



**COUNCIL OF  
THE EUROPEAN UNION**



Brussels, 24 July 2012  
12806/12  
PRESSE 347

## **Council's position for 2013 EU budget adopted**

The Council adopted<sup>1</sup> today<sup>2</sup> its position on the 2013 EU draft budget, limiting the increase in payments to 2.79% compared to 2012 ([12279/1/12 REV 1](#) + [ADD 1](#) + [ADD 2](#) + [12278/12](#) + [ADD 1](#) + [ADD 2](#) + [ADD 3](#)).

The Council's position reconciles the necessity to avoid undue burden on national public finances in times of fiscal consolidation with the need for growth enhancing measures. It also takes due account of the fact that 2013 is the last year of the current multiannual financial framework (MFF).

The most important payments' increase (+6.71%) is dedicated to heading 1 (sustainable growth), which is in line with the Europe 2020 strategy for smart, sustainable and inclusive growth. Particular emphasis is given to sub-heading 1b (cohesion) where the payments would increase by 8.07%, also in order to avoid similar shortfalls as last year. Sub-heading 3a (freedom, security and justice) which includes the cooperation in the fields of external borders and migration constitutes another priority of the Council (+5%). The payments advocated by the Council under the other headings and sub-headings either increase clearly below the inflation forecast<sup>3 4</sup> or decrease compared to their 2012 level<sup>5</sup>.

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<sup>1</sup> The Dutch, Swedish and UK delegations voted against and the Austrian delegation abstained.

<sup>2</sup> The decision was taken at the General Affairs Council.

<sup>3</sup> [http://ec.europa.eu/economy\\_finance/publications/european\\_economy/2012/pdf/ee-2012-1\\_en.pdf](http://ec.europa.eu/economy_finance/publications/european_economy/2012/pdf/ee-2012-1_en.pdf), page 10.

<sup>4</sup> This is true for sub-heading 1a (competitiveness) with +1.5%, heading 2 (natural resources) with +0.77%, and heading 5 (administration) with + 1.47%.

<sup>5</sup> This concerns sub-heading 3b (citizenship) with -4.5% (-1.8% if excluding the amount mobilised under the European Union Solidarity Fund in 2012 so far) and heading 4 (EU as a global player) with -9.75%.

# **P R E S S**

In absolute figures, the Council's position on the draft budget for 2013 amounts to:

- **EUR 132.70 billion in payments**, corresponding to 0.99% of the EU's Gross National Income (GNI), and
- **EUR 149.78 billion in commitments**, leaving a margin of EUR 3.58 billion under the overall ceiling of the current MFF.

Compared to 2012, the Council's position provides for an increase of EUR 3.61 billion in payments and EUR 1.88 billion in commitments.

Compared to the amounts proposed by the Commission, the Council calls for reducing the payments by a total of EUR 5.23 billion and the commitments by EUR 1.15 billion.

The reductions have been agreed upon on the basis of past and current budget implementation and realistic absorption capacities, taking into account the specificities of the different budgetary years.

The Council's position will serve as a mandate to the Cyprus presidency to negotiate next year's EU budget with the European Parliament, which is expected to adopt its amendments to the Council's position at the end of October. If the Council's and the Parliament's positions diverge, a three-week conciliation period will start on 24 October (until 13 November included) (*see flow-chart in the annex*).

A summary of the Council's position is set out in the table below:

(in EUR)

Heading	Council's position		Difference from DB 2013 (amount)		Difference from budget 2012 (AB 1 to 3 included) (%)	
	c/a	p/a	c/a	p/a	c/a	p/a
<b>1. SUSTAINABLE GROWTH</b>	<b>70 054 447 793</b>	<b>59 030 453 016</b>	<b>-476 549 090</b>	<b>-3 497 392 392</b>	<b>+2.79</b>	<b>+6.71</b>
1a. Competitiveness for growth and employment	15 562 898 756	11 655 162 155	-469 149 090	-1 897 649 090	+1.04	+1.50
1b. Cohesion for growth and employment	54 491 549 037	47 375 290 861	-7 400 000	-1 599 743 302	+3.30	+8.07
<b>2. PRESERVATION AND MANAGEMENT OF NATURAL RESOURCES</b>	<b>59 971 444 488</b>	<b>57 474 312 204</b>	<b>-336 066 928</b>	<b>-490 566 928</b>	<b>-0.01</b>	<b>+0.77</b>
of which Market related expenditure and direct aids	43 795 348 610	43 776 431 204	-335 000 000	-336 500 000	-0.40	-0.23
<b>3. CITIZENSHIP, FREEDOM, SECURITY AND JUSTICE</b>	<b>2 057 175 617</b>	<b>1 514 079 543</b>	<b>-24 465 583</b>	<b>-60 520 583</b>	<b>-1.25</b>	<b>+0.78</b>
3a. Freedom, security and justice	1 377 280 417	877 353 593	-14 946 783	-50 974 783	+0.69	+5.00
3b. Citizenship	679 895 200	636 725 950	-9 518 800	-9 545 800	-4.98	-4.50
<b>4. THE EU AS A GLOBAL PLAYER</b>	<b>9 295 470 596</b>	<b>6 277 295 936</b>	<b>-171 698 115</b>	<b>-1 034 292 115</b>	<b>-1.17</b>	<b>-9.75</b>
<b>5. ADMINISTRATION</b>	<b>8 398 233 899</b>	<b>8 399 333 899</b>	<b>-146 184 597</b>	<b>-146 184 597</b>	<b>+1.43</b>	<b>+1.47</b>
<b>GENERAL TOTAL</b>	<b>149 776 772 393</b>	<b>132 695 474 598</b>	<b>-1 154 964 313</b>	<b>-5 228 956 615</b>	<b>+1.27</b>	<b>+2.79</b>
Appropriations as % of GNI:	1.12 %	0.99 %				

