






Basic information	
2012/2169(DEC) DEC - Discharge procedure 2011 discharge: EU general budget, European Council and Council Subject 8.70.03.07 Previous discharges	Procedure completed

Key players				
European Parliament	Committee responsible		Rapporteur	Appointed
	CONT Budgetary Control		ČEŠKOVÁ Andrea (ECR)	06/06/2013
		Shadow rapporteur SONIK Bogusław (PPE) DEUTSCH Tamás (PPE) KALFIN Ivailo (S&D) SKYLAKAKIS Theodoros (ALDE) STAES Bart (Verts/ALE) SØNDERGAARD Søren Bo (GUE/NGL) EHRENHAUSER Martin (NI)		
European Commission	Commission DG		Commissioner	
	Budget		ŠEMETA Algirdas	

Key events			
Date	Event	Reference	Summary
25/07/2012	Non-legislative basic document published	COM(2012)0436 	Summary
13/09/2012	Committee referral announced in Parliament		
19/03/2013	Vote in committee		
21/03/2013	Committee report tabled for plenary	A7-0061/2013	Summary
16/04/2013	Debate in Parliament		
17/04/2013	Decision by Parliament	T7-0126/2013	Summary

17/04/2013	Results of vote in Parliament		
17/04/2013	Report referred back to committee		
26/09/2013	Vote in committee		
30/09/2013	Committee report tabled for plenary	A7-0310/2013	Summary
08/10/2013	Debate in Parliament		
09/10/2013	Decision by Parliament	T7-0406/2013	Summary
09/10/2013	End of procedure in Parliament		
07/12/2013	Final act published in Official Journal		

Technical information	
Procedure reference	2012/2169(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CONT/7/12913

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Committee draft report		PE497.966	29/01/2013	
Amendments tabled in committee		PE506.055	26/02/2013	
Committee report tabled for plenary, single reading		A7-0061/2013	21/03/2013	Summary
Text adopted by Parliament, single reading		T7-0126/2013	17/04/2013	Summary
Committee draft report		PE513.320	19/06/2013	
Amendments tabled in committee		PE516.807	06/09/2013	
Committee report tabled for plenary, single reading		A7-0310/2013	30/09/2013	Summary
Text adopted by Parliament, single reading		T7-0406/2013	09/10/2013	Summary
Council of the EU				
Document type	Reference	Date	Summary	
Document attached to the procedure	05752/2013	01/02/2013	Summary	
European Commission				
Document type	Reference	Date	Summary	
Non-legislative basic document	COM(2012)0436 	25/07/2012	Summary	

Other institutions and bodies				
Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N7-0127/2012 OJ C 344 12.11.2012, p. 0001	06/09/2012	Summary

Additional information		
Source	Document	Date
European Commission	EUR-Lex	

Final act	
Decision 2013/0721 OJ L 328 07.12.2013, p. 0095	Summary

2011 discharge: EU general budget, European Council and Council

2012/2169(DEC) - 06/09/2012

OBJECTIVE: presentation of the Report of the Court of Auditors on the 2011 budget (section II – Council).

CONTENT: the Court of Auditors published its 35th Annual Report on the implementation of the EU budget for the 2011 financial year.

In accordance with the tasks and objectives conferred on the Court of Auditors by the Treaty on the Functioning of the European Union, it provides under the discharge procedure, for both the European Parliament and Council, a statement of assurance (“DAS”) about the reliability of the accounts and the legality and regularity of the transactions of each institution, body or agency of the EU, based on an independent external audit.

The audit also focuses on the budget implementation of the Council.

On the basis of its audit work, the Court consider that payments for “Administrative and other expenditure” policy are, overall, significantly error-free. **The estimated error rate is 0.1 %.**

The Court, however, draws attention to the errors and weaknesses which did not affect the Court’s conclusion. The Court examined a sample of **procurement procedures** and noted several weaknesses in the application of selection and award criteria, some of which had an impact on the results of the procedure. Other weaknesses relate to the organisation of cross border competition, to the management of automatic award procedures and to the respect of provisions as regards the drafting and filing of tendering documents.

The Court therefore recommends that the institutions and bodies of the EU take steps to ensure that authorising officers improve **the design, coordination and performance of procurement procedures** through appropriate checks and better guidance.

The Court also made a number of comments specific to each institution or body of the European Union. These observations do not affect the positive overall appraisal given that they do not significantly affect overall administrative expenditure.

