

2012 budget: all sections

2011/2020(BUD) - 25/11/2011 - Budgetary conciliation report tabled for plenary

The European Parliament delegation to the Budgetary Conciliation Committee adopted the report by Francesca BALZANI (S&D, IT) and José-Manuel FERNANDES (EPP, PT) on the **joint text** approved by the Conciliation Committee in the framework of the 2012 budgetary procedure.

The delegation recalls the main points of the joint text agreed by the Conciliation Committee. These are summarised as follows:

- list of budget lines not modified, compared to the draft budget or the Council's position;
- summary figures by financial framework headings;
- line by line figures on all budget items;
- consolidated document showing the figures and final text of all lines modified during the conciliation.

The delegation confirms the joint statements by the Parliament, the Council and the Commission included in the joint conclusions agreed by the Conciliation Committee including:

1. Budget 2012;
2. Budget 2011 – Amending Budget 6/2011;
3. Joint statements of the institutions on the budget.

Horizontal issues:

- **decentralised agencies:** the total EU contribution in 2012 for decentralised agencies is reduced by 1%, as compared to the Draft Budget (DB) as amended by Amending Letter 3/2012. However, the total EU contribution (in commitment appropriations and in payment appropriations) is set at the level of the DB for FRONTEX, the European Asylum Support Office (EASO), the European Banking Authority (EBA), the European Insurance and Occupational Pensions Authority (EIOPA) and the European Securities and Markets Authority (ESMA). As compared to the Commission's Draft Budget, this leads to an overall reduction in the EU contribution to the decentralised agencies of EUR 6.1 million;
- **Pilot Projects/Preparatory Actions:** a comprehensive package of 70 pilot projects/preparatory actions (PP/PA), including two projects/actions in section X (EEAS) of the budget, for an amount of EUR 105.4 million in commitment appropriations is agreed, including all PP/PA proposed by the Parliament, the Commission and the European External Action Service. The changes to the budget remarks for the pilot project '**European Institute of Peace**' in section X (EEAS) are agreed. This package fully respects the ceilings for pilot projects and preparatory actions provided in the IIA.

Expenditure headings of the financial framework - commitment appropriations: the delegation noted the following:

- **Heading 1a:** commitment appropriations are set at the level proposed by the Commission in the Draft Budget, with amendments to the programmes and actions as set out in the table that accompanies the draft resolution. **The Flexibility Instrument will be mobilised for an amount of EUR 50.0 million for the 'Europe 2020 Strategy'**. The commitment appropriations put in the reserve for 'ITER' (budget article 08 20 02) are set at EUR 417.9 million.
- **Heading 1b:** commitment appropriations are set at the level proposed in the Draft Budget, with the exception of the budget line 13 03 31 'Technical assistance and dissemination of information on the

EU strategy for the Baltic Sea Region and an improved knowledge of macro-regions strategy', for which an amount of EUR 2.5 million in commitments is agreed. As a consequence, the margin under the expenditure ceiling of heading 1b amounts to EUR 8.4 million.

- **Heading 2:** commitment appropriations are set at the level proposed by the Commission in the Draft Budget, as amended by Amending Letter 3/2012, with amendments to programmes and actions as set out in the table that accompanies the draft resolution. Reflecting the political agreement reached on the '**Programmes for deprived persons**' (budget item 05 02 04 01), the appropriations currently in reserve for this purpose are put on the line concerned.
- **Headings 3a and 3b:** commitment appropriations are set at the level proposed by the Commission in the Draft Budget, with amendments to the programmes and actions as set out in the table that accompanies the draft resolution.
- **Heading 4:** commitment appropriations are set at the level proposed by the Commission in the Draft Budget, including Amending Letter 1/2012, with amendments agreed to programmes and actions as set out in the draft resolution. **The Flexibility Instrument will be mobilised for an amount of EUR 150.0 million for the European Neighbourhood Policy.** Furthermore, the frontloading of 2011 commitment appropriations for Palestine is agreed.
- **Heading 5:** as far as the appropriations and establishment plan posts of all Institutions are concerned, the position of the European Parliament is approved. Furthermore, the reinforcements proposed in Amending Letter 2/2012 are approved. Lastly, **an amount of EUR 10.4 million is added for pensions.** As a consequence, the margin under the expenditure ceiling of heading 5 amounts to EUR 474.4 million.

