



**COUNCIL OF
THE EUROPEAN UNION**

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COVER NOTE

From: Mr Janusz LEWANDOWSKI, Member of the European Commission
date of receipt: 31 March 2014
To: Mr Christos STAIKOURAS, President of the Council of the European Union

Subject: Transfer of appropriations No DEC 7/2014 within Section III -
Commission - of the general budget for 2014

Delegations will find attached Commission document No DEC 7/2014.

Encl.: DEC 7/2014



BRUSSELS, 27/03/2014

GENERAL BUDGET - 2014
SECTION III - COMMISSION TITLES 01, 40

TRANSFER OF APPROPRIATIONS N° **DEC 07/2014**

EUR

FROM

CHAPTER - 40 02 RESERVES FOR FINANCIAL INTERVENTIONS

ARTICLE 40 02 41 - 40 02 41 Differentiated appropriations

Commitments	- 2 000 000
Payments	- 2 000 000

TO

CHAPTER - 0102 Economic and monetary union

ARTICLE - 01 02 01 Coordination, surveillance and communication on the economic and monetary union, including the euro

Commitments	2 000 000
Payments	2 000 000

Background

In the framework of the adoption procedure of the 2014 EU Budget, and at the initiative of the European Parliament, the Budgetary Authority decided to reduce both commitment and payment appropriations on budget line 01 02 01 Coordination and surveillance of, and communication on, the economic and monetary union, including the euro.

The amount originally proposed by the Commission in the Draft Budget was EUR 13 million for both commitments and payments, of which EUR 4 million was intended to cover communication actions. The final 2014 budget was eventually reduced to EUR 9 million available on the line, while EUR 2 million was put in reserve. The European Parliament indicated that the communication part of the budget line was being targeted and insisted on an improved conceptual framework for the Commission's communication efforts related to economic and monetary union (EMU). As a consequence, in the 2014 budget no budgetary resources are available for this communication activity for the moment.

Justification for lifting the reserve

The Commission has initiated a comprehensive review of its communication strategy on EMU alongside various policy dimensions. Under the new strategy, communication should not only accompany policy-making, but constitute an economic policy tool in its own right. Furthermore, the future strategy will be increasingly targeted towards the ordinary citizen and focus on a broader range of stakeholders, including social partners. Greater efforts will also be made to avoid diffuse and uncoordinated communication by a multiplicity of actors. Finally, the experience of citizens and the business of what it means to be part of an economic and monetary union will become one of the key strands of our communication policy.

A number of essential initiatives have been worked out in each particular area to underpin this strategic reorientation (see details in the annex). Vice-President Rehn informed the chair of the ECON Committee about the content of the various measures being envisaged (letter of 11 March addressed to Mrs Bowles) and the Commission therefore considers that it has adequately and comprehensively responded to the concerns expressed by the Budgetary Authority regarding the necessary reorientation of its EMU communication strategy.

At the same time, the implementation of the essential actions detailed in the annex and the revision of the policy framework in general requires a minimum level of budgetary resources for EMU communication. The Commission therefore proposes to the Budgetary Authority to restore the EUR 2 million currently in reserve to the EMU line.

I. INCREASE

a) Heading

01 02 01 - Coordination, surveillance and communication on the economic and monetary union, including the euro

b) Figures at 17/03/2014

	Commitments	Payments
1A. Appropriation in budget (initial budget + AB)	9 000 000	9 000 000
1B. Appropriation in budget (EFTA)	0	0
2. Transfers	0	0
3. Final appropriation for the year (1A+1B+2)	9 000 000	9 000 000
4. Utilisation of final appropriation	845 539	532 189
5. Amount not used/available (3-4)	8 154 461	8 467 811
6. Requirements up to year-end	10 154 461	10 467 811
7. Increase proposed	2 000 000	2 000 000
8. Increase as percentage of appropriation in budget (7/1A)	22.22%	22.22%
9. Increase, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 26(1)(b) and (c) of the Financial Regulation, calculated in accordance with Article 14 of the Rules of Application	n/a	n/a

c) Receipts arising from recovery (carried over) (C5)

	Commitments	Payments
1. Appropriation available at start of year	65 941	28 667
2. Appropriation available on the 17/03/2014	0	0
3. Rate of utilisation [(1-2)/1]	100.00%	100.00%

d) Detailed grounds for the increase

See introduction and annex.

II. DECREASE

a) Heading

40 02 - RESERVES FOR FINANCIAL INTERVENTIONS - Article 40 02 41 - Differentiated appropriations

b) Figures at 17/03/2014

	Commitments	Payments
1A. Appropriation in budget (initial budget + AB)	117 342 000	114 342 000
1B. Appropriation in budget (EFTA)	0	0
2. Transfers	0	0
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3. Final appropriation for the year (1A+1B+2)	117 342 000	114 342 000
4. Utilisation of final appropriation	0	0
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5. Amount not used/available (3-4)	117 342 000	114 342 000
6. Requirements up to year-end (*)	n/a	n/a
7. Proposed decrease	2 000 000	2 000 000
8. Decrease as percentage of appropriation in budget (7/1A)	1.70%	1.75%
9. Decrease, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 26(1)(b) and (c) of the Financial Regulation, calculated in accordance with Article 14 of the Rules of Application (*) Not relevant for a provisions line or reserve line	n/a	n/a

c) Receipts arising from recovery (carried over) (C5)

	Commitments	Payments
1. Appropriation available at start of year	0	0
2. Appropriation available on the 17/03/2014	0	0
3. Rate of utilisation [(1-2)/1]	n/a	n/a

d) Detail grounds for the transfer

See introduction and annex.

