Basic information

2011/2017(BUD) BUD - Budgetary procedure	Procedure completed
2012 budget: priorities - other sections **Subject** 8.70.60 Previous annual budgets	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
BUDG Budgets	FERNANDES José Manuel (PPE)	19/01/2011

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.	
INTA International Trade	The committee decided not to give an opinion.	
CONT Budgetary Control	The committee decided not to give an opinion.	
ECON Economic and Monetary Affairs	The committee decided not to give an opinion.	
EMPL Employment and Social Affairs	The committee decided not to give an opinion.	
ENVI Environment, Climate and Food Safety	The committee decided not to give an opinion.	26/01/2011
ITRE Industry, Research and Energy	The committee decided not to give an opinion.	
IMCO Internal Market and Consumer Protection	The committee decided not to give an opinion.	

TRAN Transport and Tourism	The committee decided not to give an opinion.	
REGI Regional Development	The committee decided not to give an opinion.	
AGRI Agriculture and Rural Development	The committee decided not to give an opinion.	
PECH Fisheries	The committee decided not to give an opinion.	
CULT Culture and Education	The committee decided not to give an opinion.	
JURI Legal Affairs	The committee decided not to give an opinion.	
LIBE Civil Liberties, Justice and Home Affairs	The committee decided not to give an opinion.	
AFCO Constitutional Affairs	The committee decided not to give an opinion.	17/02/2011
FEMM Women's Rights and Gender Equality	The committee decided not to give an opinion.	
PETI Petitions	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
Economic and Financial Affairs ECOFIN	3088	2011-05-17

European Commission

Commission DG	Commissioner
Budget	LEWANDOWSKI Janusz

Key events

Date	Event	Reference	Summary
03/03/2011	Vote in committee		Summary

04/03/2011	Committee report tabled for plenary	A7-0049/2011	
08/03/2011	Debate in Parliament		
09/03/2011	Decision by Parliament	T7-0088/2011	Summary
09/03/2011	Results of vote in Parliament		
09/03/2011	End of procedure in Parliament		
17/05/2011	Debate in Council		Summary

Technical information	
Procedure reference	2011/2017(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Budgetary preparation
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/7/05057

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE456.882	31/01/2011	
Amendments tabled in committee		PE458.814	18/02/2011	
Committee report tabled for plenary, single reading		A7-0049/2011	04/03/2011	
Parliament's opinion on budgetary estimates/guidelines		T7-0088/2011	09/03/2011	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

2012 budget: priorities - other sections

2011/2017(BUD) - 09/03/2011 - Parliament's opinion on budgetary estimates/guidelines

The European Parliament adopted by 574 votes to 74, with 29 abstentions, a resolution on the guidelines for the 2012 budget procedure for the other institutions.

It recalls that the ceiling for heading 5 of the multiannual financial framework (MFF) for the EU's budget in 2012 is EUR 8 754 million (representing an increase of EUR 340 million, or 4%, compared to 2011, including 2% for inflation). Members note that in its capacity as colegislator Parliament has decided to find a reasonable match between its human resources and its new competences following the entry into force of the Lisbon Treaty (19.67% of the heading 5 total in 2009, 19.99% in 2010 and 20.03% in 2011).

General framework and priorities for the 2012 budget: Members underline the difficult situation with respect to the heading 5 expenditure ceiling for 2012, and is fully aware of the fact that the institutions may encounter problems in meeting all financing requirements while maintaining budgetary discipline. In a context of economic crisis, the heavy burden of public debt and restraint in times of ongoing national budgetary consolidation efforts, the European Parliament and the other institutions should show **budgetary responsibility and self-restraint.**

Parliament feels that that its goal should be to develop legislative excellence and that all the necessary resources should be available for this purpose. At the same time, it takes the view that the **budget of Parliament and the other institutions for 2012 should be a budget of consolidation,** not least because it may also serve as a reference for the next multiannual financial framework. Consolidation effort should not, however, prevent investments (e.g. in technology). The principles of good management, namely economy, efficiency and effectiveness; are viewed as another priority in the budget of the Parliament and of the other institutions. In this connection, Members consider that that thought should be given to the advantages of centralisation, so as to generate **economies of scale** (e.g.: centralised procurement, shared services between the institutions), as well as to what should remain, or be, decentralised. To strengthen budgetary rigour, they request the submission of an **organisation chart** for each institution, together with the respective cost of each constituent unit. They request, moreover, that each expense be clearly specified and justified, with a clear distinction between fixed and variable expenses in order to fulfil the principles of a zero-based budget.

They also consider that, at the latest starting from the next multiannual financial framework, Parliament's budget and the budgets of the other institutions should be the result of multiannual planning covering the duration of that framework.

Members go on to ask that the budget :

- **integrate the prospect of a possible enlargement of the EU to Croatia** ;
- take into account environmental policy and EMAS so far as possible;
- take in to account the need for a fully integrated knowledge management system and an ambitious and far-reaching digital strategy with regard to the Web 2.0 tools and social networks, and electronic governance;
- use teleworking where appropriate and considers the introduction of a cloud computing system to reduce the operating costs of the computer system, improve its performance and bring greater mobility to Parliament's work.

