Basic information

2012/2001(BUD) BUD - Budgetary procedure	Procedure completed
2013 budget, other sections: guidelines **Subject** 8.70.60 Previous annual budgets	

Key players

European Parliament	**Committee responsible**	**Rapporteur**	**Appointed**
	BUDG Budgets	VAUGHAN Derek (S&D)	14/12/2011
		Shadow rapporteur GERBRANDY Gerben-Jan (ALDE)	

Council of the European Union	**Council configuration**	**Meetings**	**Date**
	Economic and Financial Affairs ECOFIN	3148	2012-02-21

European Commission	**Commission DG**	**Commissioner**
	Budget	LEWANDOWSKI Janusz

Key events

Date	Event	Reference	Summary
06/02/2012	Vote in committee		
08/02/2012	Committee report tabled for plenary	A7-0030/2012	Summary
15/02/2012	Debate in Parliament		
16/02/2012	Decision by Parliament	T7-0050/2012	Summary
16/02/2012	Results of vote in Parliament		
16/02/2012	End of procedure in Parliament		
21/02/2012	Resolution/conclusions adopted by Council		Summary

Technical information	
Procedure reference	2012/2001(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/7/08464

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE478.722	11/01/2012	
Amendments tabled in committee		PE480.738	31/01/2012	
Committee report tabled for plenary, single reading		A7-0030/2012	08/02/2012	Summary
Parliament's opinion on budgetary estimates/guidelines		T7-0050/2012	16/02/2012	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

2013 budget, other sections: guidelines

2012/2001(BUD) - 08/02/2012 - Committee report tabled for plenary, single reading

The Committee on Budgets adopted the report drafted by Derek VAUGHAN (S&D, UK) on the guidelines for the 2013 budget for the other institutions (European Parliament, Council, Court of Justice, Court of Auditors, European Economic and Social Committee, Committee of the Regions, European Ombudsman, European Data Protection Supervisor and European External Action Service).

Members recall that the ceiling for Heading 5 of the multiannual financial framework (MFF) for the EU's budget in **2013 is EUR 9.181 billion in current prices** and that Croatia's accession will have an impact on the 2013 budget, in particular for the Parliament.

General framework and priorities for the 2013 budget: Members believe that the institutions, in the context of continued challenging economic circumstances, should freeze their administrative budgets. However, they emphasise the need to respect legally binding obligations and possible subsequent increases. In this context, Members call on the institutions to reinforce their interinstitutional cooperation with a view to sharing best practices, looking for savings and thus modernising their policies on human resources, organisation, technology and buildings. This interinstitutional cooperation is important in order to make Croatia's accession as smooth as possible.

Members also emphasise the importance of strengthening non-discrimination policies which facilitate the access, recruitment and integration of people with disabilities as well as the need for an effective environmental policy across the institutions.

European Parliament's budget: as far as Parliament's budget is concerned (section I of the budget), Members recall that significant savings were achieved in the 2012 budget due to structural and organisational reforms. They encourage the continuation of these. They consider that real savings can be made by identifying overlaps and inefficiencies across budgetary lines. The committee therefore calls on its Secretary-General to prepare a detailed report for submission to the Committee of Budgets containing a clear overview of budget lines that were under-implemented in 2011 and an objective analysis of the reasons for this.

Members believe that, in order to make significant long-term savings, an independent evaluation of the EP budget should be considered. They call for the creation of a working group for this purpose as well as for the speedy implementation of any conclusions reached by the group.

Welcoming the enhanced cooperation between the Committee on Budgets and the Bureau during the annual budget procedure, Members expect the Bureau to present prudent needs-based draft estimates that take account of possible subsequent increases arising from legally binding obligations and stresses that every effort should be made to ensure that any other targeted increases are counterbalanced by savings identified in other areas. In the meantime, they call for a freeze on budget lines related to all travel in 2013 and **no indexation of any of the Members' individual allowances until the end of the legislature**.

Members also stipulates the following:

- savings should not jeopardise the legislative activity of the EP
- the need for a dialogue and a transparent decision-making process in the field of building policy enabling precise information on the progress in buildings projects and its financial implications to be provided every six months. In this regard, Parliament states that **no new unforeseen building projects should be undertaken during the current legislature**.

Other institutions: in regard to the other institutions, the committee encourages them to look for further savings to maintain budgetary discipline and to freeze their budgets whilst bearing in mind legal obligations and new financial challenges such as the Croatian enlargement. It takes note of the European Court of Justice's (Section IV) request to amend its Statute in a way which will have a direct impact on the budget. As regards the EEAS, it calls for sound financial budgeting for this new institution.

2013 budget, other sections: guidelines

2012/2001(BUD) - 16/02/2012 - Parliament's opinion on budgetary estimates/guidelines

The European Parliament adopted a resolution on the guidelines for the 2013 budget for the other institutions (European Parliament, Council, Court of Justice, Court of Auditors, European Economic and Social Committee, Committee of the Regions, European Ombudsman, European Data Protection Supervisor and European External Action Service).

Parliament recalls that the ceiling for Heading 5 of the multiannual financial framework (MFF) for the EU’s budget in 2013 is EUR 9.181 billion in current prices and that Croatia’s accession will have an impact on the 2013 budget, in particular for the Parliament.