In the specific case of the audit of the Council, the Court notes in particular the following points:

- **procurement:** five procurement procedures were examined. In two cases relating to cleaning services and to the purchase of service clothing and shoes, if tenderers did not propose a price for certain items of the tender, tender specifications enabled the Council to estimate a price based on the average price submitted for this item by the other tenderers. The Council thus modifies the value of the tender in a way which is not laid down in the Financial Regulation.

2011 discharge: EU general budget, European Council and Council

2012/2169(DEC) - 01/02/2013

In view of the observations made in the Court of Auditor's report, the Council calls on the European Parliament **to grant discharge to all of the Union's institutions in regard to the implementation of their respective budgets for the financial year 2011.**

Overall, the Council's remarks are positive in regard to the expenditure of the institutions since it notes that, again in 2011, the administrative expenditure of EU institutions and bodies **remained free from material error and that their supervisory and control systems continued to comply** with the requirements of the Financial Regulation.

Nevertheless, the Council regrets that in some institutions **weaknesses were still detected in the payment of social allowances to staff members**, in the employment contracts for non-permanent staff and in procurement procedures.

It welcomes the measures already taken and encourages the institutions concerned to address the remaining weaknesses pointed out by the Court.

The Council notes the Court's recommendations that the institutions concerned should ensure that staff regularly deliver documents on their personal situation, that the relevant provisions are applied when concluding, extending or modifying employment contracts with non-permanent staff, and that the authorising officers further improve guidance and appropriate checks concerning procurement procedures.

2011 discharge: EU general budget, European Council and Council

2012/2169(DEC) - 21/03/2013 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control unanimously adopted the report by Andrea ČEŠKOVÁ (ECR, CZ) in which it calls on the European Parliament to **postpone its decision on granting the Secretary-General of the Council discharge in respect of the implementation of the European Council's and the Council's budget for the financial year 2011.**

Members welcome the conclusion of the Court of Auditors that the payments as a whole for the year ended on 31 December 2011 for administrative and other expenditure of the institutions and bodies were free from material error.

They point out that in the 2011 annual report, the Court of Auditors included observations on the **European Council and the Council concerning procurement procedures** relating to cleaning services and the purchase of service clothing and shoes, in which certain weaknesses in the application of selection and award criteria were identified. They consider that the budget of the European Council and the Council should be separated in order to contribute to the transparency of their financial management and to better accountability of both institutions.

Members note that in 2011, the European Council and the Council had available commitment appropriations of EUR 507 million, with a utilisation rate of 90%, lower than in 2010. For Members, they are concerned that the underspend rate has risen and continues to be high and they call for the budget underspend rate to be improved and for the changes made to be monitored. They suggest the development of **key performance indicators** within the most critical areas, such as delegations' travel envelopes, logistics and interpretation.

Democratic scrutiny of Parliament: Members highlight the role that the Treaty on the Functioning of the European Union gives Parliament in respect of the budget discharge. The note that, contrary to what the Council has claimed, there is **no Parliament-Council 'gentlemen's agreement'** concerning discharge for the Council. They reiterate their hope that Parliament will receive the complete annual activity report. They point out that Parliament's legal service, as well as independent legal experts, agree that **Parliament has a right to that information.** They also hope that Parliament will receive the internal budget decisions of the Council.

Moreover, Members regret that the Council continues to **refuse to answer Parliament's questions** and consider that effective supervision of the Union's budget implementation requires that the Council be willing to have an open and formal dialogue with Parliament's Committee on Budgetary Control. They reiterate that Parliament is still waiting for the reply of the Council on the actions and request for documents concerning the previous discharge and that **the expenditure of the Council must be scrutinised in the same way as that of other institutions.**

In parallel, they regret the difficulties encountered in discharge procedures for the 2007, 2008, 2009 and 2010 financial years, which were due to lack of cooperation from the Council and point out that the Parliament refused to grant discharge to the Secretary-General of the Council in respect of the implementation of the Council's budget for the financial years 2009 and 2010 for the same reasons.

With regard to the lack of cooperation from the Council as regards budget transparency, Members consider it desirable for Parliament to exercise its power to grant discharge pursuant to the Treaty on the Functioning of the European Union in line with current interpretation and practice, namely to grant discharge to each heading of the budget individually in order to maintain transparency and democratic accountability towards Union taxpayers.

Members are convinced that Parliament and the Council, as joint legislators, should apply the same standards of transparency and calls on the Council to improve its performance in this area without delay.

