



Brussels, 11 December 2020
(OR. en)

13891/20

FIN 941
INST 303
PE-L 22

NOTE

From: General Secretariat of the Council
To: Permanent Representatives Committee

Subject: Second draft general budget of the European Union for the financial year 2021: Council position

1. The Conciliation Committee referred to in Article 314(5) TFEU, meeting on 4 December 2020, examined the Commission proposal for a draft general budget of the European Union for the financial year 2021¹, as modified by its letter of amendment No 1/2021².
2. In that meeting, the Conciliation Committee reached a common understanding on the content of the budget 2021, based on the 4th version of the draft elements for joint conclusions as presented by the Commission on 4 December 2020.
3. However, in the light of the circumstances as regards the multiannual financial framework (MFF) 2021-2027 and having regard to Article 312(1) TFEU, the Conciliation Committee concluded that it was not in a position to agree on a joint text within the 21-day conciliation period, as provided for in Article 314(5) TFEU.

¹ Doc. COM(2020) 300 final.

² Doc. 12894/20 (COM(2020) 748 final).

4. The Commission was therefore invited to submit a new draft budget (DB) 2021, in conformity with Article 314(8) TFEU, as soon as there were sufficient assurances that Article 312(1) TFEU could be complied with, in order to enable the European Parliament and the Council to expeditiously process such a new draft budget for 2021 on that basis.
5. Bearing in mind that the concerns which prevented an agreement on the MFF 2021-2027 package have been successfully addressed, the Commission presented on 10 December 2020 a second DB 2021³, taking due account of the common understanding reached in the Conciliation Committee on 4 December 2020, which the Council could therefore accept without any changes.
6. In order to allow the Council to adopt a position on the second DB 2021 as soon as possible with a view to a budget being definitively adopted before the beginning of the financial year 2021, thus ensuring the continuity of the Union's action, the Council has to decide, considering the urgency of the matter, to shorten, in accordance with Article 3(3) of its Rules of Procedure, the eight-week period for the information of National Parliaments laid down in Article 4 of Protocol No 1.
7. In view of the above, the Permanent Representatives Committee is invited to:
 - confirm its agreement on:
 - the Council Decision adopting the Council's position on the second draft general budget of the European Union for the financial year 2021, as set out in document 13890/20, accepting the Commission's second draft budget without any changes, and having the Council Decision published in the *Official Journal of the European Union*;

³ Doc. COM(2020) 836 final.

- instructing the Presidency to prepare the budgetary documents to be sent to the European Parliament, and approve the draft letter in the ANNEX to that effect; and
- enter in its minutes the joint statements Nos 1, 2 and 3 and the unilateral statements by the Commission Nos 4 and 5, set out in Addendum 1 to this note.
- confirm its agreement that, in view of the urgency of the matter, the Council decides to derogate, on the basis of the second subparagraph of Article 3(3) of the Council's Rules of Procedure, from the eight-week period referred to in the first subparagraph of that Article.
- decide, in accordance with the first subparagraph of Article 12(1) of the Council's Rules of Procedure and Article 1 of Council Decision 2020/430, that the Council uses the written procedure:
 - for the adoption of its position on the second DB 2021;
 - for the approval of the related joint statements 1, 2 and 3, and
 - for deciding to derogate from the eight-week period referred to in the first subparagraph of Article 3(3) of the Council's Rules of Procedure.

DRAFT LETTER

from : President of the Council

to : President of the European Parliament

Sir,

Please find under separate cover the Council's position on the second draft general budget of the European Union for the financial year 2021 as adopted by the Council on 14 December 2020⁴.

(Complimentary close)

⁴ Doc. 13892/20 + ADD 1 to ADD 4.