How big is the EU budget and who decides on it?



The EU serves 27 countries with a total population of 450 million. With these figures in mind, the annual EU budget is actually quite small – around €160-180 billion annually in 2021-27. This is comparable to the national budget of Denmark, which serves 5.6 million people, and is about 30% smaller than the budget of Poland, which serves 38 million people.

The annual EU budget is part of the EU's long-term budget, which currently covers 7 years.

This long-term budget, also known as the Multiannual Financial Framework or MFF, allows the EU to secure the resources to fund its political priorities. The size of the long-term budget and of the <u>annual EU budget</u> is decided by member governments and the European Parliament, with the objective of delivering on the EU's policy priorities.

Table 3: Allocation of total public expenditure by level of administration as percentage of total public expenditure (2011)

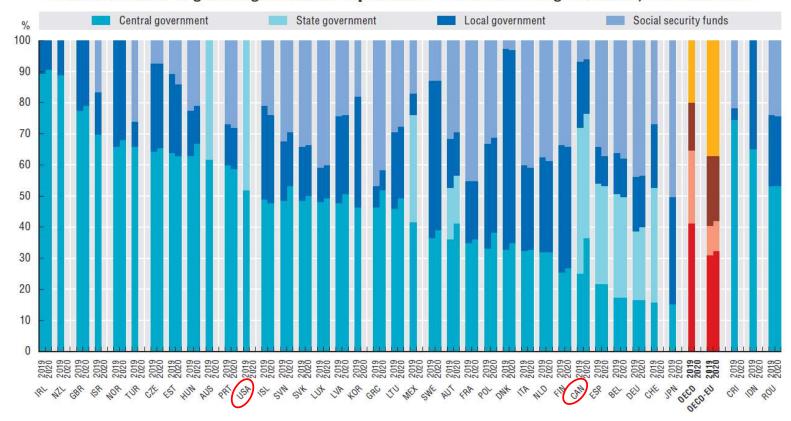
| | EUROPEAN UNION | | USA* | | CANADA** | |
|---|--------------------|-------------------|----------------------|------------------------|----------------------|------------------------|
| | COMMUNITY LEVEL | NATIONAL LEVEL | CENTRALIZED LEVEL | DECENTRALIZED LEVEL | CENTRALIZED LEVEL | DECENTRALIZED LEVEL |
| Total public expenditure | 2 | 98 | 63.9 | 36.1 | 37.2 | 62.8 |
| Total public expenditure excluding social protection and health | 4 | 96 | 51.1 | 48.9 | 34.8 | 65.2 |

^{*} reference year: 2010 ** reference year: 2009

Sources: OECD, Eurostat, Official Journal of the European Union, BEA (USA), Statistique Canada, author's calculations

Source:

2.31. Distribution of general government expenditures across levels of government, 2019 and 2020



Source: OECD National Accounts Statistics (database).

Source: https://www.oecd-ilibrary.org/revenue-and-expenditure-structure-by-level-of-government 0aa564d3-en.pdf?itemId=%2Fcontent%2Fcomponent%2F0aa564d3-en&mimeType=pdf (retrieved 24/01/2023). See also: https://data.oecd.org/gga/general-government-spending.htm

How much is spent on administration?

2022 EU budget: breakdown of commitment appropriations into MFF categories

| MFF heading | EUR billion | % |
|---------------------------------------|-------------|--------|
| Single Market, Innovation and Digital | 21.78 | 12.9% |
| Cohesion, Resilience and Values | 56.04 | 33.1% |
| Natural Resources and Environment | 56.24 | 33.2% |
| Migration and Border Management | 3.09 | 1.8% |
| Security and Defence | 1.79 | 1.1% |
| Neighbourhood and the World | 17.17 | 10.1% |
| European Public Administration | 10.62 | 6.3% |
| Thematic Special Instruments | 2.8 | 1.7% |
| Total | 169.52 | 100.0% |
| | | |



The EU institutions employ over 60,000 people from the 27 EU member countries. The <u>European Personnel Selection Office (EPSO)</u> holds 'open competitions' to select staff for permanent and non-permanent positions. EPSO's website is the first port of call for anyone wanting to work for the EU: it explains the selection process and provides advice on how to prepare for competitions.

