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REPORT

on the Council position on Draft amending budget No 2/2015 of the European Union for the financial year 2015, Section III – Commission (07660/2015 – C8-0098/2015 – 2015/2013(BUD))

Committee on Budgets

Rapporteur: Eider Gardiazabal Rubial

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on the Council position on Draft amending budget No 2/2015 of the European Union for the financial year 2015, Section III – Commission (07660/2015 – C8 - 0098/2015 – 2015/2013(BUD))

The European Parliament,

- having regard to Article 314 of the Treaty on the Functioning of the European Union,
- having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002¹, and in particular Article 41 thereof,
- having regard to the general budget of the European Union for the financial year 2015, as definitively adopted on 17 December 2014²,
- having regard to Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020³ (MFF Regulation),
- 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 management⁴,
- having regard to Draft amending budget No 2/2015, which the Commission adopted on 20 January 2015 (COM(2015)0016),
- having regard to the position on Draft amending budget No 2/2015 which the Council adopted on 21 April 2015 and forwarded to Parliament on 22 April 2015 (07660/2015),
- having regard to Council Regulation (EU, Euratom) No [2015/623](#) of 21 April 2015 amending Regulation (EU, Euratom) No 1311/2013 laying down the multiannual financial framework for the years 2014-2020⁵,
- having regard to Rules 88 and 91 of its Rules of Procedure,
- having regard to the report of the Committee on Budgets and the opinion of the Committee on Regional Development (A8-0138/2015) ,

¹ OJ L 298, 26.10.2012, p. 1.

² OJ L 69, 13.3.2015, p. 1.

³ OJ L 347, 20.12.2013, p. 884.

⁴ OJ C 373, 20.12.2013, p. 1

⁵ OJ L [103](#), [22.4.2015](#), p. 1.

- A. whereas Draft amending budget No 2/2015 relates to the proposal for a Council regulation amending the MFF Regulation (COM(2015)0015) as provided for in its Article 19,
 - B. whereas Article 19 of the MFF Regulation provides for a revision of the multiannual financial framework in the case of late adoption of rules or programmes under shared management to transfer allocations not used in 2014 to subsequent years, in excess of the corresponding expenditure ceilings,
 - C. whereas commitment appropriations for programmes under shared management within the meaning of Article 19 of the MFF Regulation lapsed in 2014 for an amount of EUR 21 043 639 478 in current prices which corresponds to the 2014 tranches of programmes that could neither be committed in 2014 nor carried over to 2015,
 - D. whereas Draft amending budget No 2/2015 provides for the transfer of the largest share of those allocations to the 2015 budget with smaller transfers to be integrated into the Draft Budgets for the years 2016 and 2017,
 - E. whereas Draft amending budget No 2/2015 proposes a EUR 16 476,4 million increase in commitment appropriations in 2015 for the various funds under shared management under sub-heading 1b, heading 2 and heading 3,
 - F. whereas Draft amending budget No 2/2015 also proposes an increase of EUR 2,5 million for the Instrument for Pre-accession Assistance (IPA II) under heading 4, to preserve similar treatment between contributions from heading 4 and heading 1b to the European Regional Development Fund (ERDF) – European territorial cooperation (ETC) programmes,
1. Notes Draft amending budget No 2/2015, as submitted by the Commission, and the Council's position thereon;
 2. Recalls that such a revision of the MFF Regulation is a standard procedure at the beginning of each MFF period and that the corresponding Draft amending budget needs to be aligned to this revision;
 3. Recalls that it is vital for European citizens and for the economies in all Member States that the unused appropriations for the year 2014 can be transferred to subsequent years in order to contribute to the creation of jobs and growth;
 4. Welcomes the fact that the unused appropriations for the year 2014 were transferred, to the maximum extent possible, to the financial year 2015 as this will avoid unfair treatment of certain Member States, regions and operational programmes, accelerate the implementation and delivery of Cohesion policy and help avoid the concentration of payments at the end of the MFF period;
 5. Is concerned however about the long-term impact this one-year postponement will have on the overall situation on payments; calls therefore on the Commission to monitor the implementation closely and to do its utmost to avoid the snowball effect of unpaid bills by presenting adequate proposals to adjust the annual levels of payment appropriations

should the need arise, in line with the relevant provisions of the MFF Regulation;

6. Draws attention to the fact that the decision to transfer most of the unused appropriations from 2014 to 2015 may require a flexible approach from the Commission in order to address possible difficulties resulting from an uneven financial profile, which could lead to unused commitments in the period 2014-2020; calls on the Commission to propose adequate measures, in case such a situation might arise, based on similar past experience that took into account the late approval of programmes;
7. Underlines the need to agree on this Draft amending budget in due time in order to allow for a swift adoption of all programmes concerned;
8. Approves the Council position on Draft amending budget No 2/2015;
9. Instructs its President to declare that Amending budget No 1/2015 has been definitively adopted and arrange for its publication in the Official Journal of the European Union;
10. Instructs its President to forward this resolution to the Council, the Commission, the Court of Auditors, the Committee of the Regions and the national parliaments.

