Amending budget 1/2013: expenditure related to the accession of Croatia

2013/2054(BUD) - 01/07/2013 - Budgetary report tabled for plenary, 1st reading

The Committee on Budgets adopted the report by Giovanni LA VIA (EPP, IT) on the Council position on Draft amending budget No 1/2013 of the European Union for the financial year 2013, Section III – Commission.

Members recall that the draft amending budget No 1/2013 aims to incorporate into the 2013 Budget the commitment and payment appropriations needed to cover expenditure related to the accession of Croatia to the Union as from 1 July 2013. In parallel, the Commission submitted a proposal for the adjustment of the multiannual financial framework to accommodate these changes.

The proposed increase of EUR 655.1 million in commitments and EUR 374 million in payments, excluding heading 5, since the administrative expenditure linked to the accession of Croatia is already included in Budget 2013.

Whilst calling on the Council to adopt amending budget No1/2013, Members regret that this Amending budget has been kept separate from the ongoing political interinstitutional debate on how to settle the issue of outstanding payments from 2012 and from the negotiations on DAB No 2/2013.

They emphasise the purely technical nature of this Amending budget which is simply the consequence of the unanimous agreement on the Treaty concerning the accession of the Republic of Croatia to the European Union as the 28th Member State of the Union.

Delayed agreement: Members reiterate their position that the eight-week period provided for by the Treaty on the Functioning of the European Union to inform the national parliaments of any draft legislative act does not apply to budgetary issues. They regret therefore that despite the very tight timeframe for the entry into force of this Amending budget, the **Council has nevertheless let this period elapse before adopting its position**, thus squeezing the time for adoption by Parliament as foreseen by the Treaty.

Members regret furthermore the **difficulty with which**, even after the eight weeks deadline had elapsed, the **Council reached an agreement on this revision**, which has led to a delay in the availability of the funding for Croatia due as from 1 July 2013.

Members welcome that the Council could eventually agree on a revision without any **offsetting of the 2013 ceilings for payments** by the required EUR 374 million. They consider that, given the limited amount concerned and the current shortage of payment appropriations in the 2013 budget, this is the proper way to fulfil the obligation that the Member States took out when signing the Accession Treaty and to respect the provisions of point 29 of the IIA of 17 May 2006.

Members deplore however that as regards the revision in commitments the Council decided to neglect the political importance of adopting the Commission's proposal as such, **opting instead for an offset of the appropriations required**. They denounce that this contradicts the spirit of the unanimous decision taken when signing the Treaty of Accession as well as of the IIA of 17 May 2006. Such a decision sends a wrong political signal not only to Croatia but to the other candidate countries as well.

They stress that this decision of the Council is accepted only because it concerns the **last 6 months of the current MFF** (2007-2013) and that this should not constitute a precedent for future enlargements that might occur under the next MFF (2014-2020).

Nevertheless, considering the political importance and the legal urgency of ensuring the necessary funding to Croatia, Members call on the European Parliament to approve, without amendment, Council's position on Draft amending budget No 1/2013.