



Tuesday 4 March 2014
From 09.00 – 12.30
Brussels - Room ASP 5G-3



In the Chair: A. Lamassoure, Chair

1. Adoption of agenda

2. Chairman's announcements

2.1. Languages available

Available: BG, CS, DA, DE, EN, ES, FR, HR, HU, IT, LT, LV, NL, PL, PT, SK, SV

2.2. Webstreaming

Members are informed that this BUDG meeting will be webstreamed (apart from Coordinators' meeting) on the following link:

<http://www.europarl.europa.eu/wps-europarl-internet/frd/live/live-program?language=en>

Please be aware that each time a speaker activates the microphone to make an intervention the camera will be automatically directed to the speaker.

2.3. Other announcements

The latest implementation and "RAL" figures of the 2013 Budget are now available at the following Intranet link:

<http://www.ipolnet.ep.parl.union.eu/ipolnet/cms/poldep/ptd/pid/2303>

3. Approval of minutes of:

- 22 January 2014
- 12 February 2014

BUDGET 2015

4. General guidelines for the 2015 budget - Section III

Rapporteur: E. Gardiazábal

- *Exchange of views*

See point 13 below.

5. Estimates of revenue and expenditure for the financial year 2015 - Section I - Parliament

Rapporteur: S. Garriga Polledo

- *Exchange of views*

See point 14 below.

6. System of own resources of the European Union

Co-Rapporteurs : A.E. Jensen - J.L. Debaene

- *Exchange of views*

The Co-Rapporteurs on own resources, Mr Dehaene and Ms Jensen will present to BUDG Members their draft report on the Council text for an own resources decision. As the Commission proposals of June 2011 for the reform of the own resources system were widely supported by the Parliament, the Rapporteurs regret that the Council did not uptake them in its text, thereby disregarding the position of the European Parliament.

The Rapporteurs however recommend not to object to the Council's draft because of the expectations placed into the establishment of the High-Level group for own resources whose mandate is to produce a first assessment of the current system's shortcomings by the end of 2014 and to convene an inter-institutional conference during 2016 to assess the outcome of its work, with the final aim to provide the Commission with the necessary means to propose a successful reform for the period covered by the next multiannual financial framework.

The Rapporteurs are also introducing some amendments to the Council text, underlying the importance of a comprehensive reform of the revenue side of the EU budget and reminding the Parliament's position on the own resources system.

The following calendar will apply to the 3 legislative proposals related to own resources.

Draft calendar

Date	Body	Event
12 February	BUDG	Discussion without text
4 March	BUDG	Presentation of draft report
11 March, 12.00	BUDG	Deadline for AMs - 12.00
1 April	BUDG	Vote in BUDG
April II	Plenary	Adoption in Plenary

7. Implementing measures for the system of own resources of the European Union

Co-Rapporteurs : A.E. Jensen - J.L. Debaene

- *Exchange of views*

While the Rapporteurs regret that the Council did not uptake fully the Commission proposal for an implementing regulation, they welcome this first occasion of applying the provisions of the Lisbon Treaty regarding the implementing regulation. In their draft report they recommend that the Parliament gives its consent to the draft text proposed by the Council.

Draft calendar

Date	Body	Event
12 February	BUDG	Discussion without text
4 March	BUDG	Presentation of draft report
11 March, 12.00	BUDG	Deadline for AMs
1 April	BUDG	Vote in BUDG
April II	Plenary	Adoption in Plenary

8. The methods and procedure for making available the traditional and GNI-based own resources and the measures to meet cash requirements (recast)

Co-Rapporteurs : A.E. Jensen - J.L. Debaene

- *Exchange of views*

The proposal for draft Council Regulation on the methods and procedures for making available the traditional and GNI-based own resources and the measures to meet cash requirements is a recast of existing legislation (Regulation No 1150/2000 implementing Decision 2007/436 EC on the system of the European Communities own resources, as amended by Council Regulation No 105/2009) in order to ensure that cash requirements are met under the new structure of own resources. The relevant legal basis for this regulation lays in Article 322 (2) of the TFEU.

