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Proposal for a

Interinstitutional Agreement

between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management

**Proposal for an
INTERINSTITUTIONAL AGREEMENT**

**between the European Parliament, the Council of the European Union and the
European Commission on budgetary discipline, on cooperation in budgetary matters
and on sound financial management**

THE EUROPEAN PARLIAMENT, THE COUNCIL OF THE EUROPEAN UNION AND
THE EUROPEAN COMMISSION,

hereinafter referred to as the Institutions,

HAVE AGREED AS FOLLOWS:

1. The purpose of this Agreement, adopted in accordance with Article 295 of the Treaty on the Functioning of the European Union (TFEU), is to implement budgetary discipline and improve the functioning of the annual budgetary procedure and cooperation between the institutions on budgetary matters as well as to ensure sound financial management.
2. This Agreement is binding on the Institutions for as long as it is in force. The Annex to this Agreement forms an integral part thereof.
3. This Agreement does not alter the respective budgetary powers of the institutions as laid down in the Treaties, in Council Regulation (EU, Euratom) 20XX/XXX ¹ ('the MFF Regulation') in Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council ² ('the Financial Regulation') and in Council Decision (EU, Euratom) 20XX/XX ³ (the 'Own Resources Decision'), and is without prejudice to the powers of national parliaments in respect of own resources.
4. Any amendment of this Agreement requires the common agreement of all the Institutions.
5. This Agreement is divided in three parts:
 - Part I relates to interinstitutional cooperation in relation to the the multiannual financial framework (MFF) and to the special instruments.
 - Part II relates to interinstitutional cooperation in budgetary matters.
 - Part III relates to interinstitutional cooperation during the budgetary procedure.
6. This Agreement enters into force on XX XX XX and replaces the Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources⁴.

¹ OJ L..., p.

² Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union, (OJ L, 2024/2509, 26.9.2024, ELI: <http://data.europa.eu/eli/reg/2024/2509/oj>).

³ Council Decision [(EU, Euratom) 20XX/XX of [...]] (OJ L..., p. ..., ELI...).

⁴ OJ L 433I, 22.12.2020, p. 28, ELI: http://data.europa.eu/eli/agree_interinstit/2020/1222/oj.

PART I

Interinstitutional cooperation in relation to the multiannual financial framework (MFF)

A. PROVISIONS RELATED TO INTERINSTITUTIONAL COOPERATION THROUGHOUT THE PROCEDURE LEADING TO THE ADOPTION OF THE FINANCIAL FRAMEWORK

7. In line with Article 312(5) TFEU, the Institutions shall take any measure necessary to facilitate the adoption of a new MFF or a revision thereof, in accordance with the special legislative procedure referred to in Article 312(2) TFEU. Such measures will include regular meetings and exchange of information between the European Parliament and the Council and, on the initiative of the Commission, meetings of the Presidents of the Institutions as set out in Article 324 TFEU in order to promote consultation and the reconciliation of the positions of the Institutions. Where a proposal for a new MFF or for a substantial revision has been presented, the Institutions will seek to determine specific arrangements for cooperation and dialogue between them throughout the procedure leading to its adoption.

B. PROVISIONS RELATED TO THE SPECIAL INSTRUMENTS

Flexibility Instrument

8. The Commission shall submit a proposal for the mobilisation of the Flexibility Instrument as referred to in Article 8 of the MFF Regulation after it has examined the possibilities for reallocating appropriations within the heading requiring additional expenditure.

The proposal for mobilisation of the Flexibility Instrument shall identify the needs to be covered and the amount. Such a proposal may be made in relation to a draft budget or a draft amending budget.

The Flexibility Instrument may be mobilised by the European Parliament and by the Council in the framework of the budgetary procedure set out in Article 314 TFEU.

Single Margin Instrument

9. The mobilisation of all or part of the amounts referred to in Article 7(1), point (c) of the MFF Regulation ('Contingency Margin') shall be proposed by the Commission after it has ascertained that the necessary commitment or payment appropriations, as the case may be, cannot be financed otherwise. Such a proposal may be made in relation to a draft budget or draft amending budget.

The Contingency Margin may be mobilised by the European Parliament and the Council in the framework of the budgetary procedure set out in Article 314 TFEU.

