

P7_TA-PROV(2014)0247

General guidelines for the 2015 budget - Section III

European Parliament resolution of 13 March 2014 on general guidelines for the preparation of the 2015 budget, Section III – Commission (2014/2004(BUD))

The European Parliament,

- having regard to Articles 312 and 314 of the Treaty on the Functioning of the European Union and Article 106a of the Treaty establishing the European Atomic Energy Community,
- having regard to Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020¹,
- having regard to the 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 management²,
- having regard to the European Union's general budget for the financial year 2014³ and to the four related joint statements agreed between Parliament, the Council and the Commission, as well as the joint statement by Parliament and the Commission on payment appropriations,
- having regard to Title II, Chapter 7 of its Rules of Procedure,
- having regard to the report of the Committee on Budgets (A7-0159/2014),

The EU budget – endowing citizens with the tools to find a way out of the crisis

1. Believes that despite some remaining headwinds the European economy is showing some signs of recovery, and considers that, while acknowledging the persistent economic and budgetary constraints at national level and the fiscal consolidation efforts being made by the Member States, the European budget must encourage this tendency by reinforcing strategic investment in actions with European added value in order to help put the European economy back on track, generating sustainable growth and employment while aiming to foster competitiveness and increase economic and social cohesion throughout the EU;
2. Highlights in particular the importance of the European Structural and Investment Funds, which form one of the biggest blocks of expenditure in the EU budget; underlines the fact that EU cohesion policy has been instrumental in sustaining public investment in vital economic areas and has achieved tangible results on the ground that can empower Member States and regions to overcome the current crisis and achieve the Europe 2020 targets; stresses the need to endow citizens with the tools to find a way out of the crisis; stresses in this regard the special need to invest in areas such as education and mobility, research and

¹ OJ L 347, 20.12.2013, p. 884.

² OJ C 373, 20.12.2013, p. 1.

³ OJ L 51, 20.2.2014.

innovation, SMEs and entrepreneurship, in order to boost EU competitiveness and contribute to the creation of employment – in particular youth and 50 + employment;

3. Considers it also important to invest in other areas such as renewable energy, the digital agenda, infrastructures, information and communication technologies and cross-border connectivity, and stronger and enhanced use of ‘innovative financial instruments’, particularly in respect of long-term investments; emphasises the need to strengthen EU industry as a central driver of job creation and growth; urges that, with a view to making EU industry strong, competitive and independent, the main focus should be on investment in innovation;
4. Underlines the importance of ensuring that sufficient resources are made available for EU external actions; recalls the international commitment made by the EU and its Member States to increase their official development assistance (ODA) spending to 0,7 % of GNI and to achieve the Millennium Development Goals by 2015;
5. Stresses the importance of ensuring the best possible coordination between the various EU funds, on the one hand, and between EU funds and national expenditure, on the other, so as to make optimum use of public money;
6. Recalls the recent agreement on the 2014-2020 multiannual financial framework (MFF), which defines the main parameters for the annual budgets until 2020; underlines the fact that each annual budget must be in line with the MFF Regulation and the Interinstitutional Agreement and should not be considered an excuse to re-negotiate the MFF; expects that the Council will not attempt to impose restricted interpretations of specific provisions, especially as regards the nature and scope of special instruments; reiterates its intention to make full use of all means available to the budgetary authority within the framework of the annual budget procedure in order to provide the EU budget with the necessary flexibility;
7. Emphasises that, as the second year of the new MFF, 2015 will be important for the successful implementation of the new 2014-2020 multiannual programmes; underlines the fact that, in order not to hamper the implementation of key EU policies, all programmes need to be up and running and in full swing as soon as possible; notes that the 2015 budget will be lower in real terms than the 2013 budget; urges, in this context, the Commission and the Member States to do their utmost to ensure the swift adoption of all partnership agreements and operational programmes in 2014, so as not to lose any additional time in implementing the new investment programmes; stresses the importance of the Commission’s full support for national administrations at all stages of the process;
8. Recalls the agreement within the MFF, which is being implemented for the first time in the 2014 budget, to frontload commitments for specified policy objectives relating to youth employment, research, Erasmus+ (in particular for apprenticeships) and SMEs; emphasises that, as part of the MFF agreement, a similar approach needs to be taken for the 2015 budget through the frontloading of the Youth Employment Initiative (EUR 871,4 million in 2011 prices) as well as of Erasmus+ and COSME (EUR 20 million each in 2011 prices); is particularly concerned about the funding of the Youth Employment Initiative after 2015 and requests that all funding possibilities, including the global MFF margin for commitments, be considered for this purpose;
9. Expresses, however, its concern about the possible adverse effects of additional backloading of the Connecting Europe Facility energy programme in 2015 and calls on the Commission

to provide adequate information on how such a decision would affect the successful launch of this new programme;

