



Council of the
European Union

Brussels, 30 September 2014

13763/14

PE 345
FIN 694
INST 474

NOTE

from: General Secretariat of the Council
to: Delegations

Subject: Partial summary record of the meeting of the European Parliament's
Committee on Budgets (BUDG), held in Brussels 25 September 2014

The meeting was chaired by Mr ARTHUIS (ALDE, FR).

2. Chair's announcements

The Chairman informed the members that the joint hearing BUDG/CONT/JURI of the designated Commission Vice-President for Budget and Human Resources, Ms GEORGIEVA, will take place on 2 October at 13:30.

*** *Voting time* ***

16. 2014 Budget: Section III - Commission

Rapporteur: Mr DEPRez (ALDE, BE)

Transfers No DEC 25, 27, 32 and 33/2014 were approved.

17. 2014 Budget: Other Sections

Rapporteur: Ms HOHLMEIER (EPP, DE)

- **Section V – European Court of Auditors**

Transfers No V/AB-04/A/14, V/AB-05/A/14, V/AB-06/A/14, V/AB-07/T/14, V/AB-08/T/14,

V/AB-09/A/14, V/AB-10/C/14, V/AB-11/C/14, V/AB-12/C/14, V/AB-13/T/14 and V/AB-14/C/14

were approved.

- **Section VI – European Economic and Social Committee**

Transfer No DEC 1/2014 was approved.

- **Section VIII – European Ombudsman**

Transfer No 3/2014 was approved.

*** *End of vote* ***

Items 8, 9, 11 and 13 on the agenda

- **Draft Amending Budgets No 2, 3, 4 and 5/2014**

Rapporteur: Mr DEPRez (ALDE, BE)

All these items were discussed together.

Mr DEPRez presented his draft report on the Council's position on DAB No 2/2014, including the amendment to create a new line called "Reserve for additional payments", which would receive the EUR 1 005 million resulting from surplus of the implementation of the budget for 2013. The rapporteur admitted that the practicalities of this amendment were still under analysis, as this amount would exceed the MFF ceilings for 2014.

The rapporteur recalled the decisions already taken by the Committee, i.e. to handle Draft Amending Budgets No 2, 3 and 4 (and possibly 5) as a single package and to adopt all of them before the adoption of the Budget for 2015.

Draft calendar:

BUDG deadline for tabling amendments: 26 September 2014, 10:00

Vote in BUDG: 13 October 2014

Adoption in plenary: October II

5. General budget of the European Union for the financial year 2015 - all sections

Co-rapporteurs: Ms GARDIAZÁBAL RUBIAL (S&D, ES) and Ms HOHLMEIER (EPP, DE)

- Exchange of views

Ms GARDIAZÁBAL, rapporteur for the Commission's section of the budget, reported on the discussions held between political groups in order to reach an agreement on the basis of all the amendments presented. She indicated that negotiations were progressing well and that she therefore hoped that a package of amendments could be supported by the majority of groups.

Regarding commitments, the rapporteur indicated that a number of amendments will envisage to either stimulate the economy and growth (reinforcement of the research programmes, the SMEs and Erasmus+) or to support external relations, development and humanitarian aid.

Regarding payments, Ms GARDIAZÁBAL restated that the cuts agreed by the Council in its position were unacceptable. She advocated using maximum flexibility in the annual budget, including the mobilisation of the contingency margin in 2015, in order to alleviate the current situation of payment shortage. She added that reducing the snowball effect of payments by EUR 10 billion between 2014 and 2015 could make the situation more manageable in forthcoming years.

Mr ARTHUIS recalled that Commissioner DOMINIK estimated the backlog of payments at the end of 2014 at around EUR 24 billion and that the set of proposed measures to tackle the issue would only stabilise the situation, but would not solve the problem. Referring to the meeting on the payments situation held on 24 September, he added that Minister ZANETTI did not question the Commission's figures.

Mr FERNANDES (EPP, PT) stated that his political group makes a bet on a credible budget, showing solidarity and supporting Europe's 2020 growth strategies while at the same time complying with the limitations of the agreed multiannual financial framework (MFF). He insisted that the current bills had to be settled. He also defended the reinforcement of the fruit and milk school schemes.

Mr DEPREZ (ALDE, BE) broadly supported the rapporteur, adding the Digital agenda and the external aid to Ukraine and Middle East as priority areas. However, he tactically had some reserves regarding the proposed mobilisation of the contingency margin for 2015.

Mr TARAND (Greens/EFA, ET) stated that his political group was keen to ensure both solidarity within and credibility for the EU. He supported the intended reinforcements under Sub-heading 1a and Heading 4 of the MFF, including the mobilisation of all possible flexibility instruments. On the other hand, he proposed cuts on ITER and on subsidies to nuclear activities.

Mr KÖLMEL (ECR, DE), supported by Mr ZANNI (EFDD, IT), argued that a comprehensive solution was needed, that the resources should be better used, and further cuts made in the budget.

Ms GARDIAZÁBAL reminded her colleagues that the Committee had now to decide on the budget for 2015. She added that any structural solutions would be examined in the framework of the forthcoming MFF review or the High-level group on Own Resources.

Mr FERNANDES (EPP, PT), on behalf of Ms HOHLMEIER, co-rapporteur for the other Sections, indicated that negotiation on the Parliament's budget was still ongoing. He defended the rate of increase fixed in spring (+ 2.24 %), underlining that 1,4 % corresponds to legal obligations. He also raised the question of a possible restoration of Council's budget estimates.

Ms GRÄSSLE (EPP, DE) supported Parliament's budget increase. She was more critical of the budget increases proposed for the Court of Justice. She considered that this institution should improve its efficiency by other means than by increasing the number of judges.

Ms KALLAS (ALDE, ET) agreed in general with the rapporteur's proposal, including the reinforcement of the Court of Justice and the External Action Service and the support to the cooperation agreement between the Parliament, the Committee of the Regions and the Economic and Social Committee. She disagreed with the intended budget increases for the Council and the European Political Foundations.

Mr TARAND (Greens/EFA, ET) broadly agreed with the rapporteur's approach, but not with the budget increases proposed for both the Parliament and Committee of the Regions.

Finally, Mr ZANNI (EFDD, IT) was opposed to any increase in the institutions' budgets, including for European political groups, save the Court of Justice. Mr KÖLMEL (ECR, DE) added that savings should be found through restructuring.

Draft calendar:

Vote in BUDG on all budgetary amendments: 29/30 September 2014 and (poss.) 1 October

Deadline for tabling amendments to the resolution: 3 October 2014, 10:00

Vote in BUDG on the resolution: 7 October 2014

Deadline for re-tabling budgetary amendments not adopted by BUDG: 15 October 2014, 12:00

Adoption in plenary: 22 October 2014

**14. Mobilisation of the European Globalisation Adjustment Fund : application
EGF/2013/002 BE/Carsid – Belgium**

This item was postponed.

**15. Mobilisation of the European Globalisation Adjustment Fund: application
EGF/2014/006 FR/PSA**

This item was postponed.

18. Any other business

No other item was discussed.

19. Next meetings

29 September 2014, 15.00 – 16.00 (coordinators' meeting) and 16.00 – 18.30

30 September 2014, 9.00 – 12.30 and 15.00 – 18.30

1 October 2014, 9.00 – 12.30 and 15.00 – 18.30
