



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 21 November 2012

16588/12

**PE 534
FIN 886
INST 670**

NOTE

from :	General Secretariat of the Council
to :	Delegations
Subject:	Summary record of the meeting of the European Parliament's Committee on Budgets (BUDG) held in Brussels on 15 November 2012

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

Item 2 on the agenda

Chairman's announcements

On behalf of Ms GRÄSSLE (PPE, DE), Mr LAMASSOURE recalled that on 29 October CONT and BUDG committees jointly received for scrutiny the proposal for a delegated act concerning the new Financial Regulation. This act would apply from 1 January 2013 if no objection had been raised by the Council or the European Parliament within two months. Ms GRÄSSLE had some doubts on Article 21 of the proposal "Publication of information on value and recipients of Union funds". Ms GRÄSSLE wanted a more geographically detailed level for the publication of the beneficiaries. A meeting would be organised on 21 November with representatives from European Data Protection Supervisor (EDPS) and the Commission. In case an objection were raised, a proposal for a resolution would be issued on 22 November and a vote would be needed on 3 December¹.

¹ See also item 5 of doc. 16032/12.

Item 4 on the agenda

Budget 2013: outcome of the Budgetary Conciliation 9 November 2012

Co-rapporteurs: Mr VAUGHAN (S&D, UK) and Mr LA VIA (EPP, IT)

Mr LAMASSOURE debriefed BUDG members on the reasons for the absence of an agreement at the end of the budgetary conciliation. In his opinion, the Council and the EP disagreed on how to deal with draft amending budget (DAB) No 6/2012, which aimed at solving a considerable shortage in payments especially in cohesion policy, even if in his opinion, the amounts of the requests were not denied. The EP considered the approval of this DAB as a prerequisite to any discussion on the 2013 budget, whereas the Council insisted including it as an element of the package. However, Mr LAMASSOURE presented as a success of EP's efforts the approval of DAB No 5/2012, dedicated to an intervention of the Solidarity Fund for Italy. Following the failure of the budgetary conciliation, the Commission will present a new draft budget (DB) for 2013. Mr LAMASSOURE insisted on the EP's willingness to manage the procedure as it had two years ago in order to reach an agreement before the end of 2012. The condition was that the Commission did not again issue its initial DB but presented a DB taking into account the wishes of the EP and the Council. The draft joint text proposed by the Commission on 9 November could be a good basis. Should the Commission present some divergences for purposes of "internal coherence", both arms of the budgetary authority should agree on the way of amending them.

The Commission's representative pointed out that the requests presented in DAB No 6/2012 were still needed and that the Council had still to adopt a position. The Commission intended to issue a new DB around 23 November and "thorough interinstitutional cooperation" was crucial in order to avoid the provisional twelfths.

Mr HARTONG (NI, NL) understood the rejection of DAB No 6/2012 by some Member States. He considered that the requests of this DAB were due to the EP's and the Commission's mistakes, having committed amounts for Southern and Eastern countries without sufficient funds. Ms ANDREASEN (EFD, UK) pointed out that Member States needed the money of DAB No 6/2012 for internal purposes and that invoices should first be checked to verify if they were receivable. Those interventions were contested by Mr GARRIGA POLLEDO (PPE, ES) and by Mr NARANJO ESCOBAR (PPE, ES).

Mr SURJAN (PPE, HU), supported by Mr NARANJO ESCOBAR and Ms JĘDRZEJEWSKA (PPE, PL), regretted that the CY Presidency did not find any solution to present the Council's position. He wanted the EP to be flexible when looking for a technical solution.

Mr FÄRM (S&D, SE) highlighted that the Council had requested a low level in payments in 2012 and that a joint statement on payments was issued promising to examine amending budgets in case those payments appeared insufficient. He insisted on the need to respect commitments. He also pointed out that if the Council wanted to reduce the budget, it should do that by decreasing commitments. Together with Mr MULDER (ALDE, NL), he wondered if the same situation would happen in 2013. The Commission's representative recalled that the 2013 DB proposed by the Commission was based on the condition that all 2012 needs would be covered in 2012.

