

Procedure file

Basic information	
ACI - Interinstitutional agreement procedure 2011/2152(ACI)	Procedure completed
Interinstitutional Agreement on cooperation in budgetary matters and on sound financial management 2014-2020	
Repealing Interinstitutional Agreement of 17 May 2006 2004/2099(ACI)	
Subject	
8.40.10 Interinstitutional relations, subsidiarity, proportionality, comitology	
8.70 Budget of the Union	
8.70.03 Budgetary control and discharge, implementation of the budget	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	AFCO Constitutional Affairs		11/10/2011
		PPE TRZASKOWSKI Rafal	
		Shadow rapporteur	
		S&D YÁÑEZ-BARNUEVO GARCÍA Luis	
		ALDE ILCHEV Stanimir	
		Verts/ALE HÄFNER Gerald	
		ECR FOX Ashley	
		EFD MESSERSCHMIDT Morten	
	Committee for opinion	Rapporteur for opinion	Appointed
	BUDG Budgets		11/07/2013
		PPE DEHAENE Jean-Luc	11/07/2013
		S&D KALFIN Ivailo	
	CONT Budgetary Control	The committee decided not to give an opinion.	
Council of the European Union	Council configuration	Meeting	Date
	Competitiveness (Internal Market, Industry, Research and Space) 3276		03/12/2013
	General Affairs	3251	25/06/2013
European Commission	Commission DG	Commissioner	
	Budget	LEWANDOWSKI Janusz	

Key events		
	Non-legislative basic document published	Summary

29/06/2011		COM(2011)0403	
07/07/2011	Committee referral announced in Parliament		
14/10/2013	Vote in committee		
18/10/2013	Committee report tabled for plenary	A7-0337/2013	Summary
19/11/2013	Results of vote in Parliament		
19/11/2013	Debate in Parliament		
19/11/2013	Decision by Parliament	T7-0456/2013	Summary
19/11/2013	End of procedure in Parliament		
03/12/2013	Act adopted by Council after consultation of Parliament		
20/12/2013	Final act published in Official Journal		

Technical information

Procedure reference	2011/2152(ACI)
Procedure type	ACI - Interinstitutional agreement procedure
Procedure subtype	Interinstitutional agreement
	Repealing Interinstitutional Agreement of 17 May 2006 2004/2099(ACI)
Stage reached in procedure	Procedure completed
Committee dossier	AFCO/7/06462

Documentation gateway

Non-legislative basic document		COM(2011)0403	29/06/2011	EC	Summary
Supplementary non-legislative basic document		11298/2013	20/06/2013	CSL	Summary
Committee draft report		PE514.851	09/07/2013	EP	
Document attached to the procedure		11961/2013	15/07/2013	CSL	
Amendments tabled in committee		PE516.805	29/08/2013	EP	
Committee opinion	BUDG	PE516.802	09/10/2013	EP	
Committee report tabled for plenary, single reading		A7-0337/2013	18/10/2013	EP	Summary
Text adopted by Parliament, single reading		T7-0456/2013	19/11/2013	EP	Summary

Final act

[Interinstitutional agreement 2013/1220](#)
[OJ C 373 20.12.2013, p. 0001](#) Summary

PURPOSE: to propose a new [Interinstitutional Agreement \(IIA\)](#) to take over from the current IIA on budgetary discipline and sound financial management in the context of the future financial framework 2014-2020.

PROPOSED ACT: Interinstitutional Agreement.

BACKGROUND: the Commission presented, on 3 March 2010, proposals for a [Council Regulation](#) laying down the multiannual financial framework (MFF) for 2007-2013 and for a [new Interinstitutional Agreement \(IIA\)](#) on cooperation in budgetary matters. These two proposals, once adopted, will replace the [current IIA](#) and bring the provisions on the 2007-2013 financial framework and on cooperation of the institutions in the budgetary procedure in line with the Treaty. Meanwhile, the provisions of the current IIA that are not rendered obsolete by the Treaty remain valid.

These proposals deal with the new elements as compared with the March 2010 proposals, for both the proposal for a Regulation laying down the MFF for the years 2014 to 2020 and the [draft IIA](#) on cooperation in budgetary matters and sound financial management. This proposal for the MFF Regulation accompanied by the draft IIA represents the legal transposition of the Commission Communication on "[A Budget for Europe 2020](#)". It will be complemented by a proposal amending the Commission's proposal for a Regulation on the financial rules applicable to the annual budget of the Union in order to introduce a few new provisions which are part of the package of proposals for the 2014-2020 financial framework.

