Basic information

2010/2094(BUD) BUD - Budgetary procedure	Procedure completed
Amending budget 6/2010: Section II - European Council and Council; Section III - Commission; Section X - European External Action Service **Subject** 8.40.08 Agencies and bodies of the EU 8.70.60 Previous annual budgets	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
BUDG Budgets	SURJÁN László (PPE) GUALTIERI Roberto (S&D)	07/07/2010 07/07/2010

Committee for opinion	Rapporteur for opinion	Appointed
AFET Foreign Affairs	The committee decided not to give an opinion.	
DEVE Development	The committee decided not to give an opinion.	22/06/2010
INTA International Trade	The committee decided not to give an opinion.	
CONT Budgetary Control	BALČYTIS Zigmantas (S&D)	23/03/2010
ENVI Environment, Public Health and Food Safety	The committee decided not to give an opinion.	
JURI Legal Affairs	The committee decided not to give an opinion.	
AFCO Constitutional Affairs	VERHOFSTADT Guy (ALDE)	04/10/2010
FEMM Women's Rights and Gender Equality	The committee decided not to give an opinion.	

Council of the European Union	
European Commission	Commission DG: Budget Commissioner: LEWANDOWSKI Janusz

Key events

Date	Event	Reference	Summary
17/06/2010	Commission draft budget published	COM(2010)0315	Summary
13/09/2010	Council position on draft budget published	13475/2010	Summary
13/09/2010	Draft budget approved by Council		
20/09/2010	Committee referral announced in Parliament		
07/10/2010	Vote in committee		Summary
11/10/2010	Budgetary report tabled for plenary	A7-0283/2010	
19/10/2010	Debate in Parliament		
20/10/2010	Decision by Parliament	T7-0370/2010	Summary
20/10/2010	Results of vote in Parliament		
20/10/2010	End of procedure in Parliament		
22/01/2011	Final act published in Official Journal		

Technical information

Procedure reference	2010/2094(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Budget
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/7/03219

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee opinion	CONT	PE443.139	27/09/2010	
Committee draft report		PE445.962	30/09/2010	

Committee opinion	AFCO	PE448.962	04/10/2010	
Budgetary report tabled for plenary, 1st reading		A7-0283/2010	11/10/2010	
Budgetary text adopted by Parliament		T7-0370/2010	20/10/2010	Summary

Council of the EU

Document type	Reference	Date	Summary
Council position on draft budget	13475/2010	13/09/2010	Summary

European Commission

Document type	Reference	Date	Summary
Commission draft budget	COM(2010)0315	17/06/2010	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Budget 2011/0016
OJ L 020 22.01.2011, p. 0001 Summary

Amending budget 6/2010: Section II - European Council and Council; Section III - Commission; Section X - European External Action Service

2010/2094(BUD) - 17/06/2010 - Commission draft budget

PURPOSE: to present Draft Amending Budget No 6 to the 2010 budget with a view to financing to the European External Action Service (EEAS).

CONTENT: the Treaty of the European Union (TEU) provides that the High Representative of the Union for Foreign Affairs and Security Policy shall be assisted by a European External Action Service. An effective EEAS is critical to allowing the EU to accomplish the strategic objectives set by the Lisbon Treaty and to contribute to strengthening its role on the global stage, giving it more profile, and enabling it to project its interests and values more efficiently. The added value that the EEAS can bring to the complex challenges and threats the EU is facing is its ability to combine the instruments available.

Within this framework the European Commission is presenting this amending budget as a technical proposal, reflecting the requests transmitted by the High Representative and the fact that, within the framework of the draft Council Decision, in the last quarter of 2010 diplomats from the EU Member States are to be recruited to the EEAS, under the EU budget (temporary agents).

In view of the establishment of the EEAS, this amending budget proposes in line with the European Commission proposal on the modification of the financial regulation the creation of a **new Section X** (European External Action Service) and the related amendments to budget Section II (European Council and Council) and Section III (Commission), as indicated in the budgetary annex.

The proposed solution for 2010 consists in an amending budget based on a pragmatic and simplified approach during the transitional period covering the last quarter of the year, and assuming the amending budget will be adopted by October 1 2010. Thus, the proposed amending budget reflects the following:

- the creation of the EEAS' separate budget section and establishment plan in line with the European Commission proposal for modification of the Financial Regulation;
- the posts to be transferred from the Commission and the General Secretariat of the Council will continue to remain, though identified in separate columns, in the establishment plans in corresponding sections of the two donor institutions, to ensure continuity of administrative and contractual obligations till the end of the year. Those EEAS posts will be removed from the establishment plans of the Commission and the General Secretariat of the Council in the 2011 budget (amending letter to be presented later this year);
- a first tranche of new AD posts to cope the immediate additional tasks. This will also contribute to reach in 2013 the commitment to have one third of AD staff coming from the diplomatic service of the Member States;
- all appropriations, including the requested additional appropriations for new EEAS posts, will be included in the corresponding budget items of the Commission and the General Secretariat of the Council, which allows them to provide all payments (salaries, allowances, rents, etc.) and services (IT, maintenance, canteens, etc.) to the future EEAS staff till the end of the year.

In this way, business continuity at headquarters and delegations can be guaranteed during the transitional period till the end of the year.

The High Representative will be able to concentrate on and supervise the EEAS internal organisation, recruitment procedures, and the build up of its full administrative and financial management capacity so that the EEAS can take over full responsibility and related administrative, financial and contractual obligations as from January 1, 2011.