Ms GARDIAZÁBAL RUBIAL (S&D, ES) also insisted on the need to honour commitments. She disagreed with adopting the same position as two years ago when the EP accepted the level of payments requested by the Council. She would also refuse to sign a new statement on payments. She wanted to maintain her position on the 2013 DB and disagreed with the joint text proposed by the Commission on 9 November reducing DAB No 6/2012 by EUR 1.4 billion. Ms JĘDRZEJEWSKA and Mr GODMANIS (ALDE, LV) also questioned this postponement. Mr GODMANIS also recalled that the 2007-2013 MFF had been decided in a period without financial crisis and that it was important to reach a compromise.

Mr LAMASSOURE concluded that the Council had first to examine DAB No 6/2012. He was afraid that the problem which was currently only technical could become political, some Member States beginning to consider that other ones were "sending too many invoices". In case the blocking situation would continue, he threatened to "denounce Member States refusing to pay other Member States". He also recalled possible future improvements by introducing the national certification of requests for payments and by creating new own resources.

Item 5 on the agenda

Multiannual Financial Framework 2014-2020/Own resources

Rapporteurs: Mr BÖGE (EPP, DE), Mr KALFIN (S&D, BG)

- Exchange of views

Mr LAMASSOURE recalled that the CY Presidency had issued a proposal with figures and that the President of the European Council, Mr VAN ROMPUY, had also published different figures on 14 November in preparation of the European Council of 22 and 23 November.

The Commission's representative informed BUDG that at Coreper on 15 November the Commission had:

- recalled that its proposal was the most balanced and regretted additional cuts;
- recognised and welcomed that Mr VAN ROMPUY's proposal respected the proposed balance;
- welcomed the modest progress in own resources, notably concerning VAT and FTT;
- confirmed that the Commission supported Mr VAN ROMPUY's efforts.

Mr KALFIN supported the Commission and, on the basis of the EP interim report, confirmed that the EP could not accept additional cuts and that it regretted the lack of measures ensuring flexibility and the absence of a basis of an agreement on own resources. Even if the EP welcomed the mention of a mid-term revision, it wanted it to be binding and taking place in 2018.

Ms JENSEN wanted to see how new elements concerning own resources would be received by Member States. She regretted that the proposal did not take into account the EP report.

Mr LAMASSOURE recognised that the progress related to own resources was not very satisfactory but considered it as a good basis. He took note that the preparatory phase was finished and therefore, so was the period when the EP was associated with the discussions. The last exchanges of views were a bilateral meeting between Mr VAN ROMPUY and the EP delegation and, on 19 November, a last preparation meeting with the Presidency of the GAC meeting of 20 November. During the European Council of 22 and 23 November, the EP President will recall the EP position. Depending on the outcome of this European Council, the EP will examine the best reaction to be adopted: a reaction to a possible total agreement or a reaction to a partial agreement with, in this case, the possibility of reinitiating discussions during the next GAC meetings.

Item 6 on the agenda

Framework for the recovery and resolution of credit institutions and investment firms and amendment of Council Directives 77/91/EEC and 82/891/EC, Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC and 2011/35/EC and Regulation (EU) No 1093/2010

BUDG/7/09809

Rapporteur for the opinion: Ms HAUG (S&D, DE)

Rapporteur for the responsible committee (ECON): Mr HÖKMARK (PPE)

- Exchange of views

The rapporteur insisted on the need for sufficient financial and human resources to implement the new framework. The Commission should provide a new financial statement at the end of the legislative procedure, taking into account the legislative agreement between the EP and the Council. The rapporteur also requested the application of point 47 of the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management for the extension of the mandate for the European Banking Authority.

Ms JENSEN supported the rapporteur but requested to also discuss the three banking authorities partly financed by fees.

Calendar:

Deadline for amendments: 19 November 2012

Vote in BUDG: 3 December 2012

Vote in ECON: March 2013

Item 7 on the agenda

Special Report No 6/2012: European Union Assistance to the Turkish Cypriot Community

BUDG/7/09666

Rapporteur for the opinion: Ms NEYNSKY (PPE, BG)

Rapporteur for the responsible committee (CONT): Mr KALFIN (S&D)

- Exchange of views

The rapporteur was in favour of continuing support to the Turkish Cypriot Community until a comprehensive settlement of the Cyprus problem. She insisted on focusing financial allocations not only on new but also on existing projects. She also asked for sufficient resources.