PART II

IMPROVEMENT OF INTERINSTITUTIONAL COOPERATION IN BUDGETARY MATTERS

A. INTERINSTITUTIONAL COOPERATION PROCEDURE

Incorporation of financial provisions in legislative acts

10. Where a legislative act concerning multiannual programmes or instruments, adopted in accordance with the ordinary legislative procedure, contains a provision in which the legislator lays down the indicative financial envelope for the programme, this amount shall constitute the prime reference for the European Parliament and for the Council during the annual budgetary procedure.

The European Parliament and the Council, and the Commission when it draws up the draft budget, undertake not to depart by more than 20 % from that amount for the entire duration of the programme or instrument concerned, unless duly justified new circumstances arise, including in relation to the Union's policy priorities, with account being taken of the results obtained from implementing the programmes and instruments.

This point does not apply to appropriations pre-allocated per Member State under Regulation [(EU) XXXX/XX] [National and Regional Partnership Fund].

Financial programming

11. In order to provide precise and reliable forecasts of the budgetary implications of basic acts within the meaning of Article 2(4) of the Financial Regulation and of pending legislative proposals, the Commission shall attach to the draft budget a complete indicative financial programming for headings 2 and 3 of the MFF. That programming, structured by heading, policy area and budget line, should identify:

- (a) the basic acts, with a distinction being drawn between multiannual programmes, legal acts establishing or entrusting tasks to decentralised agencies, and annual actions:
 - (1) for multiannual programmes the Commission should indicate the procedure under which they were adopted, the duration of the programmes, the total indicative financial envelope and the share allocated to administrative expenditure;
 - (2) for legal acts establishing or entrusting new tasks to decentralised agencies, the Commission should indicate the legal basis under which they were adopted and provide multiannual estimates;
 - (3) for annual actions (relating to pilot projects, preparatory actions) and actions financed under the prerogatives of the Commission, the Commission should provide multiannual estimates;
- (b) pending legislative proposals from the Commission with the latest update on their potential budgetary impact including, when necessary, the related need for reprogramming in case of adoption.

The indicative financial programming shall show transparently unallocated reserves and 'cushions' within multiannual programmes.

The Commission should consider ways of cross-referencing the financial programming with its legislative programming to provide more precise and reliable forecasts. For each legislative proposal, the Commission should indicate whether it is included in the programming communicated at the time of the presentation of the draft budget or after the final adoption of the budget. The Commission should inform the European Parliament and the Council in particular of:

- (a) all new legislative acts adopted and all pending proposals presented but not included in programming communicated at the time of the draft budget or after the final adoption of the budget (with the corresponding amounts);
- (b) legislation foreseen in the Commission's annual legislative work programme, with an indication of whether the actions are likely to have a financial impact.

Whenever necessary, the Commission should indicate the reprogramming entailed by new legislative proposals.

The indicative financial programming shall be updated after the adoption of the budget to incorporate the results of the budgetary procedure and any other relevant decision.

B. DECENTRALISED AGENCIES AND EUROPEAN SCHOOLS

12. Before presenting a proposal for the creation of a new decentralised agency, and after having considered the assignment of the envisaged tasks to an existing institution, agency or body, the Commission should produce a sound, complete and objective impact assessment, taking into account, inter alia, the critical mass of staff and competencies needed, cost-benefit aspects, coherence, subsidiarity and proportionality, the impact on Union activities, and the budgetary implications for the expenditure heading concerned. On the basis of that information and without prejudice to the legislative procedures governing the setting up of the decentralised agency, the European Parliament and the Council commit themselves, in the framework of budgetary cooperation, to arrive at a timely agreement on the financing of the proposed decentralised agency.

The following procedural steps shall be applied:

- firstly, the Commission shall systematically present any proposal for setting up a new decentralised agency to the first budgetary trilogue following the adoption of its proposal, and shall present the financial statement accompanying the legislative proposal for the creation of the decentralised agency and shall illustrate the consequences thereof for the remaining period of the financial programming;
- secondly, during the legislative process, the Commission shall assist the legislator in assessing the financial consequences of the amendments proposed; those financial consequences should be considered during the relevant steps of the applicable legislative procedure;
- thirdly, before the conclusion of the legislative process, the Commission shall present an updated financial statement taking into account potential amendments by the legislator; that final financial statement shall be discussed before a final agreement is reached and be formally endorsed by the legislator; it shall also be placed on the agenda of a subsequent budgetary trilogue (in

urgent cases, in simplified form), in view of reaching an agreement on the financing;

- fourthly, the agreement reached, taking into account the Commission's budgetary assessment with regard to the content of the legislative process, shall be confirmed in a joint declaration; that joint declaration shall be subject to approval by the European Parliament and by the Council, each in accordance with its own rules of procedure.