Source

https://european-union.europa.eu/live-work-study/jobs-traineeships-eu-institutions_en#:~:text=EU%20staff%20recruitment,the%2027%20EU%20member%20countries (retrieved 05/09/2023)

AUSTRIA

Tabelle 1: Personalstand der Gebietskörperschaften

| | Personalstand |
|-----------|---------------|
| Bund | 135.981 |
| Länder | 146.695 |
| Gemeinden | 78.865 |
| Gesamt | 361.541 |

Personalstände in Vollbeschäftigtenäquivalenten, exkl. ausgegliederte Einrichtungen und Betriebe.

Datenstand: Bund 31.12.2021, Länder 2020 und Gemeinden 2019

Quelle: Bund – MIS, Länder – eigene Angaben der Bundesländer auf Basis des österreichischen

Stabilitätspaktes, Gemeinden – Statistik Austria

But please note: limited comparability!

Source: BM Kunst, Kultur, öffentlicher Dienst und Sport: Personalbericht. Das Personal des Bundes 2022. Daten und Fakten. https://oeffentlicherdienst.gv.at/ueber-den-bundesdienst/der-oeffentliche-dienst-in-oesterreich/basiskenndaten/ (retrieved 05/09/2023)

Task:

At the EU level the largest stimulus package ever was agreed to help repair the economic and social damage caused by the coronavirus pandemic and steer the transition towards a modern and more sustainable Europe. What are the essential elements of this package, what is new about it? (10 minutes)

Multiannual financial framework 2021-2027 and Next Generation EU EU expenditure for 2021-2027 All amounts in € billion (2018 prices) Single Market, Innovation and Digital European Strategic and innovation Investments 35 TOTAL BUDGET 1824.3 143.4 **NEXT GENERATION** MFF EU (NGEU) 2021-2027 Space 13.4 750 1074.3 Single Market Climate and digital mainstreaming Climate: target 30% of spending across programmes Digital: priority across programmes, 20% of Recovery and Resilience Facility Cohesion, Resilience

Source: https://www.consilium.europa.eu/en/infographics/mff2021-2027-ngeu-final/ (retrieved 09/02/2020)

"For the implementation of the Next Generation EU recovery instrument, the EU's own resources decision will need to be approved in all member states in accordance with their constitutional requirements. Under the decision, the Commission will be authorised, on an exceptional basis, to borrow up to €750 billion in 2018 prices on the capital markets to address the consequences of the COVID-19 crisis."

Source: https://www.consilium.europa.eu/en/press/pressreleases/2020/12/17/multiannual-financial-framework-for-2021-2027-adopted/ (retrieved 09/02/2020)

In the meanwhile all MS have ratified the Own Resources Decision.

See:

https://www.europarl.europa.eu/thinktank/en/document.html?reference=EPRS BRI(2021)690520

and

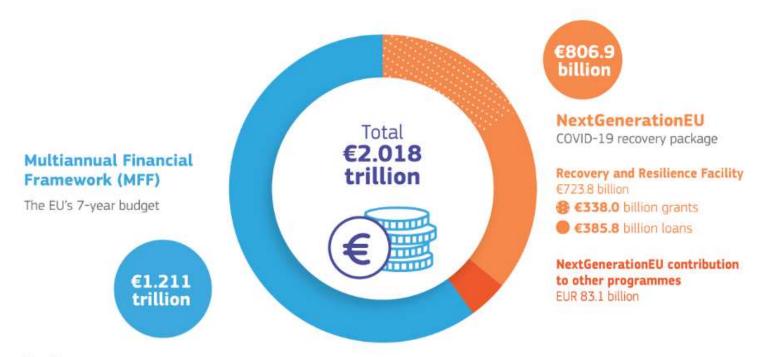
https://www.europarl.europa.eu/RegData/etudes/BRIE/2021/690520/EPRS_BRI(2021)690520_EN.pdf

and

https://www.consilium.europa.eu/en/press/press-releases/2021/05/31/green-light-from-all-member-states-for-eurecovery-spending/

(23/08/2021)

MFF and NGEU (current prices)



Note: All amounts are in current prices.

Source: https://ec.europa.eu/info/strategy/eu-budget/long-term-eu-budget/2021-2027/whats-

new en; see this source also for further useful links!

(retrieved 14/09/2022)