



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 13 March 2012

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NOTE

from :	General Secretariat of the Council
to :	Delegations
Subject:	Summary of the meeting of the European Parliament's Committee on Budgets (BUDG) held in Brussels on 8 March 2012

The meeting was chaired by Mr LAMASSOURE (EPP, FR).

(The numbering refers to the items as listed on the agenda.)

**ITEM 4. ESTIMATES OF REVENUE AND EXPENDITURE FOR 2013 - SECTION I -
PARLIAMENT**

Rapporteur: Mr VAUGHAN (S&D, UK)

The rapporteur, Mr VAUGHAN, informed the Committee about the pre-conciliation meeting of a BUDG delegation with the European Parliament's Bureau on 6 March 2012. He stressed the difference between the increase by 2.9 % suggested by the Bureau for the Parliament's 2013 budget, and the proposal of Commissioner LEWANDOWSKI to limit the increase in the administrative budgets of the institutions to the inflation rate estimated at 1.9 %, which he suggested to at least respect. He saw particular possibilities for savings in cutting the proposed reserve for projects, freezing Members' allowances and restructuring the operations of European Parliament delegations. Further savings could be achieved on the budget lines for representation, travel costs, the information campaign for the 2014 elections and allowances to political parties.

The Bureau is expected to adopt the preliminary draft estimates on 12 March 2012. The next conciliation meeting of the BUDG delegation with the Bureau is foreseen on 13 March 2012.

BUDG will vote on the rapporteur's draft report on the Parliament's estimates of revenue and expenditure for the financial year 2013 and on possible amendments at its next meeting on 21 March 2012.

ITEM 5. 2013 BUDGET - MANDATE FOR TRILOGUE

Rapporteur: Mr LA VIA (EPP, IT)

In preparation of the 2013 budget procedure, the rapporteur, Mr LA VIA, explained the mechanism foreseen for agreeing on a package of new and ongoing pilot projects (PP) and preparatory actions (PA). He pointed out that the Commission's first interim report on the implementation of PP and PA in 2012 was the starting point of the procedure, and that close contacts with the Commission in the coming months were of particular importance, notably in a situation of tight margins expected in 2013 under certain headings and sub-headings. The aim was to establish an indicative list of PP and PA proposals for 2013 by 4 June 2012.

Ms TRÜPEL (Greens/EFA, DE) regretted in this context that the Commission had not started the implementation of all PP and PA proposed by the European Parliament in the area of agriculture.

ITEM 6. DRAFT AMENDING BUDGET NO 1/2012: FINANCING OF ITER

Rapporteur: Ms BALZANI (S&D, IT)

The rapporteur, Ms BALZANI, presented her draft report suggesting approving, without amendment, the Council's position on draft amending budget No 1/2012 in line with the agreement reached at the trilogue on 1 December 2011.

BUDG will vote on the draft report and on possible amendments at its meeting on 29 March 2012, after the adoption of the Council's position foreseen on 26 March 2012.

ITEM 7. MFF 2014-2020 / OWN RESOURCES

Rapporteurs: Mr BÖGE (EPP, DE), Mr KALFIN (S&D, BG); Mr DEHAENE (EPP, BE), Ms JENSEN (ALDE, DK)

The Chairman, Mr LAMASSOURE, recalled the internal agreement reached with other relevant European Parliament Committees to discuss at this stage only the content of the Commission's proposals relating to the next multiannual financial framework (MFF), but not the amounts proposed for the individual programmes and the MFF as a whole. He reminded the Committee that the report established by the Special Committee on Policy Challenges and Budgetary Resources for a Sustainable European Union after 2013 ("SURE Committee") remained the basis for the European Parliament's position in the negotiations, at least until June 2012 when the European Council was supposed to discuss the MFF 2014-2020 and take first positions on the Commission's proposals. He informed the Committee about the interinstitutional conference on the MFF, with the participation of representatives of the Member States' national parliaments, which was scheduled on 22 March 2012.

Rapporteur Mr BÖGE supported the Chairman and underlined that any separate agreements by individual Committees would risk dividing the European Parliament and weaken considerably its position in the negotiations with the Council. Mr FÄRM (S&D, SE), Mr RIQUET (EPP, FR) and rapporteur Ms JENSEN shared this opinion. Mr GODMANIS (ALDE, LV), on the other hand, would prefer to already start the negotiation of at least the proportions of the individual programmes.