The same procedure should be applied to any amendment to a legal act concerning a decentralised agency which would have an impact on the resources of the agency in question.

Should the tasks of a decentralised agency be altered substantially by means of a legal act which does not encompass an amendment to the legal act originally setting up the agency in question, the Commission shall inform the European Parliament and the Council by means of a revised financial statement, so as to allow the European Parliament and the Council to arrive at a timely agreement on the financing of the agency.

13. Relevant provisions from the Common Approach annexed to the Joint Statement of the European Parliament, the Council of the European Union and the European Commission on decentralised agencies signed on 19 July 2012 should be duly taken into account in the budgetary procedure.
14. When the creation of a new European school is envisaged by the Board of Governors of the European Schools, a similar procedure is to be applied, mutatis mutandis, for its budgetary implications on the Union budget.

C. BUDGETARY SCRUTINY PROCEDURE FOR AN ACT OF THE COUNCIL UNDER ARTICLE 122 TFEU WITH POTENTIAL APPRECIABLE IMPLICATIONS FOR THE UNION BUDGET

15. Where the Commission submits a proposal for the adoption of an act of the Council under Article 122 TFEU with potential appreciable implications for the Union budget, the following arrangements for a procedure of budgetary scrutiny between the European Parliament and the Council with the active assistance of the Commission may apply.
16. The Commission will accompany any proposal for an act of the Council under Article 122 TFEU by an assessment of the budgetary implications of the proposed legal act and will indicate whether the act in question may, in its view, have appreciable implications for the Union budget. On that basis, the European Parliament and the Council may request that the procedure be initiated.

The procedure will take place in a Joint Committee consisting of representatives of the European Parliament and of the Council at the appropriate level. The Commission will participate in the work of the Joint Committee.

Without prejudice to the powers of the Council under Article 122 TFEU, the European Parliament and the Council will engage in a constructive dialogue with a view to seeking a joint understanding of the budgetary implications of the envisaged legal act having due regard to the urgency of the matter.

The procedure should take place during a period not exceeding two months, unless the act in question must be adopted before a specific date or, if the urgency of the matter so requires, within a shorter time limit fixed by the Council.

PART III

INTERINSTITUTIONAL COOPERATION IN THE ANNUAL BUDGETARY PROCEDURE

17. The Institutions shall take measures to facilitate the annual budgetary procedure.

The Institutions shall cooperate in good faith throughout the procedure with a view to reconciling their positions. The Institutions shall, at all stages of the procedure, cooperate through appropriate interinstitutional contacts in order to monitor the progress of the work and analyse the degree of convergence.

The Institutions shall ensure that their respective calendars of work are coordinated as far as possible, in order to enable proceedings to be conducted in a coherent and convergent way, leading to the final adoption of the general budget of the Union.

Budgetary trilogues may be held at all stages of the procedure and at different levels of representation, depending on the nature of the expected discussions. Each institution, in accordance with its own rules of procedure, shall designate its participants for each meeting, set out its mandate for the negotiations and inform the other institutions in good time of the arrangements for the meetings.

The details of interinstitutional cooperation during the budgetary procedure are set out in the Annex.

18. The Institutions shall, for the purpose of sound financial management, ensure as far as possible during the budgetary procedure and at the time of the adoption of the annual budget that sufficient margins are left available beneath the ceilings for the various headings of the MFF.

A. BUDGET IMPLEMENTATION, PAYMENTS AND RESTE À LIQUIDER (RAL)

19. Given the need to ensure an orderly progression of the total appropriations for payments in relation to the appropriations for commitments so as to avoid any abnormal shift of outstanding commitments (RAL), the Institutions agree to monitor closely the payment forecasts and the level of the RAL so as to mitigate the risk of hampering the implementation of Union programmes because of a lack of payment appropriations at the end of the MFF.