The draft presented by the Council does not significantly alter the proposal of the Commission, except for adjusting it to the final outcome of MFF/ OR negotiations, where the proposals for a new VAT-own resource and an FTT own resource did not receive Council's support.

All in all, and based on the favourable opinion of the JURI committee, the Rapporteurs recommend adopting the present draft Council Regulation without any modifications.

Draft calendar

Date	Body	Event
12 February	BUDG	Discussion without text
4 March	BUDG	Presentation of draft report
11 March, 12.00	BUDG	Deadline for AMs
1 April	BUDG	Vote in BUDG
April II	Plenary	Adoption in Plenary

9. Negotiations on the MFF 2014-2020: lessons to be learned and the way forward

Co-Rapporteurs : J.L. Dehaene - I. Kalfin

- *Exchange of views*

On 16 January 2014, the Conference of Presidents authorised BUDG committee to draft an own-initiative report entitled "Negotiations on the MFF 2014-2020: lessons to be learned and the way forward".

The Rapporteurs presented their draft initiative report on 22 January.

100 amendments were tabled to the report, including from the ITRE and FEMM Committees, and AFCO, under Article 50, REGI, LIBE and EMPL will deliver an opinion.

An exchange of views will take place on the basis of the amendments received.

Draft calendar

Date	Body	Event
22 Jan	BUDG	Presentation of draft report
20 Feb	BUDG	Deadline for AMs
04 March	BUDG	Exchange of views
19 March	BUDG	Vote in BUDG
April (tbc)	Plenary	Adoption in Plenary

10. Draft Amending Budget No 1 to the general budget 2014 - Statement of revenue by section - Statement of expenditure by section - Section III - Commission

Rapporteur: A.E. Jensen

- *Exchange of views*

On 11 February 2014 the Commission adopted its first proposal for an Amending Budget for 2014 (DAB 1/2014).

It concerns the following:

- The adjustments needed to implement the proposed European Investment Fund (EIF) capital increase;
- Changes arising from the legal base for Horizon 2020, adopted in December 2013, after the adoption of the 2014 budget;
- The creation of the budget structure for the proposed Shift2Rail joint undertaking.

There is no net budgetary impact arising from these changes.

As the Council's reading is likely to be done in the beginning of April, the 42 days in which the Parliament has to vote after that will end in mid-June, which is a period of no plenary session in the Parliament. Therefore, the report should be adopted in April II plenary session.

In line with established practice and since it is no controversial proposal, the Rapporteur suggests to BUDG Members to adopt a draft report not amending the Council position on condition that it does not modify the COM proposal.

Draft calendar

Date	Body	Event
4 March	BUDG	Exchange of views
10 March, 18.00	BUDG	Deadline for AMs
1 April	BUDG	Vote in BUDG
April II	Plenary	Adoption in Plenary

11. Capital increase of the European Investment Fund

Rapporteur: E. Gardiazábal

- *Exchange of views*

See point 15 below.

12. Debate with Commissioners Lewandowski and Georgieva on emerging financing needs, in particular in relation to EU humanitarian aid

BUDG and DEVE members will hold a joint debate with Commissioners Lewandowski and Georgieva on the overall payment situation, and in particular humanitarian aid, and the future needs in relation to unforeseen events.

Following alarming signals from NGOs and the media about a possible liquidity problem in the field of humanitarian aid, in January 2014 the Chairs of BUDG and DEVE wrote a letter to the two Commissioners asking for concrete information on the gravity of the problem and reminding them of the readiness of the Parliament to take all necessary measures to react as quickly as possible in case of need. In their reply the two Commissioners pointed out that 32% of the total available amounts in 2014 for payment appropriations in humanitarian aid have already been disbursed, part of them covering the backlog from 2013. They also admitted that a payment shortage is likely to appear later in this year and the Commission will propose appropriate measures to resolve it.

A further exchange of views will take place in the presence of the two Commissioners, addressing also the situation in other fields than humanitarian aid.