Mr HARTONG welcomed the Court of Auditors' report on the subject. He asked the rapporteur to mention in her report the condemnation of the Turkish military occupation and to request that the financial aid should be provided only by the intermediary of the Cypriot government.

Calendar:

Deadline for amendments: 16 November 2012

Vote in BUDG: 3 December 2012

Vote in CONT: 6 December 2012

Item 8 on the agenda

Statute and funding of European political parties and European political foundations

BUDG/7/10672

Rapporteur for the opinion: Ms HERCZOG (S&D, HU)

Rapporteur for the responsible committee (AFCO): Ms GIANNAKOU (PPE)

- Exchange of views

This item was postponed.

Item 9 on the agenda

European Maritime and Fisheries Fund (repeal of Council Regulations (EC) No 1198/2006, (EC) No 861/2006 and (EC) No XXX/2011 on integrated maritime policy)

BUDG/7/08044

Rapporteur for the opinion: Mr ALFONSI (GREENS, FR)

Rapporteur for the responsible committee (PECH): Mr CADEC (PPE)

- Exchange of views

In his draft opinion, the rapporteur tabled amendments on:

- reiterating the need for sufficient resources in the next MFF to fulfil priorities and the request to the Council to identify which projects or priorities should be dropped in case resources would be decreased;
- insisting on the EP role in this policy;
- insisting on the need to take into consideration coastal fishermen and traditional and historical communities.

Calendar:

Deadline for amendments: 16 November 2012

Vote in BUDG: 6 December 2012

Vote in PECH: 19 February 2013

Item 10 on the agenda

Nuclear decommissioning assistance programmes in Bulgaria, Lithuania and Slovakia

BUDG/7/07872

Rapporteur for the opinion: Mr TORVALDS (ALDE, SE)

Rapporteur for the responsible committee (ITRE): Mr CHICHESTER (ECR)

- Exchange of views

The current proposal for a Council Regulation asked for an extension of the financial support relating to decommissioning. The rapporteur was in favour of this extension, considering that the amounts depended on the outcome of the MFF negotiations. He was also in favour of deadlines, even if he could understand the "uncertainty" of some Member States. Supported by Mr GEIER and Mr KALFIN, he preferred only one legal basis for those programmes and also asked to globally address existing managerial, legal, financial and technical problems.

Mr GEIER (S&D, DE) supported the rapporteur concerning the request for deadlines to create some pressure. He pointed out that a CONT delegation went to Ignalina, where most problems had been pointed out. However, he contested Marinescu's report, even if he recognised the existence of technical problems and the risk of excessive expenditure. He wanted to examine the legal basis and was in favour of a co-decision procedure in order to make the EP able to supervise financial issues.

Mr KALFIN, first on behalf of Ms HERCZOG, considered that the final responsibility lay with the Member States and that the amounts should be determined taking into account the current needs and absorption capacity. Personally, Mr KALFIN regretted that the amounts proposed in the MFF were very insufficient compared with real needs. He also pointed out the very long deadlines which were necessary to achieve results. He recognised that problems were real but considered that those problems did not concern each situation.

Mr ŠŤASTNÝ (PPE, SK) insisted on the need for sufficient deadlines and on the need for solidarity on this issue. He was supported by Mr LAMASSOURE.

Calendar:

Deadline for amendments: 16 November 2012

Vote in BUDG: 28 November 2012

Vote in ITRE: 18 December 2012

VOTING TIME

Item 11 on the agenda

Draft amending budget No 5/2012 - Solidarity Fund response to earthquakes in Emilia-Romagna (Italy) and modification of the budget line for the preparatory action for the European Year of Volunteering 2011

BUDG/7/10867

Rapporteur: Ms BALZANI (S&D, IT)

- Consideration and adoption

The report recommending the mobilisation of the Solidarity Fund and its financing by DAB No 5/2012 was adopted.

Item 12 on the agenda

Draft amending budget No 6/2012 - Revenue from own resources and other resources - Increase in payment appropriations in headings 1a, 1b, 2, 3a and 4 of the Multiannual Financial Framework - Reduction in the level of commitment appropriations entered in the budget

BUDG/7/11093

Rapporteur: Ms BALZANI (S&D, IT)

- Consideration and adoption

This item was postponed.