A financial framework that is flexible: the financial framework must provide for adequate levels of flexibility to allow for effective resources allocation and a swift Union response to unforeseen circumstances. Recent experience demonstrates that challenges resulting from unforeseen events with global repercussions have reached a new quality. The Union will increasingly be exposed to the effects of globalisation of the economy and society, to climate change, energy dependency, migratory pressure and other global challenges, most of which in areas for which the Lisbon Treaty has increased the Union's responsibility and role. This is why the Commission is proposing a financial framework that seeks to strike the right balance between strict budgetary discipline and predictability of expenditure, on the one hand, and the flexibility needed to enable the Union to respond to unforeseen challenges.

For the sake of integrity, the MFF draft regulations and the new IIA are presented together as part of a "package" to be negotiated and approved at the same time.

IMPACT ASSESSMENT: no impact assessment was carried out.

LEGAL BASIS: Article 295 of the Treaty on the Functioning of the European Union (TFEU).

CONTENT: the proposed new agreement is based on the draft IIA of March 2010, which is amended due to the flexibility requirements of the financial framework. The logic is to maintain, as far as possible, the rules currently in place that have proven to be effective, and maintain the balance of power and participation of institutions in the budgetary procedure. Only amending measures have been detailed.

Introduction ? the introductory part of the draft IIA introduces the Treaty reference (Art. 295), the binding nature of this agreement, its coherence with other legal acts linked to the multiannual financial framework and the budgetary procedure, describes the structure of the Agreement, and stipulates the date of its entry into force (the same date as the MFF Regulation). It reproduces the wording of Points 1 to 6 of the March 2010 proposal.

Part I ? provisions related to the financial framework and special instruments not included in the financial framework

A. Provisions related to the financial framework

- on rules on presenting information about operations not included in the budget (i.e. European Development Fund) and about the development of the categories of own resources. The practice of providing this information is maintained but it is proposed to present it no longer with the technical adjustment of the financial framework but with the documents accompanying the draft budget where this more logically belongs. The timing of the presentation remains practically the same (end of April/beginning of May). This change has been included already in the March 2010 proposal.
- as regards margins beneath the ceilings. The MFF Regulation establishes the ceilings for all headings that have to be respected during each annual budgetary procedure as required by the Treaty. However, the practice to ensure as far as possible sufficient margins beneath the ceilings should be preserved. It constitutes an element of the interinstitutional cooperation and good will of the institutions in the budgetary procedure and as such belongs in the IIA. The provision is kept without any changes to the current practice and also compared to the March 2010 proposal.
- an update of forecast for payment appropriations after 2020 in the fourth year of the financial framework, according to the current practice and the March 2010 proposal.

B. Provisions related to the special instruments not included in the financial framework

The existing instruments that are not included in the financial framework (the Emergency Aid Reserve, the Solidarity Fund, the Flexibility instrument and the European Globalisation Adjustment Fund) are maintained in the IIA. The MFF Regulation includes in Article 2 the possibility to mobilise them, if necessary, over and above the ceilings established by the financial framework. This split of the provisions between the two acts corresponds to the logic presented in March 2010 proposals.

The changes compared to the March 2010 proposal consist of the increase of the amounts for the Flexibility instrument and the Emergency Aid Reserve, a decrease of the amount of the European Globalisation Adjustment Fund, the introduction, subject to a provision to be introduced in the Financial Regulation, of the possibility to use unused portions of annual amounts available under the EAR until the year n+1 and broadening its scope to cover also situations of particular pressure resulting from migratory flows at the Union's external borders, the prolongation of that possibility for the Flexibility instrument from year n+2 to year n+3, as well as deleting the provisions which limit the yearly amounts available under the European Globalisation Adjustment Fund (EGF) to the availability of unspent and decommitted amounts from the previous two years and broadening its scope to help mitigate effects of globalisation affecting farmers. All amounts are expressed in 2011 prices to be coherent with the overall presentation of the financial framework. The mobilisation procedures are simplified compared to the current practice.