DB = draft budget (of the Commission)

AB = amending budget

**More details on the Council's position and the reductions  
approved compared to the draft budget (DB)  
proposed by the Commission:**

1. **Sustainable growth** (heading 1 of the financial framework)

(a) **Competitiveness for growth and employment** (sub-heading 1a)

With regard to **commitment appropriations**, the Council agreed to:

- reduce the amount requested in the DB by a total of EUR 469.15 million spread over a number of specific budget lines;
- cut the subsidies for decentralised agencies by EUR 2.77 million;
- leave a margin of EUR 560.10 million.

With regard to **payment appropriations**, the Council targeted a **total** reduction of EUR 1.90 billion in the amounts requested in the DB comprising EUR 151.00 million in the field of competitiveness, EUR 63.05 million in the field of transport, EUR 1.24 billion in the field of research, EUR 104.00 million in the field of education and training, EUR 13.40 in the field of social policy, EUR 202.00 million on budget lines related to the European economic recovery plan, EUR 50.00 million on the budget line for the European Globalisation Adjustment Fund, EUR 2.77 million for decentralised agencies and EUR 77.10 million on various other budget lines.

(b) **Cohesion for growth and employment** (sub-heading 1b)

As regards **commitment appropriations** the Council reduced the amount requested in the DB by a total of EUR 7.40 million on budget lines related to administrative expenditure. This leaves a margin of EUR 32.45 million.

Concerning **payment appropriations**, the Council reduced the amounts requested in the DB by a **total** of EUR 1.60 billion, resulting in an increase of 8.07 % compared to 2012. The reductions are concentrated in the field of the European Regional Development Fund (EUR 309.73 million), the European Social Fund (EUR 831.01 million) and the Cohesion Fund (EUR 459.00 million).

2. **Preservation and management of natural resources** (heading 2)

With regard to **commitment appropriations**, the Council agreed to:

- reduce the amounts requested in the DB by a total of EUR 336.07 million, comprising EUR 67.00 million in the field of agriculture, EUR 264.00 million on the budget line for clearance of accounts, EUR 4.00 million on the budget line for public awareness and EUR 1.07 million on subsidies for decentralised agencies;
- leave a margin of EUR 1.32 billion.

Concerning **payment appropriations**, the Council agreed to reduce the amount in the DB by a total of EUR 490.57 million, comprising EUR 67.00 million in the field of agriculture, EUR 264.00 million on the budget line for clearance of accounts, EUR 100 million in the field of rural development, EUR 38.00 in maritime affairs and fisheries, EUR 1.07 million on subsidies for decentralised agencies and EUR 20.50 million on various other budget lines; these amounts may be reviewed in the light of the autumn letter of amendment.

3. **Citizenship, freedom, security and justice** (heading 3)

(a) **Freedom, security and justice** (sub-heading 3a)

Concerning **commitment appropriations**, the Council agreed to:

- reduce the amounts of the DB by a total of EUR 14.95 million of which EUR 2.83 million on the subsidies for decentralised agencies;
- leave a margin of EUR 283.72 million.

With regard to **payment appropriations**, the Council targeted a **total** reduction of EUR 50.97 million on a number of budget lines, including EUR 2.83 million on the subsidies for decentralised agencies.

**(b) Citizenship** (sub-heading 3b)

With regard to **commitment appropriations**, the Council agreed to:

- decrease by a total of EUR 9.52 million the appropriations requested in the DB in respect of a number of specific budget lines, including a cut of EUR 0.84 million on the subsidies for decentralised agencies;
- leave a margin of EUR 35.10 million.

Concerning **payment appropriations**, the Council reduced the total amount by EUR 9.55 million in a targeted manner over a series of budget lines, including EUR 0.84 million on the subsidies for decentralised agencies.

4. **The EU as a global player** (heading 4)

With regard to **commitment appropriations**, the Council agreed to:

- reduce the amounts in the DB by a total of EUR 171.70 million on a number of specific budget lines, comprising EUR 0.21 million on the subsidies for decentralised agencies;
- leave a margin of EUR 563.64 million.