10. Emphasises the added value of bringing forward investments in these programmes, in order to help EU citizens to exit the crisis; invites the Commission, furthermore, to identify other possible programmes which could benefit from frontloading, are able to contribute to this aim and would be able to fully absorb such frontloading;
11. Stresses that, once again, the latest European Council conclusions (19 and 20 December 2013) on the Common Security and Defence Policy and migration flows will have an impact on the EU budget; reiterates its position that any additional projects agreed by the European Council need to be financed with additional resources and not through cuts in existing programmes and instruments, nor by conferring additional tasks on institutions or other EU bodies which are already at the limit of their capacities;
12. Underlines the importance of decentralised agencies, which are vital for the implementation of EU policies and programmes; notes that they enable economies of scale to be made through the pooling of expenditure that would otherwise be outlaid by each Member State to achieve exactly the same result; underlines the need to assess all agencies on a case-by-case basis in terms of budget and human resources and to provide them, in the 2015 budget and in the following years, with the appropriate financial means and staff to enable them to fulfil properly the tasks assigned to them by the legislative authority; emphasises, therefore, that the Commission communication entitled 'Programming of human and financial resources for decentralised agencies 2014-2020' (COM(2013)0519) must not form the basis for the draft budget with regard to agencies; stresses, furthermore, the important role of the new Interinstitutional Working Group on decentralised agencies, which should undertake closer and more permanent scrutiny of the development of agencies with a view to ensuring a coherent approach; expects this working group to deliver its first outcome in due time for Parliament's reading of the budget;
13. Recalls the joint statement on EU Special Representatives, in which Parliament and the Council agreed to examine the transfer of appropriations for the EU Special Representatives from the Commission's budget (Section III) to the budget of the European External Action Service (Section X) in the context of the 2015 budgetary procedure;

Payment appropriations – the EU must fulfil its legal and political commitments

14. Recalls that the overall level of payment appropriations agreed for the 2014 budget remains below the level considered necessary and proposed by the Commission in its original draft budget; notes that, as provided for in the new MFF Regulation and the new global margin for payments, the Commission should adjust the payment ceiling for the year 2015 upwards by the amount equivalent to the difference between the executed 2014 payments and the MFF payment ceiling for 2014; is deeply concerned that the unprecedented level of outstanding bills at the end of 2013, amounting to EUR 23,4 billion under Heading 1b alone, cannot be covered within the 2014 ceilings; calls for the mobilisation of the appropriate flexibility mechanisms for payments in 2014 and stresses that even this is not expected to be sufficient to avoid a large implementation deficit at the end of 2014; underlines the fact that the recurrent shortages in payment appropriations have been the main cause of the unprecedentedly high level of outstanding commitments (RALs), especially in the last few years;

15. Recalls that according to the Treaty¹ ‘the European Parliament, the Council and the Commission shall ensure that the financial means are made available to allow the Union to fulfil its legal obligations in respect of third parties’; expects the Commission in its draft budget to propose an adequate level of payment appropriations, based on real forecasts and not driven by political considerations;
 16. Insists on the use of all means available under the MFF Regulation, including recourse to the contingency margin and, if still proven to be necessary and only as a last resort, revision of the payment ceiling, in order to meet the Union’s legal obligations and avoid jeopardising or delaying payments to all stakeholders, such as researchers, universities, humanitarian aid organisations, local authorities and SMEs, and at the same time to decrease the amount of the outstanding year-end payments;
 17. Insists that the use of all special instruments for payments (the Flexibility Instrument, the contingency margin, the EU Solidarity Fund, the European Globalisation Adjustment Fund and the Emergency Aid Reserve) must be entered in the budget over and above the MFF payment ceiling;
 18. Calls for the Commission, in view of the alarming situation with regard to payment appropriations in the area of humanitarian aid at the very beginning of 2014, in particular the EUR 160 million backlog in payment appropriations for humanitarian aid carried over from 2013 to 2014, to take all necessary measures and to react as quickly as possible in order to ensure the proper delivery of EU humanitarian aid in 2014; stresses that the level of payment appropriations for humanitarian aid should keep up with the probable growth of commitment appropriations, which should be taken into consideration in the draft budget for 2015;
 19. Recalls the joint statement on payment appropriations and the bilateral statement by Parliament and the Commission in the framework of the agreement on the 2014 budget; calls on the Commission to keep the budgetary authority fully informed of the development of payments and the evolution of RALs throughout the current year and insists that regular interinstitutional meetings should be held to monitor the payments situation;
- o
- o o
20. Instructs its President to forward this resolution to the Council, the Commission and the Court of Auditors.

¹ Article 323 TFEU.