27.3.2015

OPINION OF THE COMMITTEE ON REGIONAL DEVELOPMENT

for the Committee on Budgets

on the Council position on Draft Amending Budget No 2/2015 of the European Union for the financial year 2015, Section III – Commission (2015/2013(BUD))

Rapporteur: Victor Boștinaru

SUGGESTIONS

The Committee on Regional Development calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Supports the Commission's proposal on the DAB No 2/2015, accompanying the proposal for a Council Regulation amending Regulation (EU, Euratom) No 1311/2013 laying down the multiannual financial framework for the years 2014-2020 ('MFF Regulation'), which requests the transfer of commitment appropriations not used in 2014 due to the late adoption of programmes under shared management, including for the European Structural and Investment Funds;
2. Deems essential that the DAB No 2/2015 be adopted as swiftly as possible, it being a necessary condition for the adoption of programmes, including Cohesion Policy ones, for which it was not possible to use 2014 allocations; recalls in this regard the importance of the European Structural and Investments Funds and of their programmes as a vital source of investments and growth and jobs in Member States;
3. Welcomes the overall logic of the proposal, which transfers unused 2014 allocations for heading 1b Economic, Social and Territorial Cohesion to 2015, aiming at guaranteeing equal treatment between programmes adopted under the carry-over procedure and programmes which should be adopted in 2015 based on the MFF revision and on the DAB No 2/2015 proposal;
4. Regrets that the 2014 contributions from the ERDF to the cross-border programmes under the Instrument for Pre-Accession Assistance (IPA) and the European Neighbourhood Instrument (ENI) are transferred to 2017; considers that these programmes, although

being limited in financial terms, are of great importance for both the Member States and candidate or neighbouring countries involved; stresses the potential difficulties and delays that this transfer may cause at the operational level, despite the commitments envisaged for 2015 and 2016; emphasises that continuity of the policy supported by these two instruments should be guaranteed;

5. Is concerned that a significant number of programmes are still pending adoption, and considers essential that all programmes are adopted and rolled out as soon as possible and by mid-2015 at the latest so that the implementation of the policy suffers no further delays; in this regard urges the Commission to strengthen its efforts; emphasizes, however, that while speeding up the adoption process it is important to maintain a high focus on quality;
6. Considers that, given that the implementation of the 2014-2020 MFF started with a significant backlog in payments, with unpaid bills amounting at the end of 2014 to some EUR 24 771 million for the 2007-13 programmes of the ESF, ERDF and Cohesion Fund, the transfer of appropriations under DAB No 2/2015 will have an important impact on the payments situation under heading 1b, in particular from 2017, which should be addressed;
7. Considers that the proposed DAB No 2/2015 does not address sufficiently this issue of payments, and expects the Commission to provide complete and timely information and data on the appraisal of the payments' forecasts by the beginning of April, so that all measures and instruments to meet payments needs under heading 1b may be put forward sufficiently in advance in order not to aggravate further the payments backlog;
8. Reiterates in this context that the payments backlog under heading 1b is an issue of structural and political relevance, which requires a long term solution, possibly in the context of the MFF mid-term review/revision under Article 2 of the MFF Regulation;
9. Points out that the transfer of unused 2014 commitments to 2015 can exercise high pressure on some Member States, resulting in difficulties in the absorption of the funds, and in a higher risk of decommitment; asks therefore the Commission to provide Member States with all the necessary assistance, and to propose appropriate measures to overcome problems.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	26.3.2015
Result of final vote	+: 37 -: 0 0: 2
Members present for the final vote	Pascal Arimont, José Blanco López, Franc Bogovič, Victor Boștinaru, Mercedes Bresso, Andrea Cozzolino, Rosa D'Amato, Michela Giuffrida, Anna Hedh, Krzysztof Hetman, Ivan Jakovčić, Constanze Krehl, Andrew Lewer, Louis-Joseph Manscour, Martina Michels, Iskra Mihaylova, Andrey Novakov, Younous Omarjee, Stanislav Polčák, Fernando Ruas, Monika Smolková, Ruža Tomašić, Monika Vana, Matthijs van Miltenburg, Lambert van Nistelrooij, Derek Vaughan
Substitutes present for the final vote	Isabella Adinolfi, Martina Anderson, Enrique Calvet Chambon, Salvatore Cicu, Andor Deli, Elena Gentile, Ivana Maletić, James Nicholson, Jan Olbrycht, Bronis Ropė, Julie Ward, Milan Zver
Substitutes under Rule 200(2) present for the final vote	Daniela Aiuto

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	16.4.2015
Result of final vote	+: 30 -: 0 0: 0
Members present for the final vote	Jean Arthuis, Reimer Böge, Lefteris Christoforou, Jean-Paul Denanot, Gérard Deprez, José Manuel Fernandes, Eider Gardiazabal Rubial, Ingeborg Gräßle, Iris Hoffmann, Monika Hohlmeier, Bernd Kölmel, Zbigniew Kuźmiuk, Vladimír Maňka, Siegfried Mureşan, Younous Omarjee, Pina Picierno, Paul Rübig, Patricija Šulin, Eleftherios Synadinos, Paul Tang, Isabelle Thomas, Inese Vaidere, Marco Valli, Daniele Viotti, Marco Zanni
Substitutes present for the final vote	Andrey Novakov, Ivan Štefanec, Nils Torvalds, Derek Vaughan, Tomáš Zdechovský