The objective for the financial year 2011 is that the EEAS would have its own full budget for 2011 including all related appropriations. That will require a letter of amendment to the 2011 draft budget in due time for being integrated in the annual budgetary process.

Establishment plan: a new establishment plan is created in Section X for the EEAS. It includes 411 posts transferred to EEAS from Section II (European Council and Council) and 1 114 posts transferred from Section III (Commission). It also includes 100 additional new AD posts for the EEAS, of which 80 in delegations.

The **additional expenditure** is necessary to cover the 100 new posts and additional appropriations for 60 additional local agents in delegations and 10 contract agents at headquarters requested by the High Representative, in order to fulfil the additional tasks conferred by the Treaty. These additional posts will already contribute in 2010 to the Council's decisions to have in 2013 in the EEAS, one third of AD staff coming from the diplomatic services of the EU Member States. The amount considered necessary to this effect is **EUR 9 521 362** in commitment and payment appropriations.

Amending budget 6/2010: Section II - European Council and Council; Section III - Commission; Section X - European External Action Service

2010/2094(BUD) - 13/09/2010 - Council position on draft budget

On 18 June 2010, the Commission forwarded to the Council draft amending budget (DAB) No 6 to the general budget for 2010.

The objective was to provide the European External Action Service (EEAS) with financial and human resources necessary for its establishment as soon as possible in 2010.

It covered the creation of a new Section X in the budget 2010 with the appropriate budgetary structure and establishment plan. The latter would include posts transferred from other institutions (411 posts transferred from Section II - European Council and Council - and 1114 posts transferred from Section III - Commission), as well as the creation of 100 new AD posts (20 in the EEAS headquarters and 80 in delegations). In addition, DAB No 6 /2010 included the recruitment of 60 local agents in delegations and 10 contract agents in headquarters. The net financial impact of DAB No 6/2010, including the related operating expenditure, was EUR 9.52 million which were entered in the Commission's section of the budget.

In its explanatory memorandum the Council agreed on the Commission proposal accompanied by the following Council statement: "The establishment of the EEAS should be guided by the principle of cost-efficiency aiming towards **budget neutrality**. To this end, transitional arrangements and gradual build-up of capacity will have to be used. Unnecessary duplication of tasks, functions and resources with other structures should be avoided. All opportunities for rationalisation should be used. In order to ensure appropriate presence of staff coming from Member States in the EEAS, in addition to existing posts coming from the Commission and the GSC [General Secretariat of the Council], posts could be made available through the transformation of temporary posts in the Commission and the Council Secretariat as well as through filling of posts freed up through retirement and other means. In addition, a limited number of additional posts for Member States temporary agents will be necessary which have to be financed within the framework of the current financial perspectives. The Council calls upon the Commission and the High Representative of the Union for Foreign Affairs and Security Policy, in coming annual budgetary procedures, to present budgetary proposals which are in alignment with this objective".

On 13 September 2010, the Council adopted its position on draft amending budget No 6 of the European Union for the financial year 2010 as set out in the technical annex to the explanatory memorandum (see Council Doc 13475/10 ADD 1).

Amending budget 6/2010: Section II - European Council and Council; Section III - Commission; Section X - European External Action Service

2010/2094(BUD) - 20/10/2010 - Final act

PURPOSE: definitive adoption of amending budget No 6 of the European Union for the financial year 2010.

LEGISLATIVE ACT: 2011/16/EU, Euratom.

CONTENT: the European Parliament has definitively adopted amending budget No 6 of the European Union for the financial year 2010 in accordance with its resolution dated 20 October 2010 (please refer to the summary of the resolution).

This Amending budget aims to create the new budgetary structure in order to accommodate the new Section X (European External Action Service) and the related amendments to budget Section II (European Council and Council) and Section III (Commission).

Amending budget 6/2010: Section II - European Council and Council; Section III - Commission; Section X - European External Action Service

2010/2094(BUD) - 20/10/2010 - Budgetary text adopted by Parliament

The European Parliament adopted by 608 votes to 41, with 11 abstentions a resolution that approves unamended the Council's position on Draft amending budget 6/2010 of the European Union for the financial year 2010, Section II - European Council and Council Section III – Commission Section X - European External Action Service.

Parliament recalls that this Amending budget is the third and final piece of a set of legislation necessary to implement the political agreement and subsequent Council Decision establishing the EEAS (the other two being a modification of the Financial Regulation and a modification of the Staff Regulation).

It states that the establishment of the EEAS has to be guided by the **principles ofcost efficiency, budget neutrality, and sound and efficient management** while fully taking into account the impact of the economic crisis in public finances and the need for budgetary stringency.

Parliament underlines that every effort must be made to ensure that any overlapping and potential conflicts of competencies are avoided, especially as this would not only lead to less effective external policies but, also, to ineffective use of scarce budgetary resources.

Parliament recalls that the needs for 2011 are covered by an Amending Letter 1/2010 to the 2011 budget (see BUD/2010/2001) and will be incorporated into the general budget procedure for that year. It recalls that the bulk of resources necessary will simply be transferred from the Sections of the European Council and Council and the Commission, but a limited amount of new resources is also being requested in terms of staff and contract staff.

Lastly, Parliament reiterates that it is crucial for the EU to be able to operate the full range of its external instruments under a coherent structure for the EEAS and that this Draft amending budget No 6/2010 will formally enter this budgetary adjustment into the 2010 budget, including the creation of a new and separate Section X, as well as the provision of 2010 budgetary resources to set up such a structure, in its initial phase.