A new Reserve for major crises in the agriculture sector is proposed. Detailed rules for the eligibility of the assistance from this Reserve will be laid down in a specific legal base. The IIA defines the amount and the rules for its mobilisation.

A new instrument outside the financial framework ? the 'Contingency Margin' - is proposed. The wording corresponds, in substance, to the provisions adopted by the Council in its position of 18 January 2011 on the March 2010 proposals. However, the split of provisions on the

Contingency Margin corresponds to the logic of the March 2010 proposals ? i.e. maintaining in the IIA all the provisions related to the special instruments outside the financial framework.

Part II ? improvement of interinstitutional cooperation in budgetary procedure

- A. The interinstitutional collaboration procedure: the provisions on interinstitutional cooperation in budgetary procedure have been significantly amended compared to the current rules to comply with the new budgetary procedure introduced by the Treaty. All the provisions are included in the Annex of the IIA as proposed in March 2010. The provisions included in the annex correspond to the March 2010 proposal but incorporate the changes agreed since in the Declarations by the institutions.
- B. Incorporation of financial provisions in legislative acts: the provisions of the current IIA and therefore also of the March 2010 proposal are maintained. The possibility to depart from the amounts included in the legislative acts is increased from 5% to 10% in order to increase flexibility within the headings. This provision does not apply to amount pre-allocated to Member States for the whole duration of the financial framework and newly to the large scale project defined in Article 13 of the MFF Regulation.
- C. Expenditure relating to fisheries agreements: it is proposed to align the provisions of the current IIA on the expenditure relating to fisheries agreements with the new budgetary rules. The proposed change in wording reflects those parts of the existing text which are still relevant and they are purely related to good cooperation and keeping the institutions informed of developments. The provisions correspond to the March 2010 proposal, no changes were deemed necessary.
- D. Financing of the Common Foreign and Security policy: the provisions correspond to the March 2010 proposal, no changes were deemed necessary.
- E. Involvement of the institutions in the management of the European Development Fund: in order to improve parliamentary scrutiny of the European Development Fund (EDF) and bring it closer to the rules of the Development Cooperation financed by the Union's budget, a new provision is proposed to be introduced concerning the dialogue with the European Parliament on the programming documents to be financed by the EDF.
- F. Cooperation of the institutions in the budgetary procedure on administrative expenditure: a new provision is introduced aimed at making sure that institutions agree each year at an early stage of the budgetary procedure (timing introduced in Annex) on the sharing of administrative expenditure; the annual variation in the level of administrative expenditure for each institution should also reflect the possible budgetary impact from changes to provisions in the staff regulations and the impact of progressively reducing staff levels by 5% between 2013 and 2018 in all institutions, bodies and agencies.

Part III ? Sound financial management of EU funds: this part reproduces the text of the March 2010 proposal on the Financial programming (with a few adjustments to bring the text closer to the current practice) and on Agencies and European Schools (with an addition to follow the same rules as for setting up any new Agency to modifying the relevant legal act or modifying the tasks of any agency and a specification on the details of the impact assessment to be undertaken by the Commission before presentation of a proposal to establish a new Agency or a new European School).

The section on New or Innovative Financial Instruments is no longer necessary as the Financial Regulation will include a new Title entirely devoted to financial instruments and with detailed rules for reporting on those instruments.

Entry into force: the new IIA should enter into force on the same day as the MFF Regulation.

Interinstitutional Agreement on cooperation in budgetary matters and on sound financial management 2014-2020

Following an agreement in principle reached on 28 June 2013 by the Committee of Permanent Representatives, the Council proposes an amended version of the Draft Interinstitutional Agreement between the European Parliament, the Council and the Commission on budgetary discipline, cooperation in budgetary matters and on sound financial management.

The main provisions which were subject to amendment compared to the previous version of the Draft IIA may be summarised as follows:

(1) Provisions related to the special instruments: all of the measures have been maintained, with the exception of provisions concerning the following:

- crisis reserve in the agricultural sector which have been moved;
- contingency margin: the mobilisation of the Contingency Margin, or part thereof, shall be proposed by the Commission after a thorough analysis of all other financial possibilities. Such proposal may only be made in relation to a draft amending or annual budget, the realisation of which makes such proposal necessary. The decision to mobilise the Contingency Margin shall be taken jointly by the two arms of the budgetary authority simultaneously with the approval of the amending or annual budget the adoption of which it facilitates. The European Parliament and the Council shall act according to the voting rules foreseen in article 314 TFEU for the approval of the budget.

