Basic information

2013/2003(BUD) BUD - Budgetary procedure	Procedure completed
Guidelines for the 2014 budget: other sections **Subject** 8.70.60 Previous annual budgets	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
BUDG Budgets	HOHLMEIER Monika (PPE)	18/12/2012
	Shadow rapporteur LYON George (ALDE)	

Council of the European Union

Council configuration	Meetings	Date
Economic and Financial Affairs ECOFIN	3220	2013-02-12

European Commission

Commission DG	Commissioner
Budget	LEWANDOWSKI Janusz

Key events

Date	Event	Reference	Summary
23/01/2013	Vote in committee		
29/01/2013	Committee report tabled for plenary	A7-0020/2013	Summary
05/02/2013	Debate in Parliament		
06/02/2013	Decision by Parliament	T7-0048/2013	Summary
06/02/2013	Results of vote in Parliament		
06/02/2013	End of procedure in Parliament		
12/02/2013	Resolution/conclusions adopted by Council		Summary

Technical information	
Procedure reference	2013/2003(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/7/11516

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE502.075	19/12/2012	
Amendments tabled in committee		PE502.217	10/01/2013	
Committee report tabled for plenary, single reading		A7-0020/2013	29/01/2013	Summary
Parliament's opinion on budgetary estimates/guidelines		T7-0048/2013	06/02/2013	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Guidelines for the 2014 budget: other sections

2013/2003(BUD) - 29/01/2013 - Committee report tabled for plenary, single reading

The Committee on Budgets adopted the report by Monika HOHLMEIER (EPP, DE) on the guidelines for the 2014 budget procedure, Section I – European Parliament, Section II – Council, Section IV – Court of Justice, Section V – Court of Auditors, Section VI – European Economic and Social Committee, Section VII – Committee of the Regions, Section VIII – European Ombudsman, Section IX – European Data Protection Supervisor, Section X – European External Action Service.

Members note that the agreement on the new multiannual financial framework (MFF) for 2014 to 2020 has still not been reached and, therefore, **the ceiling for Heading 5 for the EU's budget in 2014 has not yet been established**.

General framework and priorities for the 2014 budget: Members maintain that the institutions should continue to limit or freeze their administrative budgets in solidarity with the difficult economic and budgetary conditions in the Member States. They consider that the 2014 appropriations should be based on a careful analysis of appropriation outturn in 2012 and 2013, with a view to making savings on lines where problems have arisen in implementation. According to Members, real savings and efficiencies can be made by pooling and sharing of human and technical resources, for example in information technology systems, translation, interpretation and transportation services.

Parliament: Members state that the Parliament's budget has been reduced in real terms due to strict budgetary planning and control, the strong commitment of its responsible committee and work reorganisation, notably cuts in travel-related budget lines, reduced length and number of missions, and optimised translation and interpretation services. They encourage the continuation of structural and organisational reforms that aim to achieve greater efficiencies without jeopardising legislative excellence and the quality of working conditions. In this regard, they call for the continuation and further development of a paperless Parliament and e-meetings. Overall, Members call for the implementation of lean and efficient management methods in Parliament in order to reduce administrative burdens and thereby save the institution time and money.

As regards work carried out in Parliament, Members focus in particular on the preparation of the **2014 European elections**. They call on the Secretary-General to provide information on the costs of the transition arrangements for the previous European Parliament elections and to present a detailed record of how costs have developed to date as they affect the three places of work.

On building policy, Members ask for information about the Secretary-General's findings on, and schedule for, the renovation works and office relocation, including information about an intermediate building for Parliament's staff, in the coming years, especially in relation to the **structural problems in the Paul-Henri Spaak (PHS) building** and the acquisition of the Trebel building.

Members believe that, in the context of the growing majority among Members in favour of new working arrangements, **Parliament's building projects need to be handled cautiously**, and that caution should prevail over ambition. They encourage the continuation of this fruitful dialogue, and ask that the information requested be delivered in a timely manner.

Other institutions: Members consider any unjustified, across-the-board cuts, and any undifferentiated approach to the institutions' budgets, as counter-productive. They intend, instead, to continue its case-by-case approach. They repeat the position adopted in previous budget cycles that they expect all the institutions to continue to demonstrate efforts in seeking savings and maintaining a high degree of budgetary discipline when drawing up their budget estimates.

Guidelines for the 2014 budget: other sections

2013/2003(BUD) - 06/02/2013 - Parliament's opinion on budgetary estimates/guidelines

The European Parliament adopted by 568 votes to 34, with 26 abstentions, a resolution on the guidelines for the 2014 budget procedure, Section I – European Parliament, Section II – Council, Section IV – Court of Justice, Section V – Court of Auditors, Section VI – European Economic and Social Committee, Section VII – Committee of the Regions, Section VIII – European Ombudsman, Section IX – European Data Protection Supervisor, Section X – European External Action Service.

Parliament notes that the agreement on the new multiannual financial framework (MFF) for 2014 to 2020 has still not been reached and, therefore, **the ceiling for Heading 5 for the EU's budget in 2014 has not yet been established**.

General framework and priorities for the 2014 budget: Parliament maintains that the institutions should continue to limit or freeze their administrative budgets in solidarity with the difficult economic and budgetary conditions in the Member States. It considers that the 2014 appropriations should be based on a careful analysis of appropriation outturn in 2012 and 2013, with a view to making savings on lines where problems have arisen in implementation. According to Members, real savings and efficiencies can be made by pooling and sharing of human and technical resources, for example in information technology systems, translation, interpretation and transportation services.