Item 13 on the agenda

Mobilisation of the European Globalisation Adjustment Fund (application EGF/2011/018 ES/Pais Vasco Productos metalicos - Spain)

BUDG/7/11080

Rapporteur: Mr GARRIGA POLLEDO (PPE, ES)

Item 14 on the agenda

Mobilisation of the European Globalisation Adjustment Fund (application EGF/2012/006 FI/Nokia Salo from Finland)

BUDG/7/11065

Rapporteur: Ms SOUSA (GUE, PT)

Item 15 on the agenda

Mobilisation of the European Globalisation Adjustment Fund (application EGF/2011/013 DK /Flextronics - Denmark)

BUDG/7/11077

Rapporteur: Mr KOZLOWSKI (PPE, PL)

Item 16 on the agenda

Mobilisation of the European Globalisation Adjustment Fund: (application EGF/2011/026 IT/Emilia-Romagna Motorcycles/Italy)

BUDG/7/11014

Rapporteur: Mr DAERDEN (S&D, BE)

Item 17 on the agenda

Mobilisation of the European Globalisation Adjustment Fund (application EGF/2011/014 RO/Nokia from Romania)

BUDG/7/11069

Rapporteur: Ms NEYNSKY (PPE, BG)

Item 18 on the agenda

Mobilisation of the European Globalisation Adjustment Fund (application EGF/2012/005 SE/Saab Sweden)

BUDG/7/11073

Rapporteur: Mr DAERDEN (S&D, BE)

Item 19 on the agenda

Mobilisation of the European Globalisation Adjustment Fund (application EGF/2011/011 AT/Soziale Dienstleistungen from Austria)

BUDG/7/11061

Rapporteur: Mr RÜBIG (PPE, AT)

Items 13 to 19 were postponed pending a decision on DAB No 6/2012 notably concerning the financing of the EGF.

Item 20 on the agenda

Union Civil Protection Mechanism

BUDG/7/08554

Rapporteur for the opinion: Mr STAVRAKAKIS (S&D, EL)

Rapporteur for the responsible committee (ENVI): Ms GARDINI (PPE)

- Consideration and adoption

The report, as amended, was adopted with 27 votes in favour and 2 against.

Item 21 on the agenda

Creative Europe Programme

BUDG/7/07918

Rapporteur for the opinion: Ms MATERA (PPE, IT)

Rapporteur for the responsible committee (CULT): Ms COSTA (S&D)

- Consideration and adoption

The report, as amended, was adopted with 23 votes in favour, 2 against and 3 abstentions.

Item 22 on the agenda

Establishing programme "Europe for Citizens" for the period 2014-2020

BUDG/7/08256

Rapporteur for the opinion: Ms MATERA (PPE, IT)

Rapporteur for the responsible committee (CULT): Mr TAKKULA (ALDE)

- Consideration and adoption

The report, as amended, was adopted with 27 votes in favour and 2 against.

Item 23 on the agenda

2012 Budget: Section III - Commission

Rapporteur: Ms BALZANI (S&D, IT)

- Transfers No DEC 36, 37, 38, 40, 42, 43, 44, 45 and 46/2012

Transfers DEC 40 to 46 relating to the above-mentioned EGF requests (see items 13 to 19) were postponed pending the approval of DAB No 6/2012 concerning notably the financing of the EGF.

Transfers No DEC 36, 37 and 38 were approved.

Item 24 on the agenda

2012 Budget: Other Sections

Rapporteur: Mr FERNANDES (EPP, PT)

a) European Parliament's transfers Nos C07 and 08/2012

Both transfers were approved.

b) Committee of Regions' transfers INF 9 and INF 10/2012

Both transfers were approved.

Item 25 on the agenda

Building policy

BUDG/7/04688

Rapporteur: Ms HOHLMEIER (EPP, DE)

- Exchange of views
European Commission - OIL - Jean Monnet building JMO-2, Luxembourg

BUDG agreed to issue an opinion but the discussion was postponed, the rapporteur awaiting additional information from the Commission.

Item 26 on the agenda

Any other business

None.

Item 27 on the agenda

Next meeting

28 November 2012, 9.00 – 12.30 and 14.00 – 15.00 and 15.00 – 18.30 (Brussels)