paid out in a given year.

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