In the course of the budgetary procedure, the Institutions shall meet regularly with a view to jointly assessing the state of play and the outlook for budgetary implementation in the current and future financial years. That assessment shall take the form of dedicated interinstitutional meetings at the appropriate level, before which the Commission shall provide, as appropriate, a detailed state of play on payment implementation, on payment claims received and revised forecasts, including long-term forecasts, where applicable, as well as relevant information on contingent liabilities.

B. EXPENDITURE RELATING TO FISHERIES AGREEMENTS

20. Expenditure on fisheries agreements shall be subject to the following specific rules.

The Commission undertakes to keep the European Parliament regularly informed about the preparation, conduct and completion of the negotiations on fisheries agreements, including their budgetary implications.

In the course of the legislative procedure relating to fisheries agreements, the Institutions undertake to make every effort to ensure that all procedures are carried out as quickly as possible.

Amounts provided for in the budget for new fisheries agreements or for the renewal of fisheries agreements which are expected to enter into force or to be applied provisionally by 1 January of the financial year concerned shall be included in the main operational budget line.

Amounts provided for in the budget for new fisheries agreements or for the renewal of fisheries agreements which enter into force or are applied provisionally after 1 January of the related financial year shall be put in reserve.

If appropriations relating to fisheries agreements (including the reserve) prove insufficient, the Commission shall provide the European Parliament and the Council with the necessary information, on the causes of the situation, and on measures which might be adopted under established procedures. Where necessary and as appropriate, the Commission shall propose adequate measures.

Each quarter, the Commission shall present to the European Parliament and the Council detailed information about the implementation of fisheries agreements in force and a financial forecast for the remainder of the year.

21. Without prejudice to the relevant procedure governing the negotiation of fisheries agreements, the European Parliament and the Council commit themselves, in the framework of budgetary cooperation, to arrive at a timely agreement on the adequate financing of fisheries agreements.

C. FINANCING OF THE COMMON FOREIGN AND SECURITY POLICY (CFSP)

22. The total amount of CFSP operating expenditure shall be entered entirely in one budget chapter, entitled CFSP. That amount shall cover the real predictable needs, assessed in the framework of the establishment of the draft budget, on the basis of forecasts drawn up annually by the High Representative of the Union for Foreign Affairs and Security Policy (the 'High Representative'). A reasonable margin shall be allowed for to cover unforeseen actions. No funds may be entered in a reserve.
23. As regards CFSP expenditure which is charged to the general budget of the Union in accordance with Article 41 of the Treaty on European Union, the Institutions shall endeavour, in the Conciliation Committee as referred to in Article 314(5) TFEU, and on the basis of the draft budget established by the Commission, to secure agreement each year on the amount of the operating expenditure, and on the distribution of that amount between the articles of the CFSP budget chapter. In the absence of agreement, it is understood that the European Parliament and the Council shall enter in the budget the amount contained in the previous budget or the amount proposed in the draft budget, whichever is the lower.

The total amount of CFSP operating expenditure shall be distributed between the articles of the CFSP budget chapter as suggested in the third paragraph. Each article shall cover actions already adopted, actions which are foreseen but not yet adopted

and amounts for future — that is unforeseen — actions to be adopted by the Council during the financial year concerned.

Within the CFSP budget chapter, the articles into which the CFSP actions are to be entered could read along the following lines:

- civilian Common Security and Defence Policy missions, including single major missions as referred to in Article 52(1) point (g) of the Financial Regulation,
- other civilian CFSP actions,
- emergency and preparatory measures for these missions,
- non-proliferation and disarmament,
- European Union Special Representatives.

Since, under the Financial Regulation, the Commission has the authority to transfer appropriations autonomously between articles within the CFSP budget chapter, the flexibility deemed necessary for speedy implementation of CFSP actions shall accordingly be assured. In the event of the amount of the CFSP budget chapter during the financial year being insufficient to cover the necessary expenses, the European Parliament and the Council shall seek a solution as a matter of urgency, on a proposal from the Commission.