Payment appropriations: the overall level of payment appropriations in the 2012 budget is set at EUR 129 088,043 million. As part of the overall compromise, the Conciliation Committee supports the reduction in payment appropriations based on the application of a specific calculation methodology to reduce payments.

In addition to the overall reduction in payments by this calculation method, specific amounts in payment appropriations are agreed for:

- **Heading 1a:** the level of payment appropriations for the 'European Globalisation Adjustment Fund' is set at EUR 50 million; the level of payment appropriations for the 'European Year for Active Ageing and Solidarity between Generations' is set at the level agreed between Council and Parliament ('closed' line);
- **Heading 2:** the level of payment appropriations for 'International Fisheries Agreements' is set at the level proposed in Amending Letter 3/2012;
- **Heading 3b:** the level of payment appropriations for the 'Special Annual Events' is set at the level proposed in the Parliament position;
- **Heading 4:** the level of payment appropriations for the 'Emergency Aid Reserve' is set at EUR 90 million; the level of payment appropriations for 'Palestine' is set at the level proposed in the Draft Budget; the level of payment appropriations for 'Macro Financial Assistance' is set at the level agreed between Council and Parliament ('closed' line); the level of payment appropriations for 'Sugar Protocol Countries' is set at the level agreed between Council and Parliament ('closed' line, in payment appropriations).

The overall reduction in the level of payments (5a - 5b) is then distributed across budget lines for differentiated expenditure under the expenditure headings, according to the following distribution key:

- Heading 1a: 31.00 %;
- Heading 1b: 38.45 %;
- Heading 2: 21.25 %;
- Heading 3a: 1.00 %;
- Heading 3b: zero %;

- Heading 4: 8.30 %.

Reserves: all reserves voted by the European Parliament are maintained. The amount of the reserve on line 26 01 20 (EPSO) is decreased by 50%.

Joint statement on payment appropriations: taking into account the ongoing fiscal consolidation efforts in Member States, the delegation stresses that **the Council and the European Parliament agree on a reduction of the level of payment appropriations for 2012 as compared to the Commission's Draft Budget.** Additional payment appropriations will be requested in an amending budget if the appropriations entered in the 2012 budget are insufficient to cover expenditure under:

- sub-heading 1a (Competitiveness for growth and employment),
- sub-heading 1b (Cohesion for growth and employment),
- heading 2 (Preservation and management of natural resources),
- heading 3 (Citizenship, freedom, security and justice) and
- heading 4 (EU as a global player).

In particular, the Commission is urged to present by the end of September 2012 at the latest updated figures concerning the state of play and estimates regarding payment appropriations under sub-heading 1b (Cohesion for growth and employment) and rural development under heading 2 Preservation and Management of Natural Resources, and, if necessary, to present a draft amending budget. The Council and the European Parliament will take position on any draft amending budget as quickly as possible in order to avoid any shortfall in payment appropriations. In addition, the Council and the European Parliament undertake to process swiftly any possible transfer of payment appropriations, including across financial framework headings, in order to make the best possible use of payment appropriations entered in the budget and align them to actual execution and needs.

The delegation, furthermore, calls on the Parliament and Council to make the following statements:

- **joint statement on preventing measures for future crisis in the fruit and vegetable sector:** the possibility of the adoption of an amending budget by the Commission in case of an exceptional market crisis in the fruit and vegetable sector requiring the definition of specific emergency measures, such as in the case of the e-coli crisis;
- **joint statement on the financing of the ITER project:** the delegation calls on the Parliament and the Council to invite the Commission to facilitate reaching an agreement on the additional financing needs of the ITER project, taking into account the concerns of both arms of the budgetary authority.

The delegation also calls on Parliament to approve the draft amending budget 6/2011, taking into account certain technical amendments. The same applies for the amending budget 7/2011 (mobilisation of the Solidarity Fund for Italy and Spain) which is accepted as it stands.

The other aspects in the draft resolution concerning amendments made to remarks concerning the budget of the EEAS and the budget line of the Commission for cross-border journalism.