General framework and priorities for the 2013 budget: Parliament believes that **the institutions, in the context of continued challenging economic circumstances, should freeze their administrative budgets.** However, it emphasises, however, the need to respect legally binding obligations and possible subsequent increases. In this context, Parliament calls on the institutions to reinforce their interinstitutional cooperation with a view to sharing best practices, looking for savings and thus modernising their policies on human resources, organisation, technology and buildings. This interinstitutional cooperation is important in order to make Croatia’s accession as smooth as possible.

Parliament: as far as Parliament’s budget is concerned (section I of the budget), Parliament recalls that significant savings were achieved in the 2012 budget due to structural and organisational reforms. It encourages the continuation of these. It considers that real savings can be made by identifying overlaps and inefficiencies across budgetary lines. It therefore calls on its Secretary-General to prepare a detailed report for submission to the Committee of Budgets containing a clear overview of budget lines that were under-implemented in 2011 and an objective analysis of the reasons for this. In an amendment adopted in plenary, Parliament notes that the real and biggest saving could be made by having a **single seat** for the European Parliament. It encourages therefore that this situation be evaluated without further delay.

Parliament believes that, in order to make significant long-term savings, an independent evaluation of the EP budget should be considered. It calls for the creation of a working group for this purpose as well as for the speedy implementation of any conclusions reached by the group.

Welcoming the enhanced cooperation between the Committee on Budgets and the Bureau during the annual budget procedure, Parliament expects the Bureau to present prudent needs-based draft estimates that take account of possible subsequent increases arising from legally binding obligations and stresses that every effort should be made to ensure that any other targeted increases are counterbalanced by savings identified in other areas. In the meantime, it calls for a freeze on budget lines related to all travel in 2013 and **no indexation of any of the Members' individual allowances until the end of the legislature**.

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2013 budget, other sections: guidelines

2012/2001(BUD) - 21/02/2012

The Council adopted **conclusions** setting its priorities for the EU's general budget for 2013. They will serve as the basis for negotiations with the European Parliament and the Commission later this year.

Some delegations asked the Commission to ensure that its draft EU budget for 2013 reflects the consolidation efforts currently being undertaken at national level. Others highlighted the need to honour commitments made in the past.

The conclusions:

- emphasise the need to **take into account economic and budgetary constraints at national level** and to maintain budgetary discipline at all levels;
- call for a **balance to be struck between fiscal consolidation and the need to continue investments**, in order to avoid hampering the respect of commitments already made and to avoid impeding efforts to overcome the economic crisis. This balance should be reached through the prioritisation of objectives and the allocation of resources to actions that best contribute to growth and employment.

Key elements of the budget for 2013 are as follows:

- the **budget for 2013 should strictly respect the ceilings of the current MFF**. Moreover, with the exception of sub-heading 1b (Cohesion for growth and employment), the Council stresses the need to leave sufficient margins under all ceilings of the various headings and sub-headings of the MFF, in order to be able to deal with unforeseen circumstances;
- the need for a **realistic budget** respecting the principle of sound financial management. Especially in the current economic context, commitment and payment appropriations have to be kept under strict control and correspond to real needs;
- the Council encourages the Commission and Member States to continue their efforts to **deliver better forecasts** in all domains. An accurate draft budget is essential to allow Member States
- to precisely anticipate the level of their contribution to the Union's budget.
- as far as revenue is concerned, the Council strongly believes that **full transparency** concerning assigned revenue is part of a sound financial management of Union funds. It calls on all institutions, agencies and other bodies to continue to provide all the requested information on a regular basis and in due time for the draft budget for 2013;
- the Commission should provide **precise and frequent information on the budget implementation** at every stage of the budgetary procedure;
- the Council notes with great concern the volume of outstanding commitments (at the end of 2011, outstanding commitments (RAL) amounted to EUR 207 billion). This issue has to be examined thoroughly and the Council urges the Commission to take all appropriate remedial measures in each annual budgetary procedure. The Commission should carefully monitor the amounts of outstanding commitments and settle or decommit them as timely as possible. The Council calls on all actors involved to continue to do their utmost to avoid overestimation in order to limit undue pressure on national budgets.

More specifically, the Council:

- encourages the Commission to: (i) continue the improvement of the **documents accompanying its draft budget**. These documents should be as transparent, simple and concise as possible, and clearly justify the appropriations requested; (ii) improve the "**Budget Forecast Alert**" system, which should allow adjustments to the level of appropriations in a more realistic and rigorous way at the various stages of the budgetary procedure;
- urges the institutions **not to increase administrative expenditure** and to provide financing only for real needs, in order to give a positive signal to the citizens. All the institutions should continue their efforts by increasing administrative efficiency with restricted resources and by preferring redeployment and reprioritisation to requests for additional appropriations;
- regrets the **recurrent over-budgeting of some agencies**, leading to unjustified carry-overs and reiterates the importance of keeping their funding under firm control, so as to provide for real needs;
- recalls, as regards the **financing of the ITER project,** that all possibilities of redeployment should be examined and accordingly concrete proposals should be made within the draft budget for 2013.