Audit policy: Members take special note of and voices concern at the internal audit recommendations for the year 2011 and urge the Council to take concrete measures to improve the implementation of those recommendations.

They call on the Council to provide a **thorough written explanation detailing the total amount of appropriations used in the purchase of the Résidence Palace building**, the budget items from which those appropriations were drawn, and the purpose that the building will serve no later than 1 July 2013.

EEAS: Members are dismayed that the creation of the EEAS was not anticipated in the draft budget 2011 and take note that an increase of appropriations was necessary in order to prepare for the accession of Croatia and to reinforce the office of the President of the European Council.

2011 discharge: EU general budget, European Council and Council

2012/2169(DEC) - 17/04/2013 - Text adopted by Parliament, single reading

The European Parliament adopted by 570 votes to 5, with 10 abstentions, a decision to **postpone granting the Secretary-General of the Council discharge in respect of the implementation of the European Council's and the Council's budget for the financial year 2011.**

In parallel, Parliament adopted a resolution in which it makes a number of recommendations that should be taken into account when discharge is granted.

Parliament welcomes the conclusion of the Court of Auditors that the payments as a whole for the year ended on 31 December 2011 for administrative and other expenditure of the institutions and bodies were free from material error.

Members point out that in the 2011 annual report, the Court of Auditors included observations on the **European Council and the Council concerning procurement procedures** relating to cleaning services and the purchase of service clothing and shoes, in which certain weaknesses in the application of selection and award criteria were identified. They consider that the budget of the European Council and the Council should be separated in order to contribute to the transparency of their financial management and to better accountability of both institutions.

Members note that in 2011, the European Council and the Council had available commitment appropriations of EUR 507 million, with a utilisation rate of 90%, lower than in 2010. For Members, they are concerned that the underspend rate has risen and continues to be high and they call for the budget underspend rate to be improved and for the changes made to be monitored. They suggest the development of **key performance indicators** within the most critical areas, such as delegations' travel envelopes, logistics and interpretation.

Democratic scrutiny of Parliament: Parliament highlights the role that the Treaty on the Functioning of the European Union gives Parliament in respect of the budget discharge. It notes that, contrary to what the Council has claimed, there is **no Parliament-Council 'gentlemen's agreement'** concerning discharge for the Council. It reiterates its hope that Parliament will receive the complete annual activity report. It points out that Parliament's legal service, as well as independent legal experts, agree that **Parliament has a right to that information.** Members also hope that Parliament will receive the internal budget decisions of the Council.

Moreover, Parliament regrets that the Council continues to **refuse to answer Parliament's questions** and considers that effective supervision of the Union's budget implementation requires that the Council be willing to have an open and formal dialogue with Parliament's Committee on Budgetary Control. It reiterates that Parliament is still waiting for the reply of the Council on the actions and request for documents concerning the previous discharge and that **the expenditure of the Council must be scrutinised in the same way as that of other institutions.**

In parallel, Members regret the difficulties encountered in discharge procedures for the 2007, 2008, 2009 and 2010 financial years, which were due to lack of cooperation from the Council and point out that the Parliament refused to grant discharge to the Secretary-General of the Council in respect of the implementation of the Council's budget for the financial years 2009 and 2010 for the same reasons.

With regard to the lack of cooperation from the Council as regards budget transparency, Members consider it desirable for Parliament to exercise its power to grant discharge pursuant to the Treaty on the Functioning of the European Union in line with current interpretation and practice, namely to grant discharge to each heading of the budget individually in order to maintain transparency and democratic accountability towards Union taxpayers. Parliament recalls that during negotiations on a revised Financial Regulation, **no agreement could be reached on ways in which the discharge procedure could be improved.** It believed that if the Council continues to refuse to cooperate with Parliament, Parliament's Committee on Budgetary Control is forced to introduce to the Commission its questions and request for information about the budget of the Council.

Members are convinced that Parliament and the Council, as joint legislators, should apply the same standards of transparency and call on the Council to improve its performance in this area without delay.

Audit policy: Parliament takes special note of and voices concern at the internal audit recommendations for the year 2011 and urges the Council to take concrete measures to improve the implementation of those recommendations.

It calls on the Council to provide a **thorough written explanation detailing the total amount of appropriations used in the purchase of the Résidence Palace building,** the budget items from which those appropriations were drawn, and the purpose that the building will serve no later than 1 July 2013.

