2014 general budget: all sections

2013/2145(BUD) - 14/11/2013 - Budgetary conciliation report tabled for plenary

The European Parliament delegation to the Budgetary Conciliation Committee adopted the report drafted by Anne E. JENSEN (ALDE, DK) (section III – Commission) and Monika HOHLMEIER (EPP, DE) (other sections) on the joint text on the draft general budget of the European Union for the financial year 2014 approved by the Conciliation Committee under the budgetary procedure.

Discussions in the Conciliation Committee were aimed at finding a **compromise bridging the gap between the Council's position and the European Parliament's amendments on the draft budget for 2014** proposed by the European Commission.

2014 is the first year under the EU's multiannual financial framework (MFF) for 2014-2020.

The Agreement reached on the EU budget for 2014 aims to **overcome the budget deficit** payment for the current fiscal year.

The two institutions agreed on:

- **EUR 135.5 billion for overall payment appropriations;**
- **EUR 142.64 billion for commitment appropriations** for the EU budget for 2014.

This is a decrease of 6.5% for payments and of 6.2% for commitments compared to the EU budget for 2013.

In general, Members have guaranteed that victims of flood and drought disasters in 2013 should be compensated and that the priorities for 2014 in areas such as education, employment, research, innovation, border management, and humanitarian assistance should also be taken into account. In addition, the Flexibility Instrument should be mobilised to assist Cyprus.

The Agreement also included reinforcing the budget for:

- FRONTEX,
- the European Asylum Support Office,
- Europol.

Additional support was agreed upon as regards the peace process and financial assistance to Palestine and to the United Nations Relief and Works Agency for Palestine Refugees (UNRWA).

Striving to keep the level of next year's EU budget in line with Member States' financing capacities, the Conciliation Committee made the following **joint statements**:

- ***Payment appropriations***: the European Parliament and the Council recalled the need to ensure an orderly progression of payments so as to **avoid any abnormal shift of outstanding commitments ('RAL') onto the 2015 budget**. In this respect, they will have recourse, when appropriate, to the various **flexibility mechanisms** included in the MFF Regulation.

As regards the payment appropriations, they asked the Commission to **initiate any necessary action**, on the basis of the provisions of the draft MFF Regulation and the Financial Regulation, to cover the responsibility assigned by the Treaty and with particular reference to any expected under-implementation

of appropriations to request additional payment appropriations in an amending budget if the appropriations entered in the 2014 budget are insufficient to cover expenditure.

The European Parliament and the Council should take position on any draft amending budget as quickly as possible in order to **avoid any shortfall in payment appropriations**. In addition, the European Parliament and the Council should 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 European Parliament, the Council and the Commission will, throughout the year, actively monitor the state of implementation of the 2014 budget, in particular under sub-heading 1b (Economic, social and territorial cohesion) and rural development under heading 2 (Sustainable Growth: Natural Resources). This will take the form of **dedicated inter-institutional meetings** to take stock of payment implementation and revised forecasts.

- *Decentralised agencies*: the European Parliament, the Council and the Commission recalled the importance to **progressively reduce the staffing levels of all EU institutions**, bodies and agencies **by 5% over five years.**

They also agreed on the need for a **closer and more permanent scrutiny** on the development of decentralised agencies to ensure a coherent approach. They agreed to establish a specific inter-institutional working group with the aim of defining a clear development path for agencies, based on objective criteria.

- *Heading 5 and salary adjustments*: they agreed that the appropriations related to the proposed salary adjustments of 1.7% for 2011 and 1.7% for 2012 will not be included at this stage in the 2014 budget.

- *EU Special Representatives*: the Parliament and the Council agreed to examine the transfer of appropriations for the European Union Special Representatives from the Commission's budget (Section III) to the budget of the European External Action Service (Section X) in the context of the 2015 budgetary procedure.

The Agreement also includes draft amending budget No. 9 for 2013, which would mobilise the EU Solidarity Fund to provide financial assistance of EUR 400.5 million to repair damages caused in 2013 by floods in Germany (360.5 million), Austria (21.7 million) and the Czech Republic (15.9 million) and drought in Romania (2.5 million).

Members called on the Parliament to approve the joint text agreed by the Conciliation Committee and to confirm the joint statements by the Parliament, the Council and the Commission included in the joint conclusions agreed by the Conciliation Committee.