Details of the Proposed Communication Activities

1. EMU: Lithuania euro changeover accompanying activities

For Lithuania's planned changeover to the euro, accompanying general public communication and information activities are essential to secure the success of public support for the single currency. Failure to support these activities through a grant agreement backed up by the appropriate budgetary means would have negative effects on the euro area as a whole and future changeover candidates, implying reputational risks for all European institutions. In combination with the grant agreement, accompanying activities are designed to support the Lithuanian authorities throughout the changeover preparation period. Building on the successes of recent changeover experiences, notably the tailor-made travelling euro exhibition, these activities will help to inform citizens on all aspects of the new currency, its benefits and the underlying improved EMU governance framework.

Essential communication actions – planned amount EUR 200 000
Lithuanian version of travelling euro exhibition to inform and engage citizens
EU general publications for Lithuania (printing, dissemination, storage)
National/Regional journalist seminar, July 2014

2. Gauging support for EMU, the euro and economic reforms

To tailor and adapt EU messaging to reach out to all segments of society, raise awareness, understanding and endorsement, it is essential to avoid any disruption in regular and longstanding Eurobarometer surveys in all EU countries and in the euro area countries. In addition, the Commission has planned to launch a specific survey in early September 2014 targeting Lithuania. This survey will allow possible communication campaign shortcomings to be corrected, highlight specific needs and support the Lithuanian authorities to fine-tune their efforts. In addition, towards the end of 2014, three consecutive surveys in Lithuania are scheduled to accompany the changeover period and serve as an objective benchmark for evaluating the overall success of the information campaign, which will provide useful guidance for future EU Member States preparing for the euro changeover.

Essential communication actions – planned amount EUR 300 000
Euro area Eurobarometer survey to gauge public support and provide policy feedback, Lithuania surveys to steer and evaluate its possible changeover

3. EMU: Online and offline information for general public and multipliers

To expand online information for EU citizens in all EU languages on the accomplished and upcoming EU economic reforms aimed at sustainable economic growth and jobs, activities already planned need to be appropriately financed. Commission DG ECFIN's website is the main platform supporting these efforts, in cooperation with related services and with synergies by means of the inter-institutional website on Europa. In addition, offline material in all EU languages remains necessary to reach specific EU citizens target groups who are not e-literate. Efforts to engage directly with EU citizens are complemented by the yearly Brussels-based Open Day event aimed at raising citizens' awareness of the added value of EU policies in direct contacts and discussions. This event is scheduled to take place on 17 May, one week before the European elections, on the theme of "European citizens and democracy".

Essential communication actions – planned amount EUR 600 000
Web technical maintenance and development
Online interactive and info graphic enhancements
Bi-monthly electronic newsletter
General publication online and offline
Open Day event

4. Audio-visual support for stakeholders and general information for citizens

In response to the continuing needs for clear and concise information for EU citizens on the concerted EU measures to definitively overcome all aspects of the economic and financial crisis, including high unemployment, the Commission plans to continue co-financing "Real Economy". This news magazine on Euronews is designed to bring the complexities of economic matters in the EU and in Member States closer to citizens. Each 12-minute episode deals with topical economic issues such as unemployment, competitiveness, structural reforms, or monetary policy in an easy-to-understand and balanced way.

Essential communication actions – planned amount EUR 200 000

Co-financing "Euronews"

5. Proactive training and information outreach to media

The Commission plans to expand its annual sequence of focused training and information seminars for selected national journalists to cover a much broader range of key stakeholders. The envisaged approach is to also address social partners and other key stakeholders who are involved or affected by the new economic governance framework, such as the reformed Stability and Growth Pact (SGP) and the Macroeconomic Imbalance Procedure (MIP). Seminars for journalists aim to ensure that this target group get a better understanding and more balanced view of EU policies in general and of the importance and added value of EU economic integration for citizens and business. The seminars also contribute to reducing the risk of factually wrong media reporting and support endorsement of EU economic cooperation by media representatives beyond the Brussels sphere. Building on the positive feedback from these events, extending this format to social partners and other affected or involved key stakeholders will allow broadening and strengthening endorsement for EU policy at a national level. The intended outcome is that this target group will also act as multipliers vis-à-vis their own audiences, who the Commission may find difficult to reach otherwise.

In addition, the Commission plans to organise similar training for officials in national administrations and national Parliaments involved in the day-to-day implementation of the economic governance arrangements, notably the 6-pack, 2-pack, and fiscal compact.

Last but not least, the Commission plans to expand outreach at national level to better explain the European semester and country specific recommendations (CSRs) addressed to Member States. This will be done largely in collaboration with the European Semester Officers based in all Member States.

Essential communication actions – planned amount EUR 400 000

Annual sequence of seminars for journalists

Outreach seminars to affected stakeholders incl. social partners
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6. Key stakeholder relations

The Commission's flagship conference in this field, the Brussels Economic Forum, allows for a public, high level debate with key stakeholders, including the private sector, social partners and academia, as well as interaction with the broader public. The Forum's impact on the debate in the economic policy field is reflected by the presence of numerous media representatives and the substantial media coverage.

Essential communication actions – planned amount EUR 150 000

Annual main economic event: Brussels Economic Forum

7. Evaluation of communication activities

This initiative had originally been scheduled for 2015 but has been advanced to 2014 in order to support the revamp of the communication strategy. The results are expected before the end of the year.

Essential communication actions – planned amount EUR 150 000

Evaluation of communication strategy