EEAS: Parliament is dismayed that the creation of the EEAS was not anticipated in the draft budget 2011 and takes note that an increase of appropriations was necessary in order to prepare for the accession of Croatia and to reinforce the office of the President of the European Council.

2011 discharge: EU general budget, European Council and Council

2012/2169(DEC) - 30/09/2013 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Andrea ČEŠKOVÁ (ECR, CZ) on discharge in respect of the implementation of the European Union general budget for the financial year 2011, Section II – European Council and Council. The Committee recalled that Parliament had **refused to grant discharge** to the Secretary-General of the Council in respect of the implementation of the budget of the Council of the European Union and the Council for the 2011 financial year.

Members noted, firstly, that under Rule 77 of its Rules of Procedure, "the provisions governing the procedure for granting discharge to the Commission in respect of the implementation of the budget shall **likewise apply** to the procedure for granting discharge to [...] the persons responsible for the implementation of the budgets of the other institutions and bodies of the European Union **such as the Council (as regards its activity as executive),** the Court of Justice of the European Union, the Court of Auditors, the European Economic and Social Committees and the Committee of the Regions".

Members noted in particular that the Council **continued to leave a number of issues unaddressed since the situation as it stood in April** (when the discharge was postponed) and recalled the difficulties encountered in discharge procedures for the financial years 2007, 2008, 2009 and 2010, which were **due to a lack of cooperation from the Council**, as well as the consecutive refusals of Parliament to grant discharge to the Council on the implementation of its 2009 and 2010 budgets for similar reasons.

Towards an improvement in the information provided to Parliament: Members expected that future annual activity reports which are received by Parliament and the Council would include a comprehensive overview of all human resources broken down by category, grade, sex, nationality and vocational training, as well as the internal budget decisions of the Council.

They also underlined the need to **separate the budgets** of the European Council and the Council to ensure the better accountability of both institutions.

They also recalled that the Council should provide a **thorough written explanation detailing the total amount of appropriations used in the purchase of the Résidence Palace building**, the budget items from which those appropriations were drawn, the instalments that have been paid thus far, the instalments that are yet to be paid and the purpose that the building will serve.

Regretting that the Council continues to refuse to answer Parliament's questions, Members recalled that they still awaited a reply from the Council to the questions and the request for documents set out in its [resolution](#) of 10 May 2012. They called on the Secretary-General of the Council to provide Parliament's Committee on Budgetary Control with comprehensive written answers to these questions.

They welcomed the fact that the Presidency in office of the Council accepted Parliament's invitation to the debate held in plenary on 17 April 2013 on the 2011 discharge reports and noted the Irish Presidency's proposal to **establish an interinstitutional working group to negotiate possible solutions to the Council's discharge**. They expected the Lithuanian Presidency of the Council to make proposals to address these questions.

The right of Parliament to grant discharge: Members recalled Parliament's prerogatives to grant discharge in line with current interpretation and practice, namely to grant discharge to each heading of the budget individually in order to maintain transparency and democratic accountability towards Union taxpayers. They recalled that the Commission, in its reply of 25 November 2011 to the letter from the Chair of the Committee on Budgetary Control, wrote that it is desirable for Parliament to continue to give, postpone or refuse discharge to the other institutions, including the Council.

Members were of the opinion that, in any event, an assessment must be carried out of the Council's management as a Union institution during the financial year under examination, thereby upholding Parliament's prerogatives, in particular **the assurance of democratic accountability towards the citizens of the Union**.

They believed, therefore that some progress could be achieved if Parliament and the Council could set up together a **list of documents to be exchanged** in order to fulfil their respective roles in the discharge process.

2011 discharge: EU general budget, European Council and Council

2012/2169(DEC) - 09/10/2013 - Text adopted by Parliament, single reading

The European Parliament adopted a decision in which it **refused to grant the Secretary-General of the Council discharge in respect of the implementation of the European Council's and the Council's budget for the financial year 2011**.

Parliament noted, firstly, that under Rule 77 of its Rules of Procedure, "the provisions governing the procedure for granting discharge to the Commission in respect of the implementation of the budget shall **likewise apply** to the procedure for granting discharge to [...] the persons responsible for the implementation of the budgets of the other institutions and bodies of the European Union **such as the Council (as regards its activity as executive)**, the Court of Justice of the European Union, the Court of Auditors, the European Economic and Social Committees and the Committee of the Regions".