(2) Interinstitutional collaboration in budgetary procedure: new provisions have been introduced as regards budget transparency. The Commission shall prepare an annual report to accompany the EU budget, bringing together available and non-confidential information relating to:

- the assets and liabilities of the Union, including those arising from borrowing and lending operations carried out by the Union pursuant to its powers under the Treaties,
- revenue, expenditure, assets and liabilities of the EDF, EFSF, ESM, and other possible future mechanisms, including trust funds;
- expenditure incurred by Member States in the framework of enhanced cooperation, to the extent that they are not included in the annual budget.

As regards expenditure on fishery agreements: it is specified that representatives of the European Parliament may take part in bilateral and multilateral conferences negotiating international fisheries agreements, with observer status, taking account of Parliament's powers in the field of fisheries agreements. The two arms of the budgetary authority commit themselves, in the framework of budgetary cooperation, to arrive at a

timely agreement on the adequate financing of fisheries agreements.

Crisis reserve in the agricultural sector: this reserve was initially intended to provide additional support for the sector in case of major crises effecting the agricultural production or distribution in case it cannot be financed within the limits of the ceiling available for Heading 2 (EUR 500 million).

In the amended version of the text, it is stipulated that appropriations for this reserve shall be entered directly in the general budget of the European Union. Any amount of the Reserve not made available for crisis measures shall be reimbursed to direct payments. Expenditure related to measures for crises occurring between 16 October and the end of the year may be financed from the reserve of the following financial year under the conditions described in the IIA.

Financing of the CFSP: it is stipulated that the total amount of operating CFSP 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, and a reasonable margin for unforeseen actions. No funds may be entered in a reserve.

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

- single major missions as referred to in Article 49(1)(g) of the Financial Regulation,
- crisis management operations, conflict prevention, resolution and stabilisation, monitoring and implementation of peace and security processes,
- non-proliferation and disarmament,
- emergency measures,
- preparatory and follow-up measures,
- European Union Special Representatives.

Situation as regards the EU development policy and the EDF: the Commission will establish a common dialogue with the European Parliament on development policy issues regardless of their source of financing. The scrutiny of the European Parliament on the European Development Fund will be aligned on a voluntary basis to the scrutiny rights that exist under the EU general budget, specifically the Development Cooperation Instrument, pursuant to modalities to be fixed in the informal dialogue. The European Parliament and the Council note that the Commission, with a view to inter alia enhancing democratic scrutiny of development policy, intends to propose the budgetisation of the EDF as of 2021.

Cooperation as regards administration: each institution, body or agency is expected to present estimates of expenditure in the annual budgetary procedure consistent with the above orientations. To neutralise the additional capacity build up by the increase of working time to 40 hours a week, the European Parliament, the Council and the Commission agree to progressively render 5% of the staff as in the establishment plan on 1 January 2013. The reduction should apply to all institutions, bodies and agencies and be effected between 2013 and 2017.

(3) Provisions relating to the sound financial management of the EU Funds: the following elements have been introduced:

- Joint management: the Commission will ensure that the European Parliament, the Council and the Court of Auditors at their request, receive any information and documentation related to EU funds spent through international organisations, obtained under the verification agreements concluded with these organisations, which are considered necessary for the exercise of their competences under the TFEU.
- Evaluation report: in the evaluation report foreseen by Article 318 TFEU the Commission will distinguish the internal policies, focused on the Europe 2020 strategy, from the external ones and will use more performance information, including performance audit results, to evaluate the EU's finances based on the results achieved.
- Agencies: new technical provisions have been introduced to specify the adoption procedure of the new agency.

(4) Annex relating to the adoption of the budget: technical amendments have been made to the text of the Annex. The following provisions have been included:

Reste à liquider: 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 RAL from one year to another, the European Parliament, the Council and the Commission agree to closely monitor the level of the RAL so as to mitigate the risk of hampering the implementation of EU programmes because of a lack of payment appropriations at the end of the financial framework.

