Amending budget 6/2010: Section II - European Council and Council; Section III - Commission; Section X - European External Action Service

2010/2094(BUD) - 17/06/2010 - Commission draft budget

PURPOSE: to present Draft Amending Budget No 6 to the 2010 budget with a view to financing to the European External Action Service (EEAS).

CONTENT: the Treaty of the European Union (TEU) provides that the High Representative of the Union for Foreign Affairs and Security Policy shall be assisted by a European External Action Service. An effective EEAS is critical to allowing the EU to accomplish the strategic objectives set by the Lisbon Treaty and to contribute to strengthening its role on the global stage, giving it more profile, and enabling it to project its interests and values more efficiently. The added value that the EEAS can bring to the complex challenges and threats the EU is facing is its ability to combine the instruments available.

Within this framework the European Commission is presenting this amending budget as a technical proposal, reflecting the requests transmitted by the High Representative and the fact that, within the framework of the draft Council Decision, in the last quarter of 2010 diplomats from the EU Member States are to be recruited to the EEAS, under the EU budget (temporary agents).

In view of the establishment of the EEAS, this amending budget proposes in line with the European Commission proposal on the modification of the financial regulation the creation of a **new Section X** (European External Action Service) and the related amendments to budget Section II (European Council and Council) and Section III (Commission), as indicated in the budgetary annex.

The proposed solution for 2010 consists in an amending budget based on a pragmatic and simplified approach during the transitional period covering the last quarter of the year, and assuming the amending budget will be adopted by October 1 2010. Thus, the proposed amending budget reflects the following:

- the creation of the EEAS' separate budget section and establishment plan in line with the European Commission proposal for modification of the Financial Regulation;
- the posts to be transferred from the Commission and the General Secretariat of the Council will continue to remain, though identified in separate columns, in the establishment plans in corresponding sections of the two donor institutions, to ensure continuity of administrative and contractual obligations till the end of the year. Those EEAS posts will be removed from the establishment plans of the Commission and the General Secretariat of the Council in the 2011 budget (amending letter to be presented later this year);
- a first tranche of new AD posts to cope the immediate additional tasks. This will also contribute to reach in 2013 the commitment to have one third of AD staff coming from the diplomatic service of the Member States;
- all appropriations, including the requested additional appropriations for new EEAS posts, will be included in the corresponding budget items of the Commission and the General Secretariat of the Council, which allows them to provide all payments (salaries, allowances, rents, etc.) and services (IT, maintenance, canteens, etc.) to the future EEAS staff till the end of the year.

In this way, business continuity at headquarters and delegations can be guaranteed during the transitional period till the end of the year.

The High Representative will be able to concentrate on and supervise the EEAS internal organisation, recruitment procedures, and the build up of its full administrative and financial management capacity so that the EEAS can take over full responsibility and related administrative, financial and contractual obligations as from January 1, 2011.

The objective for the financial year 2011 is that the EEAS would have its own full budget for 2011 including all related appropriations. That will require a letter of amendment to the 2011 draft budget in due time for being integrated in the annual budgetary process.

Establishment plan: a new establishment plan is created in Section X for the EEAS. It includes 411 posts transferred to EEAS from Section II (European Council and Council) and 1 114 posts transferred from Section III (Commission). It also includes 100 additional new AD posts for the EEAS, of which 80 in delegations.

The **additional expenditure** is necessary to cover the 100 new posts and additional appropriations for 60 additional local agents in delegations and 10 contract agents at headquarters requested by the High Representative, in order to fulfil the additional tasks conferred by the Treaty. These additional posts will already contribute in 2010 to the Council's decisions to have in 2013 in the EEAS, one third of AD staff coming from the diplomatic services of the EU Member States. The amount considered necessary to this effect is **EUR 9 521 362** in commitment and payment appropriations.