Parliament: the resolution states that the Parliament's budget has been reduced in real terms due to strict budgetary planning and control, the strong commitment of its responsible committee and work reorganisation, notably cuts in travel-related budget lines, reduced length and number of missions, and optimised translation and interpretation services. Parliament encourages the continuation of structural and organisational reforms that aim to achieve greater efficiencies without jeopardising legislative excellence and the quality of working conditions. It supports organisational innovation to improve Parliament's effectiveness and the Members' quality of services and working conditions, including, but not limited to, more efficient structuring of Parliament's working rhythm, and translation and interpretation services, optimal logistical solutions including transport logistics for Members and their assistants, savings in catering costs, improved in-house research assistance, and the continuation and further development of a paperless Parliament and e-meetings.

As regards work carried out in Parliament, the resolution focuses in particular on the preparation of the **2014 European elections**. Members call on the Secretary-General to provide information on the costs of the transition arrangements for the previous European Parliament elections and to present a detailed record of how costs have developed to date as they affect the three places of work.

On building policy, Parliament asks for information about the Secretary-General's findings on, and schedule for, the renovation works and office relocation, including information about an intermediate building for Parliament's staff, in the coming years, especially in relation to the **structural problems in the Paul-Henri Spaak (PHS) building** and the acquisition of the Trebel building. Members believe that, in the context of the growing majority among Members in favour of new working arrangements, **Parliament's building projects need to be handled cautiously**, and that caution should prevail over ambition. They encourage the continuation of this fruitful dialogue, and ask that the information requested be delivered in a timely manner.

Parliament's seats: Plenary recalls the decision adopted in plenary calling for the Council to present a roadmap by June 2013 on the multiple seats of the European Parliament, and expects both the committees concerned, the Secretary-General and the Bureau to provide Members with up-to-date figures and information on the financial and environmental impact of the multiple seat arrangement. Plenary suggests that the EP's own impact assessment services examine this question, including with respect to the impact of the Parliament's presence or partial presence on the respective communities and regions, and present an assessment by June 2013 in order for their findings to be considered in the context of the next MFF.

Other institutions: for the other institutions, Parliament considers any unjustified, across-the-board cuts, and any undifferentiated approach to the institutions' budgets, as counter-productive. It intends, instead, to continue its case-by-case approach. It repeats the position adopted in previous budget cycles that it expects all the institutions to continue to demonstrate efforts in seeking savings and maintaining a high degree of budgetary discipline when drawing up their budget estimates.

Guidelines for the 2014 budget: other sections

2013/2003(BUD) - 12/02/2013

The Council adopted conclusions in which it lays out **its priorities for the General Budget of the EU for 2014**.

These conclusions may be summarised as follows: overall, the Council insists on the need for a realistic budget respecting the principle of sound financial management.

In particular, it stresses that **establishing an accurate level of payment appropriations is very important**.

Revenue: the Council strongly believes that full transparency regarding assigned revenue and calls on all institutions, agencies and other bodies to continue providing all the relevant information promptly and frequently. It also urges the Commission to provide precise and frequent information on planned and past budget implementation and to take this into account at every stage of the budgetary procedure to avoid significant under-implementation of certain funds and unjustified carryovers.

RAL: as in previous years, the Council is concerned about the volume of outstanding commitments (at the end of 2012, these represented EUR 217 billion). It calls on the Commission to carefully monitor these amounts and to settle or decommit them in a timely manner and in line with the relevant rules. In preparing the draft budget, the Commission should take into account the current economic circumstances and the relationship between commitment and payment levels, including on the level of outstanding commitments, the absorption capacity and past implementation rates.

Administrative expenditure: as regards the budget for the institutions, the Council invites all institutions to limit their requests when preparing their estimates for 2014 and to continue to reduce in 2014 the number of posts in their establishment plans. The Council urges them to request financing only for real needs, in order to give **a positive signal to EU citizens**.

Agencies: **the Council regrets that the recurrent over-budgeting for some agencies** has led to unjustified carry-overs. It reiterates the importance of keeping their funding under firm control and limiting it to real needs. It strongly urges the Commission, when establishing its draft budget for 2014, to continue taking into account unused appropriations and excessive accumulated cash balances, in order to bring down their annual surpluses. It also urges the Commission to carefully check, and if necessary revise, the requests for funds and posts proposed by the agencies. It expects the Commission to continue providing the Council and the European Parliament with a comprehensive picture concerning agencies, **including their building policy**.

The Council recalls that the annual budgetary procedure is important for providing accountability towards EU citizens. It emphasises that the budget for 2014 should **provide the necessary resources to respect commitments already made** and to implement the Union's policy priorities for 2014. It stresses the importance of quickly taking the necessary steps to ensure that all EU programmes can commence without delay and in an efficient way.

Lastly, the Council underlines that an accurate and accountable use of Union resources is one of the essential means to reinforce the trust of EU citizens. Therefore, **the Council reiterates the great importance it attaches to these guidelines and expects them to be taken duly into account already when preparing the draft budget for 2014**. These guidelines will be forwarded to the **European Parliament** and the Commission, as well as to the other institutions. They will be used by the Irish Presidency as the basis for negotiations with the European Parliament and the Commission on the 2014 budget.

Deficits and 2014 budget: the Council insists on the need to maintain budgetary discipline at all levels, in a context where many Member States are seeking to reduce their deficit and debt levels. They call for a balance to be struck between fiscal consolidation and the need to continue investment, in particular through the prioritisation of objectives and the allocation of resources to actions that best contribute to growth and employment.