



Unpaid bills sink EU budget talks

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Parliament wants to reduce the growing pile of unpaid bills, while Council's proposal, revealed on the very last day of the budget talks, only aggravates the payment crisis, said Budgets Committee MEPs after conciliation talks between member states and the Parliament broke down on Monday night. The Commission will now present a new draft budget.

"We must have a concrete response to the unbearable problem of unpaid invoices accumulating on the desks of the Commission. This jeopardises the credibility of the EU authority and feeds the arguments of europhobes", said leader of the parliamentary delegation Jean Arthuis (ALDE, FR).

Payments, again

"How credible can an EU be which tells member states to control their public spending and yet puts entrepreneurs, researchers and Erasmus students in difficulty by not honouring its commitments?" Mr Arthuis asked.

In the negotiations, which continued until the midnight deadline, Parliament could not accept the Council's stance, which would halve the sum the Commission asked for to pay the most urgent bills, in order to stop the snowballing of unpaid bills. The Commission has repeatedly said that the €4.7 billion requested in May was the bare minimum necessary for that purpose.

Windfall revenue should pay debt

Parliament wants to use exceptional windfall revenues of €5 billion from fines to settle some of the most urgent bills. Yet member states said they would prefer to channel the extra income back into their national budgets.

Flexible resources

Parliament also wants to secure €11 billion in aid funds to deal with natural disasters, mass redundancies and humanitarian crises in 2014-2020, in addition to - and not included in, as the Council wishes - the amounts agreed in the EU's seven-year budget.

Parliament wants to see a roadmap drawn up with a precise timetable for reducing the mountain of unpaid bills.

Late Council position

"The conciliation talks that started three weeks ago are suffering from hemiplegia, so that half the budgetary body has not been functioning", said Mr Arthuis.

Parliament received Council's negotiating position on the very last day of a three-week period, which should have served to conciliate the diverging positions to arrive at a workable budget for the Union.

The next step

Press release

With no agreement closing the budget conciliation process, the European Commission will have to present a new draft budget, re-launching the budget procedure. If there is no deal on the 2015 budget by 1 January 2015, the Union will have run on “provisional twelfths”, i.e. one twelfth of the 2014 amount for each month.

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