Ms HAUG (S&D, DE) criticised the Commission for not providing the European Parliament with the same detailed information which was made available to the Council. From her point of view, the Commission had so far failed to fulfil the role of an "honest broker" which it was expected to play.

Mr BÖGE was of the same opinion. He would like to see the Commission fight more actively for its own proposals and their adequate financing. Moreover, he called on the Danish Council Presidency to ensure full transparency of the Council's internal negotiations at the different working levels and to share the documents available to them.

Representatives of different political groups (Ms TRÜPEL, Mr ELLES (ECR, UK), Chairman Mr LAMASSOURE) underlined the importance of convincing the Member States' governments and national parliaments of the added value of an ambitious EU budget and of implementing policies at European rather than at national level. They referred in particular to climate change, the internal market, competitiveness and the "Europe 2020" strategy.

Mr DEHAENE (EPP, BE) was concerned about the lack of data on the financial impact of the MFF proposals both on the revenue and expenditure sides for each individual Member State, which from his point of view did not permit any targeted discussion with national parliaments. He was joined by Mr LYON (ALDE, UK) who emphasised that the redistribution of funds between Member States was the key element of the MFF negotiations. The Chairman, Mr LAMASSOURE, replied that Commissioner LEWANDOWSKI would present such data to BUDG Members in closed session on 21 March 2012, on the eve of the interinstitutional conference, in the margins of the next meeting of the Committee.

ITEM 8. ESTABLISHING THE EUROPEAN BORDER SURVEILLANCE SYSTEM (EUROSUR)

Rapporteur: Mr RIQUET (EPP, FR)

This item was postponed.

ITEM 9. GENERAL PROVISIONS - ASYLUM AND MIGRATION FUND AND THE INSTRUMENT FOR FINANCIAL SUPPORT

Rapporteur: Ms HOHLMEIER (EPP, DE)

This item was postponed.

ITEM 10. EUROPEAN SOCIAL FUND AND REPEAL OF REGULATION (EC)

NO 1081/2006

Rapporteur: Mr GEIER (S&D, DE)

The rapporteur, Mr GEIER, outlined his reflections regarding the proposals for a new European Social Fund (ESF) for the period 2014-2020. While not questioning the possibly enlarged area of application of the ESF, he insisted, however, on the need to concentrate on the specific goals of the Fund and to establish clear conditions for making use of ESF appropriations.

Mr GODMANIS was concerned about the low absorption levels of ESF appropriations in certain Member States, notably as regards spending on infrastructure for measures financed from the ESF.

Mr SURJÁN (EPP, HU) considered that the current ESF was not effective in reducing unemployment. He also recalled the importance of simplification and a reduced administrative burden to be taken into consideration in the next ESF Regulation.

The rapporteur, Mr GEIER, replied that the administrative burden could be reduced under the proposed new Regulation through the use of lump sums. He pointed out, however, that a considerable element of complexity resulted from the differences in EU and national Financial Regulations which would need to be aligned more closely.

ITEM 11. EU PROGRAMME FOR SOCIAL CHANGE AND INNOVATION

Rapporteur: Ms GRELIER (S&D, FR)

This item was postponed.

ITEM 12. COMMON SYSTEM FOR TAXING FINANCIAL TRANSACTIONS AND AMENDMENT TO DIRECTIVE 2008/7/EC

Rapporteur: Ms JENSEN (ALDE, DK)

The rapporteur, Ms JENSEN, presented her draft opinion for the Committee on Economic and Monetary Affairs. She emphasised that any recommendation by BUDG should be limited to the question of whether at least part of the proposed Financial Transaction Tax (FTT) revenue should be used as an own resource for financing the EU, in line with the report of the SURE Committee. Ms HAUG and Ms DURANT (Greens/EFA, BE) supported the rapporteur in her plea for making the FTT an EU own resource.

Mr GODMANIS was more sceptical about introducing an EU FTT. He pointed out that it could be contradictory to similar taxes already introduced by some Member States at national level and that it could result in possible cases of double taxation.