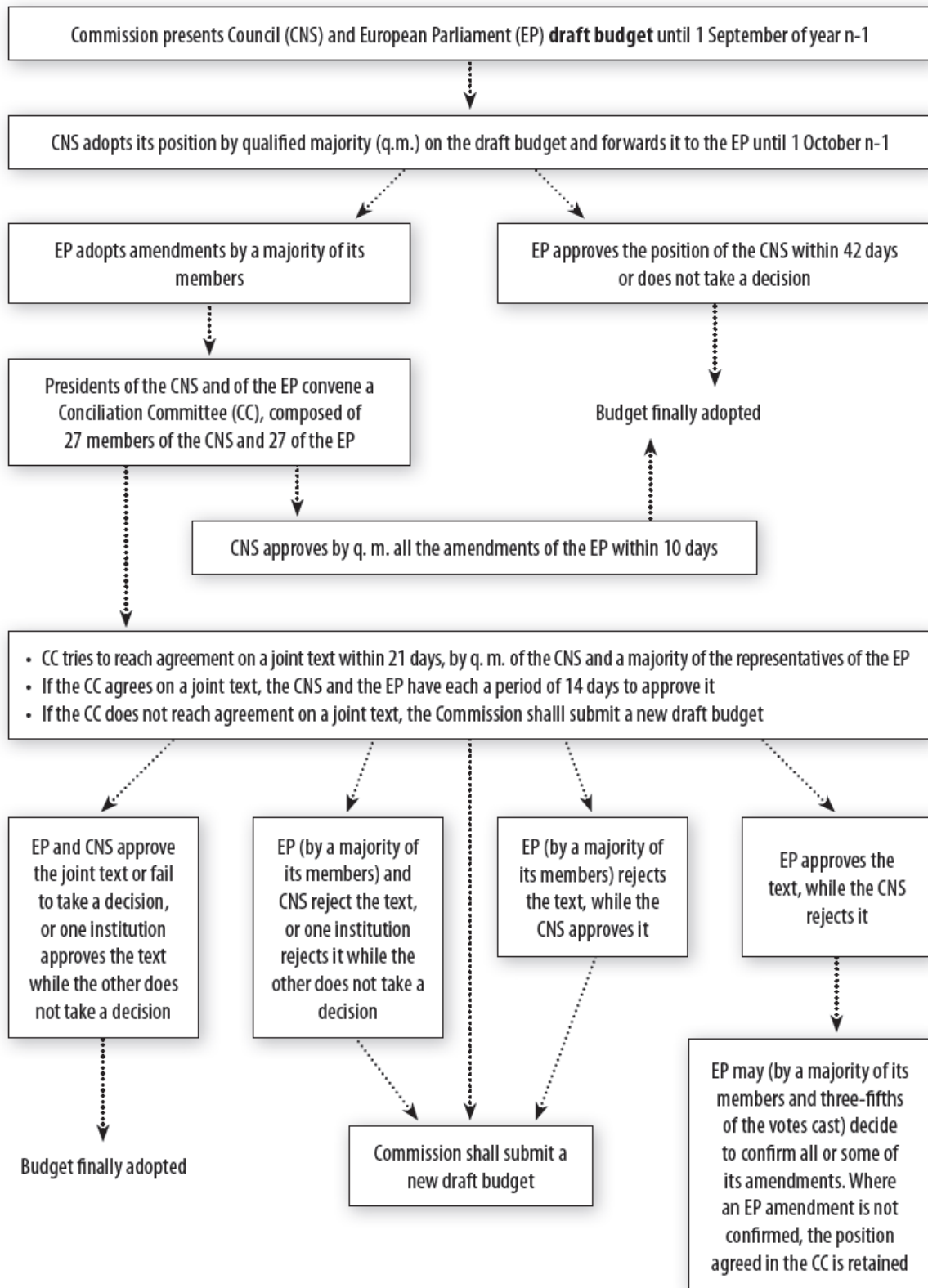
Concerning **payment appropriations**, the Council agreed to reduce the amounts in the DB by a total of EUR 1.03 billion, comprising on the one hand reductions by EUR 924.29 million in a targeted manner over a series of budget lines (including EUR 0.21 million on the subsidies for decentralised agencies), while on the other hand not retaining the amount proposed in the DB of EUR 110.00 million for the Emergency Aid Reserve.

5. **Administration** (heading 5)

The Council kept under strict control the volume of the EU institutions' administrative expenditure, in line with the approach followed by the member states for their national civil services. It set the administrative budget of each institution at the appropriate level, taking into account their specificities and real and justified needs. It undertook targeted cuts for all the institutions except the European Parliament for which, in accordance with the "gentlemen's agreement", it approved the estimate as it stood. The Council applied the Commission's proposal to reduce staff by 1% per year as from 2013 to all institutions, with the exception of the very small institutions (European Ombudsman and European Data Protection Supervisor) and the recently created European External Action Service. The Council accepted all additional staff requests related to the Croatia enlargement. Compared to the DB proposed by the Commission the cuts approved by the Council amount in total to EUR 146.18 million in commitments and payments. This leaves a margin of EUR 782.77 million under heading 5.

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## Budget procedure Lisbon Treaty (Art. 314)



CC = Conciliation Committee

CNS = Council

EP = European Parliament

q.m. = qualified majority