It noted in particular that the Council **continued to leave a number of issues unaddressed since the situation as it stood in April** (when the discharge was postponed) and recalled the difficulties encountered in discharge procedures for the financial years 2007, 2008, 2009 and 2010, which were **due to a lack of cooperation from the Council**, as well as the consecutive refusals of Parliament to grant discharge to the Council on the implementation of its 2009 and 2010 budgets for similar reasons.

Better inform the European Parliament: Parliament expected that future annual activity reports which are received by Parliament and the Council would include a comprehensive overview of all human resources broken down by category, grade, sex, nationality and vocational training, as well as the internal budget decisions of the Council.

It also underlined the need to **separate the budgets** of the European Council and the Council to ensure the better accountability of both institutions.

It also recalled that the Council should provide a **thorough written explanation detailing the total amount of appropriations used in the purchase of the Résidence Palace building**, the budget items from which those appropriations were drawn, the instalments that have been paid thus far, the instalments that are yet to be paid and the purpose that the building will serve.

Regretting that the Council continues to refuse to answer Parliament's questions, Members recalled that they still awaited a reply from the Council to the questions and the request for documents set out in its [resolution](#) of 10 May 2012. They called on the Secretary-General of the Council to provide Parliament's Committee on Budgetary Control with comprehensive written answers to these questions.

Parliament welcomed the fact that the Presidency in office of the Council accepted Parliament's invitation to the debate held in plenary on 17 April 2013 on the 2011 discharge reports and noted the Irish Presidency's proposal to **establish an interinstitutional working group to negotiate possible solutions to the Council's discharge**. It expected the Lithuanian Presidency of the Council to make proposals to address these questions.

Parliament believed, therefore that some progress could be achieved if Parliament and the Council could set up together a **list of documents to be exchanged** in order to fulfil their respective roles in the discharge process.

The right of Parliament to grant discharge: Parliament recalled Parliament's prerogatives to grant discharge in line with current interpretation and practice, namely to grant discharge to each heading of the budget individually in order to maintain transparency and democratic accountability towards Union taxpayers. It recalled that the Commission, in its reply of 25 November 2011 to the letter from the Chair of the Committee on Budgetary Control, wrote that it is desirable for Parliament to continue to give, postpone or refuse discharge to the other institutions, including the Council.

It was of the opinion that, in any event, an assessment must be carried out of the Council's management as a Union institution during the financial year under examination, thereby upholding Parliament's prerogatives, in particular **the assurance of democratic accountability towards the citizens of the Union**.

Lastly, Parliament considered that a satisfactory cooperation between both institutions materialised in an **open and formal dialogue** procedure could be a positive sign to be sent to the citizens of the Union in these difficult times.

2011 discharge: EU general budget, European Council and Council

2012/2169(DEC) - 09/10/2013 - Final act

PURPOSE: refusal of discharge to the Council for the financial year 2011.

NON-LEGISLATIVE ACT: Decision 2013/721/EU of the European Parliament regarding discharge on the implementation of the general budget of the European Union for the financial year 2011, section II —European Council and Council.

CONTENT: with this Decision, the European Parliament **refused to grant the Secretary-General of the Council discharge in respect of the implementation of the European Council's and the Council's budget for the financial year 2011.**

The Decision is in accordance with Parliament resolution of 9 October 2011 and includes a series of observations which justified Parliament's decision to refuse to grant discharge to the Council (please see the summary of 9 October 2013.)

2011 discharge: EU general budget, European Council and Council

2012/2169(DEC) - 25/07/2012 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2011, as part of the 2011 discharge procedure.

Analysis of the accounts of the EU Institutions: Section II – **Council**.

Legal reminder: the consolidated annual accounts of the European Union for the year 2011 have been prepared on the basis of the information presented by the institutions and bodies under Article 129.2 of the Financial Regulation applicable to the general budget of the European Union. They were prepared in accordance with Title VII of this Financial Regulation and with the accounting principles, rules and methods set out in the notes to the financial statements.

The objective of the financial statements is to provide information about the financial position, performance and cashflow of an entity that is useful to a wide range of users. The objective is to provide information useful for decision making, and to demonstrate the accountability of the entity for the resources entrusted to it.

1) Purpose: the document helps to bring insight into the EU budget mechanism and **the way in which the budget has been managed and spent in 2011**. It recalls that the European Union's operational expenditure covers the various headings of the financial framework and takes different forms, depending on how the money is paid out and managed. In accordance with the Financial Regulation, the Commission implements the general budget using the following methods: direct or indirect centralised management (by means of bodies or agencies of public law or other); decentralised management where the Commission delegates certain tasks for the implementation of the budget to third countries; and, thirdly, shared management where budget implementation tasks are delegated to Member States, in areas such as agricultural expenditure and structural actions.