24. Each year, the High Representative shall consult the European Parliament on a forward-looking document, which shall be transmitted by 15 June of the year in question, setting out the main aspects and basic choices of the CFSP, including the financial implications for the general budget of the Union, an evaluation of the measures launched in the year n-1 and an assessment of the coordination and complementarity of CFSP with the Union's other external financial instruments. Furthermore, the High Representative shall keep the European Parliament regularly informed by holding joint consultation meetings at least three times a year, in the framework of the regular political dialogue on the CFSP, to be agreed at the latest on 30 November each year. Participation in those meetings shall be determined by the European Parliament and the Council respectively, bearing in mind the objective, and the nature of the information exchanged in those meetings.

The Commission shall be invited to participate in those meetings.

If the Council adopts a decision in the field of the CFSP entailing expenditure, the High Representative shall immediately, and in any event no later than 30 days thereafter, send the European Parliament an estimate of the costs envisaged (a 'financial statement'), in particular those costs regarding time-frame, staff employed, use of premises and other infrastructure, transport facilities, training requirements and security arrangements.

Once a quarter, the Commission shall inform the European Parliament and the Council about the implementation of CFSP actions and the financial forecasts for the remainder of the financial year.

Done at Brussels,

For the European Parliament
The President

For the Council
The President

For the Commission
The President

ANNEX

INTERINSTITUTIONAL COOPERATION DURING THE ANNUAL BUDGETARY PROCEDURE

Part A. Calendar of the budgetary procedure

1. The Institutions shall agree a pragmatic calendar each year in due time before the start of the budgetary procedure on the basis of present practice.

Part B. Priorities for the budgetary procedure

2. In due time before the adoption of the draft budget by the Commission, a budgetary trilogue shall be convened to discuss the funding priorities for the budget of the coming financial year. The discussions will take into account the Union's policy priorities identified by the Institutions in relevant documents and will aim to inform the budgetary procedure and explore how the priorities can best be reflected in the next budget.
3. The trilogue will also discuss any questions arising from the implementation of the budget of the current financial year on the basis of information provided by the Commission in accordance with point 19 of this Agreement.

Part C. Establishment of the draft budget and updating of estimates

4. The institutions, other than the Commission, are invited to adopt their statement of estimates before the end of March.
5. The Commission shall, each year, present a draft budget showing the Union's actual financing requirements in line with the Union's policy priorities and with due regard to the financial programming referred to in point 11 of this Agreement.
6. The European Parliament and the Council undertake to bear in mind the assessment of the possibilities for implementing the budget made by the Commission in its drafts and in connection with the implementation of the current budget.
7. In the interests of sound financial management and owing to the effect of major changes in the titles and chapters of the budget nomenclature on the management reporting responsibilities of Commission departments, the European Parliament and the Council undertake to discuss any major changes with the Commission during the conciliation procedure.
8. The Institutions shall, as far as possible, avoid entering items in the budget involving insignificant amounts of expenditure on operations.
9. In the interest of loyal and sound institutional cooperation, the European Parliament and the Council commit to maintaining regular and active contacts at all levels, through their respective negotiators, throughout the whole budgetary procedure and, in particular, during the conciliation period. The European Parliament and the Council undertake to ensure the timely and constant mutual exchange of relevant information and documents at both formal and informal levels, as well as to hold technical or informal meetings as needed, during the conciliation period, in cooperation with the Commission. The Commission shall ensure timely and equal access to information and documents for the European Parliament and the Council.
10. Until such time as the Conciliation Committee is convened, the Commission may, if necessary, submit letters of amendment to the draft budget in accordance with Article

314(2) TFEU, including a letter of amendment updating, in particular estimates for agriculture. The Commission shall submit information on updates to the European Parliament and the Council for their consideration as soon as it is available. It shall provide the European Parliament and the Council with all the duly justified reasons they may require.

Part D. Budgetary procedure before the conciliation procedure

11. A budgetary trilogue shall be convened in good time before the Council's reading, to allow the institutions to have an exchange of views on the draft budget.
12. In order for the Commission to be able to assess in due time the executability of amendments, envisaged by the European Parliament and the Council, which create new preparatory actions or pilot projects or which prolong existing ones, the European Parliament and the Council shall inform the Commission of their intentions in this regard, so that a first discussion may already take place at that budgetary trilogue.
13. A budgetary trilogue could be convened before the votes in plenary of the European Parliament.

