Amending budget 1/2015: revision of the MFF

2015/2013(BUD) - 22/04/2015 - Budgetary report tabled for plenary, 1st reading

The Committee on Budgets adopted the report by Eider GARDIAZABAL RUBIAL (S&D, ES) on the Council position on Draft amending budget No 2/2015 of the European Union for the financial year 2015, Section III Commission.

Members recalled that Draft amending budget No 2/2015 relates to the proposal for a Council regulation amending the MFF Regulation, as provided for in its Article 19.

Article 19 of the MFF Regulation provides for a revision of the multiannual financial framework in the case of late adoption of rules or programmes under shared management to **transfer allocations not used in 2014 to subsequent years**, in excess of the corresponding expenditure ceilings.

Commitment appropriations for programmes under shared management within the meaning of Article 19 of the MFF Regulation lapsed in 2014 for an amount of EUR 21 043 639 478 in current prices which corresponds to the 2014 tranches of programmes that could neither be committed in 2014 nor carried over to 2015. Draft amending budget No 2/2015 provides for the transfer of the largest share of those allocations to the 2015 budget with smaller transfers to be integrated into the Draft Budgets for the years 2016 and 2017.

Increase in commitment appropriations: Draft amending budget No 2/2015 proposes a EUR 16 476,4 million increase in commitment appropriations in 2015 for the various funds under shared management under sub-heading 1b, heading 2 and heading 3. It also proposes an increase of EUR 2.5 million for the Instrument for Pre-accession Assistance (IPA II) under heading 4, to preserve similar treatment between contributions from heading 4 and heading 1b to the European Regional Development Fund (ERDF) European territorial cooperation (ETC) programmes.

Issue of payment appropriations: Members recalled that it is vital for European citizens and for the economies in all Member States that the unused appropriations for the year 2014 can be transferred to subsequent years in order to contribute to the creation of jobs and growth. They welcomed the fact that the unused appropriations for the year 2014 were transferred, to the maximum extent possible, to the financial year 2015 as this will:

- avoid unfair treatment of certain Member States, regions and operational programmes,
- accelerate the implementation and delivery of Cohesion policy,
- help avoid the concentration of payments at the end of the MFF period.

Members are concerned however about the long-term impact this one-year postponement will have on the **overall situation on payments**. They called therefore on the Commission to monitor the implementation closely and to do its utmost to **avoid the snowball effect of unpaid bills** by presenting adequate proposals to adjust the annual levels of payment appropriations should the need arise.

They drew attention to the fact that the decision to transfer most of the unused appropriations from 2014 to 2015 may require a **flexible approach** from the Commission in order to address possible difficulties resulting from an uneven financial profile, which could lead to unused commitments in the period 2014-2020.

Members called on the Commission to propose adequate measures, in case such a situation might arise, based on similar past experience that took into account the late approval of programmes.

In doing so, they called on the European Parliament to approve the Council position on Draft amending budget No 2/2015.