In order to ensure a manageable level and profile for the payments in all Headings, decommitments rules shall be applied strictly in all Headings, in particular the rules for automatic de-commitments. In the course of the budgetary procedure the three 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 years. In particular, in order to ensure that the Union can fulfill all its financial obligations stemming from existing and future commitments in the period 2014-2020, the two arms of the budgetary authority shall analyse and discuss the Commission's estimates as to the required level of payment appropriations.

Interinstitutional Agreement on cooperation in budgetary matters and on sound financial management 2014-2020

The Committee on Constitutional Affairs adopted the report by Rafał TRZASKOWSKI (PPE, PL) on the conclusion of the Interinstitutional Agreement (IIA) on cooperation in budgetary matters and on sound financial management.

Whilst calling on the European Parliament to adopt the IIA negotiated between the institutions, Members highlighted the long and laborious process of negotiations, both within Council and at interinstitutional level. They considered that the outcome constitutes an unsatisfactory implementation of the new provisions relating to the multiannual financial framework (MFF) as introduced by the Treaty of Lisbon, in particular with regard to the greater role and prerogatives granted by them to the European Parliament.

Members, in particular, denounced the negotiating strategy of the Council, in which its negotiators were bound by the conclusions of the European Council of 8 February 2013 in matters falling under the ordinary legislative procedure, such as :

- detailed allocation criteria,
- envelopes by programme or beneficiary,
- discretionary financial allocations adjusting the level of national returns from the Union budget,

preventing both legislative arms from conducting proper negotiations.

Members regretted, moreover, that the numerous contacts and meetings held over the past few years between its delegation and the successive presidencies of the Council had no impact on the spirit, calendar or content of the negotiations or on the Councils position, including the need to distinguish the legislative from the budgetary aspects of the agreement on the MFF.

In conclusion, Members called on the European Parliament to approve the political agreement reached on the MFF for 2014-2020 and on a new interinstitutional agreement. They are determined to make full use, in the course of forthcoming budgetary procedures, of the new instruments established, notably as regards flexibility

They indicated that, otherwise, in line with Article 312(5) TFEU, alternative working arrangements should be defined in the future to facilitate the adoption of the MFF, ensuring that the Parliaments legislative and budgetary powers, as granted by the TFEU, are fully respected, that Council actually negotiates any so-called MFF-related parts of the legal bases for the programmes. In general, Members considered that that the European Council should refrain from acting as a legislator, in breach of the TFEU.

Lastly, Members call for the Parliament Committee responsible for Budgets, in cooperation with the Committee responsible for Constitutional Affairs, to draw the necessary conclusions and come forward with new proposals, in due time ahead of the 2016 post electoral revision, on the modalities of MFF negotiations, so as to ensure the democratic and transparent nature of the whole budget setting process.

Interinstitutional Agreement on cooperation in budgetary matters and on sound financial management 2014-2020

The European Parliament adopted by 557 votes to 118, with 11 abstentions, a decision on the conclusion of the Interinstitutional Agreement (IIA) on cooperation in budgetary matters and on sound financial management.

Firstly, Parliament accepted the political agreement reached on the MFF for 2014-2020 and on a new interinstitutional agreement and is determined to make full use, in the course of forthcoming budgetary procedures, of the new instruments established, notably as regards flexibility.

Members highlighted the long and laborious process of negotiations, both within Council and at interinstitutional level. They considered that the outcome constitutes an unsatisfactory implementation of the new provisions relating to the multiannual financial framework (MFF) as introduced by the Treaty of Lisbon, in particular with regard to the greater role and prerogatives granted by them to the European Parliament.

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- detailed allocation criteria,
- envelopes by programme or beneficiary,
- discretionary financial allocations adjusting the level of national returns from the Union budget,
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In so doing, Parliament approved the conclusion of the IIA as agreed on by the institutions and which is set out in the Council document (please refer to the Agreement dated 20/06/2013).

Interinstitutional Agreement on cooperation in budgetary matters and on sound financial management 2014-2020

PURPOSE: to conclude an Interinstitutional Agreement (IIA) on budgetary discipline, on cooperation in budgetary matters and on sound financial management in continuation with the IIA of the preceding financial framework.

LEGISLATIVE ACT: Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management.

CONTENT: with this IIA, the European Parliament, the Council and the European Commission intend to implement rules to apply 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.

