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BUDGET 66

NOTE

from:	General Secretariat of the Council
to:	Delegations
Subject:	Summary record of the plenary session of the European Parliament, held in Strasbourg on 19 November 2013 **2014 budgetary procedure: joint text** ***Report: Anne E. Jensen, Monika Hohlmeier (A7-0387/2013)*** Report on the joint text on the draft general budget of the European Union for the financial year 2014 approved by the Conciliation Committee under the budgetary procedure [13176/2013 - C7-0260/2013 - 2013/2145(BUD)]

The joint text on the draft general budget of the European Union for the financial year 2014 was adopted by 494 votes in favour, 158 against and 13 abstentions. The draft amending budget No 9/2013 was adopted by 621 in favour, 57 against and 10 abstentions.

The chair of the EP delegation to the Conciliation Committee, Mr Lamassoure (EPP, FR), welcomed the deal on the 2014 budget, as well as on the DAB 9. He paid tribute to the Lithuanian Presidency for its efficiency in a conciliation that, in his view, had been too long. He stated that this budget confirmed the concerns already expressed in the framework of the MFF, i.e. that in 2014 the whole ceiling of payments would be used and there would be no more room for manoeuvre. Despite that and the fact that it was an austerity budget, Mr Lamassoure welcomed the fact that the EP had been able to secure additional funding for key areas such as growth policies for research, education, innovation and youth employment. But he refrained from too much enthusiasm, noting that efforts had been limited: in 2014 an unemployed person would receive from the EU budget no more than one euro per day. Finally, Mr Lamassoure stressed that in 2014 there would be a new EP, a new Commission, new political orientations and new unexpected financial needs, so a revision of MFF would be necessary.

The rapporteur, Ms Jensen (ALDE, DK) said that this was a saving budget because of the economic situation of Member States, but the EP had been able to go beyond the Commission's draft budget on a number of issues. She paid tribute to the Lithuanian Presidency for its openness in reaching a compromise but criticised the attitude of some Member States which she considered to be too rigid.

The co-rapporteur Ms Hohlmeier (EPP, DE) pointed out that some EP services needed further staff.

The Lithuanian Deputy Minister for Finance, Algimantas Rimkūnas, speaking on behalf of the Council, welcomed the deal on a realistic budget that would provide for the appropriations needed in 2014 to finance the new programmes and actions agreed in the Multiannual Financial Framework for 2014 2020. Moreover, he stressed that the EP and the Council had been able to avoid any over-budgeting and had established a package that did not create an unnecessary burden on Member States' national budgets. Their financial contributions to the Union budget would be fully used to finance programmes and actions creating added value at European level, to the benefit of Europe's citizens. The Minister informed the EP that the Council had just approved the joint text and he reassured Members of the Presidency's commitment to set up the High Level Working Group on Own Resources.

Budget Commissioner Lewandowski pointed out that this was an unusual budget, the first under the new MFF and a bridge with the old one. It was also a lower budget, even lower than the reduction in Member States, budget which demonstrated the self-discipline of the EU. However the Commissioner emphasised that, despite the cuts, there were strengthened commitments in key areas. So, in the end, the 2014 budget was a tool for investment. He also recalled that the joint declaration attached to the joint text was equally important.

On behalf of political groups:

- Mr Riquet (EPP, FR) stressed that the system had reached its limits and that a reform of own resources was desperately needed.
- Mr Kalfin (S&D, BG) said he was unhappy with the size of the budget, but in some areas the EP had managed to restore the proposal of the Commission. He voiced his serious concerns on the level of payments: if any need arose, the flexibility instrument and the contingency margins had to be mobilised.
- Mr Mulder (ALDE, NL) said that this budget proved that the EU was able to save. At the same time margins were thin and the budgetary authority should make sure that the EU "can pay the bill".
- Mr Ashworth (ECR, UK) welcomed the deal because, while reducing the size of the budget by 6 %, it had at the same time injected more money into areas crucial for growth.
- Ms Sousa (GUE/NGL, PT) described the result of the conciliation as "miserable". She considered that the 2014 budget was another lost opportunity and punished EU citizens.
- Mr Paksas (EFD, LT) said that the result could have been better but was heading in the right direction.
- Mr Martin (NI, AT) voiced his opposition to the proliferation of agencies and considered that this budget was bringing poverty to everybody.

Members intervening on a personal behalf confirmed the general support expressed by groups' representatives on the outcome of the conciliation, despite concerns on the limited size of the budget. The fact that funding concentrated on areas which were crucial for growth and jobs was considered an excellent result for the EP. Mr La Via, rapporteur on the 2013 budget, speaking about the DAB 9, said that fresh resources had been found on this occasion but procedures had to be changed in the future.

Mr Lewandowski, taking the floor on behalf of the Commission at the end of the debate, rejected the argument raised by the GUE/NGL group that the provisional twelfths would have been better because - as the Commissioner pointed out - that would have represented a budget of EUR 7 billion less.

Minister Rimkūnas, on behalf of the Council, noted that the negotiations had proven that the EP and the Council shared the same overall objectives.