Part E. Conciliation procedure

14. If the European Parliament adopts amendments to the Council's position, the President of the Council shall, during the same plenary sitting, take note of the differences in the positions of the two institutions and give his/her agreement for the President of the European Parliament to convene the Conciliation Committee immediately. The letter convening the Conciliation Committee shall be sent at the latest on the first working day of the week following the end of the parliamentary part-session during which the plenary vote was delivered, and the conciliation period shall start on the following day. The 21-day time period shall be calculated in accordance with Regulation (EEC, Euratom) No 1182/71 of the Council⁵.
15. If the Council cannot agree on all the amendments adopted by the European Parliament, it should confirm its position by letter sent before the first meeting foreseen during the conciliation period. In such case, the Conciliation Committee shall proceed in accordance with the conditions laid down in the following points of this Annex.
16. The Conciliation Committee shall be chaired jointly by representatives of the European Parliament and of the Council. Meetings of the Conciliation Committee shall be chaired by the co-chair from the institution hosting the meeting. Each institution, in accordance with its own rules of procedure, shall designate its participants for each meeting and define its mandate for the negotiations. The European Parliament and the Council shall be represented at an appropriate level in the Conciliation Committee, such that each delegation can commit politically its respective institution, and that actual progress towards the final agreement may be made.
17. In accordance with Article 314(5) TFEU, second subparagraph, the Commission shall take part in the Conciliation Committee's proceedings and shall take all

⁵ Regulation (EEC, Euratom) No 1182/71 of the Council of 3 June 1971 determining the rules applicable to periods, dates and time limits (OJ L 124, 8.6.1971, p. 1, ELI: <http://data.europa.eu/eli/reg/1971/1182/oj>).

necessary initiatives with a view to reconciling the positions of the European Parliament and the Council.

18. Budgetary trilogues shall take place throughout the conciliation procedure, at different levels of representation, with the aim of resolving outstanding issues and preparing the ground for an agreement to be reached in the Conciliation Committee.
19. Meetings of the Conciliation Committee and budgetary trilogues shall be held alternately at the premises of the European Parliament and of the Council, with a view to an equal sharing of facilities, including interpretation facilities.
20. The dates of the meetings of the Conciliation Committee and the budgetary trilogues shall be set in advance by agreement of the Institutions.
21. A common set of documents ('input documents') comparing the various steps of the budgetary procedure shall be made available to the Conciliation Committee ⁽⁶⁾. Those documents shall include 'line by line' figures, totals by MFF headings and a consolidated document with figures and remarks for all budget lines deemed technically 'open'. Without prejudice to the final decision of the Conciliation Committee, a specific document shall list all budget lines deemed technically closed ⁽⁷⁾. Those documents shall be classified by budgetary nomenclature.

Other documents shall also be attached to the input documents for the Conciliation Committee, including a letter of executability from the Commission on the Council's position and the European Parliament's amendments, and any letter(s) from other institutions concerning the Council's position or the European Parliament's amendments.

22. With a view to reaching agreement by the end of the conciliation period, budgetary trilogues shall:
 - (a) define the scope of the negotiations on the budgetary issues to be addressed;
 - (b) endorse the list of the budget lines deemed technically closed, subject to the final agreement on the entire budget of the financial year;
 - (c) discuss issues identified under point (a) with a view to reaching possible agreements to be endorsed by the Conciliation Committee;
 - (d) address thematic issues, including by headings of the MFF;

Tentative conclusions shall be drawn jointly during or immediately after each trilogue, and, simultaneously, the agenda of the following meeting shall be agreed. Those conclusions shall be registered by the institution hosting the trilogue and shall be deemed provisionally approved after 24 hours, without prejudice to the final decision of the Conciliation Committee.

23. The conclusions of budgetary trilogues and a document for possible endorsement shall be available to the Conciliation Committee at its meetings, together with the

⁶ The various steps include: the budget of the current financial year (including adopted amending budgets); the initial draft budget; the Council's position on the draft budget; the European Parliament's amendments to the Council's position and the letters of amendment presented by the Commission (if not yet fully approved by all institutions).

⁷ A budget line deemed technically closed is a line for which there is no disagreement between the European Parliament and the Council, and for which no letter of amendment has been presented.

budget lines in respect of which an agreement has been tentatively reached during the trilogues.

