

Amending budget 8/2013: reinforcement of payments by MFF heading and shortage of payment appropriations in the 2013 budget

2013/2227(BUD) - 25/09/2013 - Commission draft budget

PURPOSE: presentation of Draft Amending Budget N° 8 to the general budget 2013.

CONTENT: Draft amending budget No 8 for the year 2013 (DAB 8/2013) concerns the increase of payment appropriations of EUR 3.9 billion across headings 1a, 1b, 2, 3a, 3b and 4 of the multi-annual financial framework (MFF) to the overall level proposed already in DAB 2/2013.

This is with the aim of:

- **meeting the outstanding needs to the end of the year, so that legal obligations stemming from past and current commitments can be honoured**, financial penalties avoided;
- enable beneficiaries to receive the funds envisaged by the agreed EU policies, for which Parliament and Council authorised the related commitment appropriations in previous annual budgets.

The requested additional payment appropriations will reduce the level of outstanding commitments ('reste à liquider', RAL) as well as the risk of rolling over onto 2014 abnormally high levels of unpaid bills.

This DAB 8/2013 updates [DAB 2/2013](#), presented by the Commission in March 2013 for an amount of EUR 11.2 billion and only **partially approved** by the budgetary authority in September 2013 for an amount of EUR 7.3 billion. It is consistent with the political agreement reached between the Presidents of the three Institutions on the 2014-2020 MFF.

Redeployment: in accordance with Article 41(2) of the Financial Regulation, the Commission has examined the scope for internal redeployment within an overall review of year-end payment needs, against the background of consistently high payment implementation across all major programmes with no or little appropriations left on a considerable number of budget items to pay incoming bills. This has led the Commission to propose the **redeployment of EUR 509.8 million** in the so-called 'global transfer' (DEC 26/2013, made available in parallel with DAB 8/2013).

Updated request: the updated review of payment needs in the 2013 budget has confirmed a major shortage of payment appropriations, after taking into account the EUR 7.3 billion authorised in AB 2/2013 and all the possible sources for redeployment. Therefore, **the Commission requests EUR 3.9 billion in additional payment appropriations** available under the payment ceiling of the MFF for 2013.

The requested payment appropriations will allow the legal obligations arising in 2013 to be met. This will **avoid any abnormal carry-over into 2014** of payment needs that should have been addressed in the financial year 2013. Since the 'N+3' decommitment rule under cohesion policy ends in 2013, the Commission expects to receive an increased share of payment claims very late in the year, and consequently to be able to pay these claims only in early 2014.