Budgetary discipline in this Agreement covers all expenditure.

The Agreement is in three parts:

- complementary provisions related to the multiannual financial framework (MFF) and provisions on special instruments not included in the MFF;
- provisions on interinstitutional cooperation during the budgetary procedure;
- provisions related to the sound financial management of Union funds.

Part I:

Financial framework: a certain number of principles are established to support the implementation of the MFF. The principles highlighted include the following:

- the principle of transparency of the amounts;
- the maintenance of sufficient margins beneath the ceilings for the various headings of the MFF, except in the sub-heading Economic, social and territorial cohesion;
- the updating in 2017 of the forecasts for payment appropriations after 2020, taking into account all relevant information, including the real implementation of budget appropriations for commitments and budget appropriations for payments, as well as the implementation forecasts.

Special instruments not included in the MFF:

- **Emergency Aid Reserve:** when the Commission considers that the Emergency Aid Reserve needs to be called on, it shall present to the European Parliament and the Council a proposal for a transfer from the Reserve to the corresponding budgetary lines a procedure applying to the mobilisation of this reserve;
- **European Union Solidarity Fund:** when the conditions for mobilising the European Union Solidarity Fund as set out in the relevant basic act are met, the Commission shall make a proposal to mobilise this Fund. Where there is scope for reallocating appropriations under the heading requiring additional expenditure, the Commission shall take that into account when making the necessary proposal. The decision to mobilise the Solidarity Fund shall be taken jointly by the European Parliament and the Council;
- **Flexibility Instrument:** the mobilisation of the Flexibility Instrument shall be proposed after the Commission has examined all possibilities for re-allocating appropriations under the heading requiring additional expenditure;
- **European Globalisation Adjustment Fund (EGAF):** when the conditions for mobilising the EGAF are met, the Commission shall make a proposal to mobilise it. The decision to mobilise the Globalisation Adjustment Fund shall be taken jointly by the European Parliament and the Council;
- **Contingency Margin:** the mobilisation of the Contingency Margin, or part thereof, shall be proposed by the Commission after a thorough analysis of all other financial possibilities. Such a proposal may only be made in relation to a draft amending or annual budget, for the adoption of which such a proposal would be necessary. The Commission shall accompany the proposal for the mobilisation of the Contingency Margin with a proposal for the reallocation, within the existing budget, of a significant amount, as far as supported by the Commission's analysis.

Part II:

Improvement of interinstitutional cooperation in budgetary matters: a series of rules intended to facilitate interinstitutional cooperation during the budgetary procedure are fixed in the All Annex. The key applicable rules concern:

- budgetary transparency;
- the incorporation of financial provisions in legislative acts;
- the specific rules relating to fisheries agreements so that the European Parliament is regularly informed about the preparation and conduct of the negotiations, including their budgetary implications
- the specific rules applicable to the expenditure for crises in the agricultural sector;
- the rules relating to the financing of the common foreign and security policy (CFSP) so that the total amount of CFSP operating expenditure shall be entered entirely in one budget chapter, entitled CFSP. This type of expenditure should be the subject of an agreement between the institutions moreover, an informal dialogue should be established with the European Parliament on the files relating to development policy, whatever the source of their financing (including the European Development Fund (EDF));
- the rules relating to interinstitutional cooperation on the budgetary procedure on administrative expenditure.

Part III:

Sound financial management of EU funds: this part is devoted to the healthy management of the European Funds. Among other rules, the IIA sets out that the Commission should ensure that the European Parliament, the Council and the Court of Auditors, at their request, receive any information and documentation related to Union funds spent through international organisations.

As well as transparency on the expenditure of granted funds, it is expected that the Commission will submit twice a year, a complete financial programming for headings 1 (except the sub-heading for Economic, social and territorial cohesion), 2 (for environment and fisheries only), 3 and 4 of the MFF.

These measures also apply to the management of agencies and the European schools.

Annex: the Annex sets out the details of interinstitutional cooperation during the budgetary procedure. The rules relating to the calendar and the budgetary priority procedures are specified, with the establishment of the budget (including the draft budget) relating to the conciliation procedure, the adoption of amending budgets and the management of the Reste à liquider (the RAL).

ENTRY INTO FORCE: 23.12.2013.