24. The joint text provided for in Article 314(5) TFEU shall be established by the secretariats of the European Parliament and of the Council with the assistance of the Commission. It shall consist of a letter of transmission addressed by the chairs of the two delegations to the Presidents of the European Parliament and Council, containing the date of the agreement at the Conciliation Committee, and annexes which shall include:
- (a) line by line figures for all budget items and summary figures by MFF headings;
 - (b) a consolidated document, indicating the figures and final text of all lines that have been modified during the conciliation procedure;
 - (c) the list of the lines not modified with regard to the proposal containing a draft budget or the Council's position on it;
 - (d) the Conciliation Committee may also approve conclusions and possible joint statements in relation to the budget.
25. The joint text shall be translated into the official languages of the institutions of the Union (by the services of the European Parliament) and shall be submitted for the approval of the European Parliament and the Council within a period of 14 days from the date of the agreement on the joint text pursuant to point 24 of this Annex.
- The budget shall be subject to legal-linguistic finalisation after the adoption of the joint text by integrating the annexes of the joint text with the budget lines not modified during the conciliation procedure.
26. The institution hosting the meeting (budgetary trilogue or conciliation) shall provide interpretation facilities with a full linguistic regime applicable to the Conciliation Committee meetings and an ad hoc linguistic regime for the trilogues.
- The institution hosting the meeting shall provide for the copying and distribution of room documents.
- The services of the Institutions shall cooperate in the encoding of the results of the negotiations in order to finalise the joint text.

Part F. Amending Budgets

General principles

27. Bearing in mind that amending budgets are frequently focused on specific and sometimes urgent issues, the Institutions agree on the following principles to ensure appropriate interinstitutional cooperation for a smooth and swift decision-making process for amending budgets while avoiding, as far as possible, having to convene a conciliation meeting for amending budgets.
28. As far as possible, the Institutions shall endeavour to limit the number of amending budgets.

Calendar

29. The Commission shall inform the European Parliament and the Council in advance of the possible dates of adoption of draft amending budgets, without prejudice to the final date of adoption.

30. Each in accordance with its internal rules of procedure, the European Parliament and the Council shall endeavour to examine the draft amending budget proposed by the Commission at an early opportunity after its adoption by the Commission.
31. In order to speed up the procedure, the European Parliament and the Council shall ensure that their respective calendars of work are coordinated as far as possible in order to enable proceedings to be conducted in a coherent and convergent fashion. They shall therefore seek as soon as possible to establish an indicative timetable for the various stages leading to the final adoption of the amending budget.
- The European Parliament and the Council shall take into account the relative urgency of the amending budget and the need to approve it in due time to be effective during the financial year concerned.

Cooperation during the readings

32. The Institutions shall cooperate in good faith throughout the procedure, clearing the way, as far as possible, for the adoption of amending budgets at an early stage of the procedure.
- When appropriate, and when there is a potential divergence, the European Parliament or the Council, before each takes its final position on the amending budget, or the Commission at any time, may propose that a specific trilogue be convened to discuss the divergences and to try to reach a compromise.
33. All draft amending budgets proposed by the Commission and not yet finally approved shall be entered systematically on the agenda of budgetary trilogues planned for the annual budgetary procedure. The Commission shall present the draft amending budgets and the European Parliament and the Council shall, as far as possible, make known their respective positions ahead of the budgetary trilogue.
34. If a compromise is reached during a budgetary trilogue, the European Parliament and the Council undertake to consider the results of the budgetary trilogue when deliberating on the amending budget in accordance with the Treaties and their respective rules of procedure.

Cooperation after the readings

35. If the European Parliament approves the position of the Council without amendments, the amending budget shall be adopted in accordance with the Treaties.
36. If the European Parliament adopts amendments by a majority of its component members, point (c) of Article 314(4) TFEU shall apply. However, before the Conciliation Committee meets, a budgetary trilogue shall be called:
- (a) if an agreement is reached during the budgetary trilogue and subject to the agreement of the European Parliament and the Council on the results of the budgetary trilogue, the conciliation shall be closed by an exchange of letters without a meeting of the Conciliation Committee;
 - (b) if no agreement is reached during the budgetary trilogue, the Conciliation Committee shall meet and organise its work in accordance with the circumstances, with a view to completing the decision-making process as much as possible before the 21-day deadline laid down in Article 314(5) TFEU. The Conciliation Committee may conclude by an exchange of letters.