

Parliament's estimates of its 2016 budget

On 29 April 2015, the European Parliament (EP) is scheduled to vote on a report defining its priority objectives and proposed budget for next year as part of the procedure to establish the 2016 general budget of the European Union (EU). The EP's budget accounts for around 1.2% of the EU budget.

The first step in the EU's annual budgetary procedure

The European Parliament (EP) and the Council establish the EU's annual budget in accordance with a special legislative procedure, which provides for a single reading and specific deadlines for each of the institutional actors involved ([Article 314](#) of the Treaty on the Functioning of the European Union). Except for the European Central Bank, the first step in the procedure concerns all institutions, each of which must prepare **estimates of its expenditure for the following financial year** before 1 July. In practice, the estimates are usually prepared well before the deadline so as to facilitate the smooth running of the procedure. The Commission is then tasked with consolidating these estimates and submitting a proposal containing the draft general budget of the EU to the EP and the Council for examination, amendment and adoption.

How the EP prepares its estimates of revenue and expenditure

The EP has defined internal organisational and operational rules concerning the preparation of its budgetary estimates in its Rules of Procedure (RoP) – Rules [96](#) and [97](#) – which involve a number of institutional actors. The **Bureau's** final decision on the establishment plan of the EP marks the start of the internal procedure for drawing up the estimates proper. Based on a report by the **Secretary-General** on the proposed priorities and resources for the following year, the Bureau prepares the preliminary draft estimates and forwards them to the **Committee on Budgets (BUDG)**. The latter prepares the draft estimates by means of a report, which defines the priority objectives and proposed budget of the EP. A **conciliation procedure** takes place between the Bureau and the BUDG Committee if their positions diverge. Once an agreement is reached, this is endorsed by both bodies and subsequently submitted to the **plenary** for the final adoption of the estimates.

Estimates for financial year 2016

The conciliation meetings of 24 March, 14 and 15 April 2015 allowed the delegations of the Bureau and BUDG Committee to reach agreement, setting the proposed level of the EP's operational expenditure for the year 2016 at some **€1 823.64 million**. This would be a 1.6% increase compared to the current year's budget. The agreement includes an **additional €15 million** for exceptional extraordinary expenditure aimed at reinforcing the security of the EP's buildings and its cybersecurity, both identified as priorities for next year. The Bureau and the BUDG Committee are due to endorse the agreement on 27 April, with the plenary scheduled to vote on the [report](#) (rapporteur: Gérard Deprez, ALDE, Belgium) two days later.

Some data on the EP's budget

The EP's budget accounts for **around 1.2% of the total EU budget** in 2015, covering administrative expenditure to ensure the functioning of an institution with 751 Members and 24 official languages. Since less than 6% of the EU budget is allocated to the heading 'Administration', this means that about one fifth of this heading is earmarked for the EP. Against the backdrop of increased legislative powers and duties for the EP under the Lisbon Treaty, all EU institutions, bodies and agencies including the EP are committed to reducing their staff by 5% between 2013 and 2017. This year's rapporteur [analysed](#) the evolution of the EP's budget since the entry into force of the Lisbon Treaty, concluding that the EP has kept a prudent approach towards its own budget in line with the difficult economic context. The main areas of spending for the EP are: Personnel (33%); Members (23%); Buildings (13%); IT & telecoms (6%); Groups, parties and political foundations (6%); Information (5%); and Contractual agents and external translation/interpretation (6%).