2013 budget, other sections: guidelines

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The Council adopted **conclusions** setting its priorities for the EU's general budget for 2013. They will serve as the basis for negotiations with the European Parliament and the Commission later this year.

Some delegations asked the Commission to ensure that its draft EU budget for 2013 reflects the consolidation efforts currently being undertaken at national level. Others highlighted the need to honour commitments made in the past.

The conclusions:

- emphasise the need to **take into account economic and budgetary constraints at national level** and to maintain budgetary discipline at all levels;
- call for a **balance to be struck between fiscal consolidation and the need to continue investments**, in order to avoid hampering the respect of commitments already made and to avoid impeding efforts to overcome the economic crisis. This balance should be reached through the prioritisation of objectives and the allocation of resources to actions that best contribute to growth and employment.

Key elements of the budget for 2013 are as follows:

- the **budget for 2013 should strictly respect the ceilings of the current MFF**. Moreover, with the exception of sub-heading 1b (Cohesion for growth and employment), the Council stresses the need to leave sufficient margins under all ceilings of the various headings and sub-headings of the MFF, in order to be able to deal with unforeseen circumstances;
- the need for a **realistic budget** respecting the principle of sound financial management. Especially in the current economic context, commitment and payment appropriations have to be kept under strict control and correspond to real needs;
- the Council encourages the Commission and Member States to continue their efforts to **deliver better forecasts** in all domains. An accurate draft budget is essential to allow Member States
- to precisely anticipate the level of their contribution to the Union's budget.
- as far as revenue is concerned, the Council strongly believes that **full transparency** concerning assigned revenue is part of a sound financial management of Union funds. It calls on all institutions, agencies and other bodies to continue to provide all the requested information on a regular basis and in due time for the draft budget for 2013;
- the Commission should provide **precise and frequent information on the budget implementation** at every stage of the budgetary procedure;
- the Council notes with great concern the volume of outstanding commitments (at the end of 2011, outstanding commitments (RAL) amounted to EUR 207 billion). This issue has to be examined thoroughly and the Council urges the Commission to take all appropriate remedial measures in each annual budgetary procedure. The Commission should carefully monitor the amounts of outstanding commitments and settle or decommit them as timely as possible. The Council calls on all actors involved to continue to do their utmost to avoid overestimation in order to limit undue pressure on national budgets.

More specifically, the Council:

- encourages the Commission to: (i) continue the improvement of the **documents accompanying its draft budget**. These documents should be as transparent, simple and concise as possible, and

clearly justify the appropriations requested; (ii) improve the "**Budget Forecast Alert**" system, which should allow adjustments to the level of appropriations in a more realistic and rigorous way at the various stages of the budgetary procedure;

- urges the institutions **not to increase administrative expenditure** and to provide financing only for real needs, in order to give a positive signal to the citizens. All the institutions should continue their efforts by increasing administrative efficiency with restricted resources and by preferring redeployment and reprioritisation to requests for additional appropriations;
- regrets the **recurrent over-budgeting of some agencies**, leading to unjustified carry-overs and reiterates the importance of keeping their funding under firm control, so as to provide for real needs;
- recalls, as regards the **financing of the ITER project,** that all possibilities of redeployment should be examined and accordingly concrete proposals should be made within the draft budget for 2013.