## Amending budget 8/2013: reinforcement of payments by MFF heading and shortage of payment appropriations in the 2013 budget

2013/2227(BUD) - 19/11/2013 - Budgetary text adopted by Parliament

The European Parliament adopted by 575 votes to 88, with 18 abstentions, a resolution approving the Council position on Draft amending budget No 8/2013 of the European Union for the financial year 2013, Section III – Commission.

Parliament recalled that this Draft amending budget concerns the increase of payment appropriations of **EUR 3.9 billion** across headings 1a, 1b, 2, 3a, 3b and 4 of the multi-annual financial framework (MFF), with the aim of:

- meeting the outstanding needs to the end of the year;
- honouring legal obligations stemming from past and current commitments;
- avoiding financial penalties;
- enabling beneficiaries to receive the funds envisaged by the agreed Union policies, for which Parliament and Council authorised the related commitment appropriations in previous annual budgets.

The requested additional payment appropriations should reduce the level of outstanding commitments ('reste à liquider', RAL) as well as the risk of rolling over onto 2014 abnormally high levels of unpaid bills.

Members recalled that **DAB 8/2013 updates DAB 2/2013**, presented by the Commission in March 2013 for an amount of EUR 11.2 billion and only partially approved by the budgetary authority in September 2013 for an amount of EUR 7.3 billion.

Parliament stated that the overall amount of payment claims pending at the end of 2012 for cohesion policy (2007-2013), amounting to EUR 16.2 billion, had to be rolled over to 2013, consequently reducing the level of payments available in the budget 2013 to cover the payment needs of this year. That amount should reach **EUR 20 billion** at the end of 2013, under the assumption that DAB 8/2013 is adopted in its entirety.

Condition-based MFF Agreement: Parliament recalled that the political agreement reached in June 2013 included a political commitment from the Council to take all necessary steps to ensure that Union's obligations of 2013 are fully honoured, to formally adopt <u>DAB 2/2013</u> for EUR 7.3 billion, as well as to adopt without delay a further draft amending budget to be proposed by the Commission in early autumn to avoid any shortfall in justified payment appropriation. It recalled that the **Parliament had linked the adoption of the MFF to the adoption of the present amending budget**.

Members recalled that a Council position under Article 314(3) TFEU is a preparatory act and is **valid as from its date of adoption**. They considered the Council position on DAB 8/2013, which was transmitted to it by the President-in-office of the Council on 31 October 2013, to be valid as from the date of its adoption on **30 October 2013**.

They **rejected and ignored** the clause in the accompanying "decision" by which the Council purports to make the validity of its position on DAB 8/2013 conditional on the Parliament's approval of the agreement

on the multiannual financial framework for 2014-2020 and of the Council's position on Draft amending budget  $\frac{\text{No }9/2013}{\text{No }9/2013}$ .

In doing so, Members called on the European Parliament to approve the Council position on Draft amending budget No 8/2013 given that this should enable the Union to honour the totality of its legal obligations until the end of 2013.