ITEM 13. AMENDMENT OF DECISION NO 1639/2006/EC ESTABLISHING A COMPETITIVENESS AND INNOVATION FRAMEWORK PROGRAMME (2007-2013) AND OF REGULATION (EC) NO 680/2007 LAYING DOWN GENERAL RULES FOR THE GRANTING OF COMMUNITY FINANCIAL AID IN THE FIELD OF THE TRANS-EUROPEAN TRANSPORT AND ENERGY NETWORKS

Rapporteur: Mr FÄRM (S&D, SE)

This item was postponed.

ITEM 14. MOBILISATION OF THE EUROPEAN GLOBALISATION ADJUSTMENT FUND: APPLICATION EGF/2011/006 ES/COMUNIDAD VALENCIANA - CONSTRUCTION OF BUILDINGS FROM SPAIN

Rapporteur: Ms MATERA (EPP, IT)

The rapporteur, Ms MATERA, presented her draft report suggesting the approval of the proposed decision on the mobilisation of the European Globalisation Adjustment Fund (EGF). She regretted the Council's opposition to extending the "crisis derogation" of the EGF Regulation beyond 31 December 2011.

Mr GODMANIS, Ms ANDREASEN (EFD, UK) and Ms WERTHMANN (NI, AT) objected to the mobilisation of the EGF for this application, as from their point of view the redundancy of workers in the construction business in Spain was neither a result of globalisation nor of the economic crisis, but rather the outcome of wrong political decisions at national level creating unrealistic incentives for the real estate sector.

BUDG will vote on the draft report and on possible amendments at its next meeting on 21 March 2012.

ITEM 15. FINANCIAL RULES APPLICABLE TO THE ANNUAL BUDGET OF THE UNION

Rapporteurs: Ms GRÄSSLE (EPP, DE), Mr RIVELLINI (EPP, IT)

This item was postponed.

ITEM 16. FISHING OPPORTUNITIES AND FINANCIAL CONTRIBUTION PROVIDED FOR BY THE FISHERIES PARTNERSHIP AGREEMENT BETWEEN THE EU AND THE REPUBLIC OF MOZAMBIQUE

Rapporteur: Mr ALFONSI (Greens/EFA, FR)

The rapporteur's draft opinion for the Committee on Fisheries was adopted unamended.

ITEM 17. THE ROLE OF COHESION POLICY IN THE OUTERMOST REGIONS OF THE EUROPEAN UNION IN THE CONTEXT OF EU 2020

Rapporteur: Mr GODMANIS (ALDE, LV)

BUDG voted on 18 tabled amendments and 3 compromise amendments prepared by the rapporteur.

The rapporteur's draft opinion for the Committee on Regional Development was adopted as amended.

ITEM 18. 2012 BUDGET: SECTION III - COMMISSION

Rapporteur: Ms BALZANI (S&D, IT)

No transfer requests were presented.

ITEM 19. 2012 BUDGET: OTHER SECTIONS

Rapporteur: Mr FERNANDES (EPP, PT)

The rapporteur, Mr FERNANDES, presented the European Parliament's transfer request No C1/2012 proposing reinforcing the budget line for building maintenance in Brussels by EUR 2 million. He pointed out that this transfer proposal was in line with the European Parliament's long-term strategy to improve the maintenance of its buildings in line with its energy, environment and sustainability objectives. He indicated his support for this transfer.

Nevertheless, on request of Mr VAUGHAN, the vote on this transfer request was postponed to the next meeting of the Committee.

ITEM 20. BUILDINGS POLICY

Rapporteur: Ms HOHLMEIER (EPP, DE)

The rapporteur, Ms HOHLMEIER, outlined the Commission's projects to sign usufruct contracts for the ORBAN and COV4 buildings, as a replacement for the SDME building to be vacated at the end of this year, which had been submitted to the budgetary authority according to Article 179(3) of the Financial Regulation. She emphasised the estimated annual savings of EUR 3.9 million, compared to the current rental contract for the SDME building.

The Committee decided not to issue an opinion on the two building projects, as recommended by the rapporteur.

ITEM 21. ANY OTHER BUSINESS

No other item was discussed.

ITEM 22. DATE OF NEXT MEETING

Wednesday 21 March 2012, 09h00 - 12h30 and 15h00 - 18h30 (Brussels)