Parliament also asks for use to be made of staff redeployment and of retraining in order to enhance mobility as well as for active non-discrimination policies to ensure easier access for people with disabilities.

Parliament: with regard to its own budget, Members take the view that Parliament's goal should be to develop legislative excellence and show budgetary responsibility and self-restraint by staying around the inflation rate.

Stressing budgetary rigour, Parliament requests a detailed and clear overview of those budget lines that were under-implemented in 2010 and looks forward to analysing the reasons for this. It also wishes to receive an account of all carry-overs and their use in 2010, as well as an update on the final assigned revenues compared to the amounts that were budgeted.

With regard to the future enlargement of the EU and its consequences for the institutions, the resolution notes that for Parliament this will be marked by the arrival of the **18 new MEPs** following the Lisbon Treaty will be integrated by an amending letter or amending budget.

Members consider that they must be given access to quality services in order to be able to perform their duties on an equal footing, and stress the importance of equal treatment of Members of all nationalities and **languages** in terms of possibility for them to carry out the duties and political activity incumbent upon them in their own language if they wish. They find for instance, the absence of interpretation in committee meetings to be unacceptable. They are also of the opinion that all means must be sought to increase **the flexibility of interpretation** as a crucial step in ensuring good working practices.

Members also request the following:

- a thorough review should be implemented as to whether the right of freedom of access for European citizens to meet with their European representatives could be more effectively matched with the urgent need to provide security for those who work in the institutions;
- a fully functioning wifi service and the use of videoconferencing for meetings;
- the need for further information regarding the House of European History (a detailed business plan, the global cost of this project as well as further information regarding the architectural design competition which has been ongoing since 2009);
- information and communication policy reaching all European citizens;
- follow-up action in relation to a number of policies with financial implications, such as EMAS, public procurement and action taken in response to budget discharge recommendations.

On the **matter of buildings**, Parliament reiterates its call for the development of a long-term buildings strategy. It recalls that by decision of 24 March 2010 the Bureau adopted Parliament's medium-term buildings strategy, which sets out some key parameters for its future property policy. As part of that strategy Parliament had decided to continue to give **priority to the purchase of buildings** (where reasonable), focusing on geographical concentration in its places of work and stressed that early payment, with a view to reducing financing costs, remains one of the key priorities for the future. In this connection, Members recall that the KAD extension project currently under way, the cost of which is estimated at about EUR 549.6 million, will allow the geographical concentration of Parliament's Administration in Luxembourg, thus enabling substantial savings to be made once the project is completed.

Parliament believes that, as is the case for all big organisations, an **independent external viewpoint on how resources are used and how work is organised** is sometimes necessary. While stressing that a political European institution such as Parliament is unique in character, it considers that, in the long term, consideration should be given to carrying out such an external analysis.

Lastly, it is concerned about the proposal to create a European Added Value Assessment Unit to measure the cost of non-Europe. Members question whether such an office is necessary and request more detailed information regarding the creation of this office.

Other institutions: Members call for **realistic and cost-based budget requests from the other institutions** which take full account of the need to manage scarce resources in an optimal way. They welcome the establishment of a new Section X in the EU budget for the European External Action Service, with an allocation of EUR 464 million.

2012 budget: priorities - other sections

2011/2017(BUD) - 17/05/2011

The Council took note of the presentation by the Commission of its draft for the EU's general budget for 2012.

Some delegations considered the Commission proposal not to be in line with the national fiscal consolidation measures and argued for **further efforts to limit the increase of the EU's 2012 budget**. Other delegations regarded the draft budget as a starting point for the discussions and stressed the need to continue implementing EU programmes in particular in the cohesion area.

It asked the Permanent Representatives Committee to examine the draft, with a view to enabling the Council to establish its position.

On 15 February, the Council established its priorities for the 2012 budget.

As regards administrative expenditure, the Council recalls the common objective of **increasing administrative efficiency** along the same line adopted by Member States to optimise the use of limited resources given the rigorous fiscal consolidation Member States are undertaking. The Council intends to continue to monitor and to improve EU institutions' effectiveness with a view to increasing administrative efficiency and stresses the crucial importance of redeployment of resources and reprioritisation.

The Council expects all institutions to provide in advance all the necessary information for a clear, comprehensive, and consolidated picture of all administrative expenditure, including administrative expenditure financed under other headings and sub-headings of the multiannual financial framework, thus allowing the budgetary authority to evaluate the situation and take well-founded decisions on the allocation and use of resources. Due attention should be paid to the comprehensiveness and comparability over time and between institutions of information provided.

The Council is concerned about the evolution in appropriations for pensions and their impact on administrative expenditure in the future.

The Council is expected to establish its position on the draft budget at the end of July, and the Parliament at the end of October. If their positions diverge, a three-week conciliation process will start on 1 November.