2009 budget: other sections

2008/2026B(BUD) - 17/07/2008 - Council draft budget

The Council unanimously established the draft budget for 2009 at 1st reading. The Council used the preliminary draft budget of the European Communities for 2009, submitted by the Commission, as the basis for establishing this draft budget. In keeping with the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and budgetary management (IIA), a conciliation meeting between the Council and a delegation from the European Parliament, with the participation of the Commission, was held on 17 July 2008, prior to the discussions in the Council.

As a result of the Council's discussions, the **draft budget of the other institutions** (except the Commission) has been approved.

In establishing the draft budget for 2009, the Council followed a number of guidelines:

A. Generally: the Council:

- did not to adopt the expenditure and posts relating to the implementation of the Lisbon Treaty;
- carry out targeted reductions under specific budgetary headings for all the institutions, taking into account the budget outturn in 2007 and real needs;
- increase the standard flat-rate abatement on salaries for most of the institutions, taking into account their current vacancy rate;
- apply to some institutions an additional reduction of 1.3% on current expenditure requested for 2009, to take into account efficiency gains and the impact of interinstitutional cooperation;
- accept all new posts requested in relation to the 2007 enlargement. In this context, the Council repeated that it is intending to monitor closely the ongoing recruitment process;
- accept only some of the new posts requested by the institutions for new tasks, on the basis of duly justified needs;
- accept conversions, transformations and upgradings.

When examining the administrative budgets, the Council also focused on administrative operating expenditure linked to operational programmes and on administrative expenditure by executive agencies. In this respect, it was decided to carry out targeted reductions, in particular on the basis of the 2007 budget outturn.

The Council also gave careful consideration to the question of assigned revenues. With a view to improving transparency and sound financial management in this area, it took due account of this factor, in particular by setting the Community contribution to the budgets of decentralised agencies.

This approach has resulted in a **margin of EUR 224.13 million** available under the ceiling of heading 5 of the Financial Framework (instead of 129.1million in the preliminary draft budget), which is deemed sufficient to satisfy the requirements of the IIA and in the interests of sound financial management.

B. Amounts allocated by the Council for each institution (except for the Commission):

§ **European Parliament - Section I**: under the "gentlemen's agreement", the Council included the European Parliament estimate in the draft general budget of the European Communities for the financial year 2009 without any changes (EUR 1 530 840 023); the estimate represents an increase of EUR 78 322 856 (+5.39%) over the 2008 budget.

§ **Council - Section II**: EUR 602 852 000, which represents an increase of EUR 8 136 732 (+1. 37%) over the 2008 budget. The standard flat-rate abatement on salaries was fixed at 7% taking into account the current vacancy rate. Targeted reductions were retained by applying a specific decrease to appropriations related to the acquisition of equipment and software, outside assistance for the operation and development of computer systems, telecommunications, the purchase and replacement of technical equipment and installations, as well as information and public events. With regard to staff levels, the Council accepted the creation of 15 new posts for the new Irish language unit. It also approved the transformations for career development. The Council also accepted the appropriations requested to employ 20 new external contract staff.

§ **Court of Justice - Section IV**: EUR 312 784 433, which represents an increase of EUR 18 706 842 (+6.36%) over the 2009 budget. The standard flat-rate abatement on salaries was fixed at 4.5 % taking into account the current vacancy rate. Appropriations requested for external services in the linguistic field were decreased by 5%, given the under-utilisation in previous years. Targeted reductions were retained by applying a specific decrease to appropriations related to expenditure on information technology. With regard to staff levels, the Council accepted the creation of 39 new posts in connection with the introduction of the urgent preliminary ruling procedure: 10 posts for 9 months, 17 posts for 6 months and 12 posts for 3 months. It also approved the transformations for career development. The Council also accepted the upgrading of 1 post, the conversion of 9 posts and the elimination of another post. On the other hand, it rejected the request for 7 other non-enlargement posts, which the budgetary authority had already rejected in the 2008 budgetary procedure.

§ **Court of Auditors - Section V**: EUR 132 309 000, representing a decrease of EUR 460 183 (-0.35%) over the 2008 budget, which included a significant amount of extraordinary expenditure. The standard flat-rate abatement on salaries was fixed at 4.5% taking into account the current vacancy rate. Targeted reductions were retained by applying a specific decrease to appropriations relating to car park rentals, travel tickets, studies and other consultancy services in connection with the Court's administrative activities, archive services and the acquisition of archive resources on substitute media, and general publications. With regard to staff levels, the Council accepted the creation of 20 posts for auditors for 4 months (instead of 6 months). It also approved the transformations for career development. The Council also accepted the conversion of 2 temporary AD 14 posts into permanent posts. On the other hand, it rejected the request for a further 11 posts.

§ **Economic and Social Committee - Section VI**: EUR 118 443 957, which represents an increase of EUR 3 699 781 (+3.22%) over the 2008 budget. The standard flat-rate abatement on salaries was fixed at 5.5%, taking into account the recruitment difficulties encountered and the real cost of new staff. Targeted reductions were retained by applying a specific decrease to appropriations relating to interpreting services, as well as to appropriations intended for other staff and outside services which had been little used for the last two years. The amount of the increase requested by the institution for appropriations relating to members and delegates was reduced since travel expenses were judged to have been over-estimated. With regard to staff levels, the Council accepted the creation of 2 posts for 3 months (instead of 6 months). It also approved the transformations for career development. The Council also accepted the other changes (1 reclassification and 6 upgrades) to the establishment plan. On the other hand, it rejected the request for 4 additional non-enlargement posts.

§ **Committee of the Regions - Section VII**: EUR 75 771 721, which represents an increase of EUR 4 567 230 (+6.41 %) over the 2008 budget. The standard flat-rate abatement on salaries was fixed at 6 %, taking into account the current vacancy rate and the over-estimate of the number of missions. Targeted reductions were retained by not accepting the appropriations for interpreting services and for meetings and conferences requested in connection with the implementation of the Lisbon Treaty. The amount of the increase requested by the institution for appropriations relating to general publications and external studies was deemed to have been overestimated and was reduced accordingly. With regard to staff levels, the Council accepted the creation of 7 enlargement posts. It also approved the transformations for career development. The Council also accepted the conversion of a temporary post. It rejected the request for 23 additional non-enlargement posts in connection with the implementation of the Lisbon Treaty.

§ **European Ombudsman – Section VIII**: EUR 8 828 747, which represents an increase of EUR 322 977 (+3.80 %) over the 2008 budget. The requests for current expenditure and for extraordinary expenditure were accepted. With regard to staff levels, the Council accepted the creation of 1 post for 4 months (instead of the 12 months requested) and 2 temporary posts for 4 months (instead of 6 months). It also approved the transformations for career development as well as two upgrades. On the other hand, the Council rejected the request for a further 3 temporary posts.

§ **European Data Protection Supervisor – Section IX**: EUR 6 591 700, which represents an increase of EUR 1 283 947 (+24.19 %) over the 2008 budget. A targeted reduction was carried out in relation to building expenditure as a result of the Council approving appropriations for the rental of an additional half floor, rather than the three-quarters of a floor requested by the Supervisor. The other requests for current expenditure and extraordinary expenditure were accepted. With regard to staff levels, the Council approved the creation of 4 new posts for 6 months (instead of the 9 months requested). It also approved the transformations for career development but rejected the request for a new post.