# Multiannual financial framework 2007-2013: expenditure requirements resulting from the accession of Croatia

2013/2055(ACI) - 01/07/2013 - Committee report tabled for plenary, single reading

The Committee on Budgets adopted the report by Reimer BÖGE (EPP, DE) on the proposal for a decision of the European Parliament and of the Council amending the Interinstitutional Agreement of 17 May 2006 on budgetary discipline and sound financial management as regards the multiannual financial framework, to take account of the expenditure requirements resulting from the accession of Croatia to the European Union.

The Commission, in parallel to Amending budget No 1/2013 has submitted to the budgetary authority a proposal aimed at adjusting the multiannual financial framework 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.

The proposed increase of EUR 666 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.

Members emphasise the **purely technical nature of this revision**, which is simply the **consequence of the unanimous agreement on the Treaty concerning the Accession of Croatia to the European Union** (the Accession Treaty) as the 28th Member State of the Union.

They stress that this revision of the IIA accompanying Amending budget No 1/2013 has been kept separate from the ongoing political inter-institutional debate on how to settle the issue of outstanding payments from 2012 and from the negotiations on Amending budget No 2/2013.

The committee reiterates its position that the eight-week period laid down in Article 4 of Protocol (No 1) on the Role of National Parliaments in the European Union to inform national parliaments of any draft legislative act **does not apply to budgetary issues**. It regrets therefore that despite the very tight timeframe for the entry into force of this adjustment and of Amending Budget No 1/2013, 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. They warn that this must not become a precedent for further enlargements.

**Payment issues**: 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 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 and that such decision sends a wrong political signal not only to Croatia but to the other candidate countries as well. Members 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 decide to approve the decision annexed to this resolution, as amended by the Council which aims to incorporate the commitment and payment appropriations needed to cover expenditure related to the accession of Croatia (see the annexed table which includes the proposed budget modifications to finance these needs in 2013).