The document also presents the different financial actors involved in the budget process (accounting officers, internal officers and authorising officers) and recalls their respective roles in the context of the tasks of sound financial management.

Amongst the other legal elements relating to the implementation of the EU budget presented in this document, the paper focuses on the following issues:

- accounting principles applicable to the management of EU spending (business continuity, consistency of accounting methods, comparability of information ...);
- consolidation methods of figures for all major controlled entities (the consolidated financial statements of the EU comprise all significant controlled entities –institutions, organisations and agencies, this being 50 controlled entities, 5 joint ventures and 4 associates. In comparison with 2010, the scope of consolidation has been extended by 7 controlled entities (one institution, 6 agencies);
- the recognition of financial assets in the EU (tangible and intangible assets, financial assets and other miscellaneous investments);

- the way in which EU public expenditure is committed and spent, including pre-financing (cash advances intended for the benefit of an EU organ);
- the means of recovery following irregularities detected;
- the *modus operandi* of the accounting system;
- the audit process followed by the European Parliament's granting of the discharge.

To recap, the **final control is the discharge of the budget for a given financial year. The discharge represents the political aspect of the external control of budget implementation** and is the decision by which the European Parliament, acting on a Council recommendation, "releases" the Commission from its responsibility for management of a given budget by marking the end of that budget's existence. When granting the discharge, Parliament may highlight some observations that it considers important, often by recommending that the Commission **takes action on the aspects in question**.

The document also details specific expenditure of the institutions, in particular: i) pensions of former Members and officials of institutions; ii) joint sickness insurance scheme and iii) buildings.

Lastly, the document presents a series of tables and detailed technical indicators on (i) the balance sheet; (ii) the economic outturn account; (iii) cashflow tables; (iv) technical annexes concerning the financial statements.

2) Implementation of appropriations under Section II of the budget for the financial year 2011: the document comprises a series of detailed tables, the most important concerning the implementation of the budget. Concerning the Council's expenditure, the table on the financial and budgetary implementation of this institution is presented as follows (information drawn from the [Financial Activity Report 2011 \(Section II - European Council and Council\)](#)).

Budget 2011: the European Council and Council budget 2011 was established at EUR 563.3 million. At the end of the financial year 2011, an amount of EUR 506.8 million was committed (corresponding to an implementation rate of 90%).

The main reasons for the under spending of EUR 56.4 million are:

- under-spending of the delegations' travel envelopes (EUR 20.9 million);
- under-occupation of the establishment plan and lower salary costs (EUR 9.1 million);
- the lower need for organising meetings, technical installations and office equipment (EUR 6.8 million);
- the lower need for interpretation (EUR 6 million);
- non activation of the reserve (EUR 6 million);
- fewer needs for other staff expenditure (e.g. contractual agents, seconded national experts, other outside services) (EUR 4.7 million);
- fewer needs in fitting-out works in the Council buildings (EUR 2.2 million).

Appropriations carried over: the implementation of amounts carried over from 2010 to 2011 totalled EUR 40.2 million out of EUR 49.8 million. The objective remains to further increase the implementation of the carried over amounts

Revenue: The General Secretariat of the Council (GSC)'s revenue operations in 2011 amounted to EUR 128.6 million. From this amount EUR 117.5 million was recovered during the financial year while the rest will be recovered in 2012. More than half (EUR 62.4 million, or 53%) of these recovered revenues are related to the Community taxes, levies and dues which were collected from the GSC's staff in 2011.

3) Budgetary implementation - conclusions: the main characteristics of the Council's budgetary implementation for the financial year 2011 was chiefly marked by:

- **EEAS:** the creation of the European External Action Service (EEAS), as foreseen in the Treaty of Lisbon, reduced the expenditure foreseen for the functioning of the European Council and the Council. A letter of amendment to the draft budget for the financial year 2011 for the European Council and Council reduced the resources of section II by 411 establishment plan posts and EUR 79.7 million in terms of appropriations. These resources and related activities were transferred as the Council's contribution to the establishment of the EEAS;
- **Council administrative modernisation process:** the GSC continued the process of its administrative modernisation. In this context, the GSC transferred its Sickness Insurance Antenne to the Paymaster Office (PMO of the Commission);
- **Progress of construction projects:** the project for the Europa Building passed from the consolidation phase to the actual construction work.