Voting time

13. General guidelines for the 2015 budget - Section III

Rapporteur: E. Gardiazábal

- *Consideration and adoption*

BUDG will vote on the General guidelines for the 2015 budget – Section III. 60 amendments had been tabled by the deadline on 11 February. The Rapporteur proposes compromises on 9 paragraphs and 4 oral amendments. The debate and vote in plenary are scheduled for following week.

Draft calendar

Date	Body	Event
22 January	BUDG	Exchange of views
11 Feb, 12.00	BUDG	Deadline for AMs
4 March	BUDG	Vote
March	Plenary	Adoption in plenary

14. Estimates of revenue and expenditure for the financial year 2015 - Section I - Parliament

Rapporteur: S. Garriga Polledo

- *Consideration and adoption*

The Members should vote on the draft report on the Preliminary Draft Estimates of the European Parliament for the financial year 2015.

A first exchange of views between coordinators and Shadow rapporteurs took place on 5 February, in Strasbourg, in the presence of Alejo VIDAL-QUADRAS, Vice-President of the European Parliament and Member of the Bureau-BUDG Working Group and Klaus WELLE, EP's Secretary-General.

The first exchange of views with the Bureau on the Secretary-General's report on the guidelines and preliminary draft estimates for the 2015 budget took place during the pre-conciliation meeting of 18 February.

At the preparatory meeting of 18/02, the BUDG Delegation agreed upon the mandate to be given to the Rapporteur for the conciliation. Two steps approach: to agree on the overall level of increase for the 2015 budget and leave the new EP decide in the autumn on new priorities.

The particularity of an election year, the importance of financing the mandatory expenditure and the need to continue the reforms put forward in the framework of the Joint BUDG-Bureau Working Group have to be taken into account during the negotiations.

After the Bureau meeting of 24 February, at which the Bureau endorsed the SG's proposal on the preliminary draft estimates, three rounds of conciliation meetings between BUDG Delegation and Bureau took place in Strasbourg, on 25 and 26 February, which did not result in an agreement.

Draft calendar:

2015 BUDGET PROCEDURE		
Dates 2014	Bodies	Stages
5 February (STR)	BUDG COORD	Presentation of the SG Report
12 February	BUDG	Presentation of the Draft report by SGP
18 February	BUDG/ Bureau	Pre-Conciliation
24 February (STR)	Bureau	Adoption of the Draft Estimates
25&26 February (STR)	BUDG/ Bureau	Conciliation
27 February at noon	BUDG	Deadline for AMs
4 March (tbc)	BUDG	Adoption of the BUDG draft report
March (12 -13) (tbc)	Plenary	Adoption of the EP Estimates

15. Capital increase of the European Investment Fund

Rapporteur: E. Gardiazábal

- *Consideration and adoption*

Point 26 of the conclusions of the European Council 19/20 December 2013 called on the Commission and the EIB to further enhance the capacity of the EIF through an increase in its capital with a view to reaching final agreement by May 2014. Considering the need to respond to the conclusions of the European Council in a timely manner and given the urgency to support the EU policy goals in the field of growth and job creation in the post-crisis environment, the capacity created by EIF's capital increase is sought to be enhanced already in 2014. A conclusion of the ordinary legislative procedure before elections would be necessary to enable the EU to support the capital increase in the EIF's General Meeting in spring 2014. Otherwise, a delay to 2015 could occur.

It is proposed to use part of the appropriations available for COSME and Horizon 2020 for the proposed EIF capital increase. The EU subscription to the new shares in the EIF would be made over a four year period starting in 2014 and would cost approx. EUR 170 million (dividends being used to cover part of the cost of the new shares). The necessary adjustment to the 2014 budget has been proposed separately in draft amending budget n°1 to EU budget 2014. It is budgetary-neutral.

On 12 February, Eider Gardiazábal was appointed Rapporteur for this legislative proposal for which BUDG is the lead committee.

After consultation of national delegations in Council and of the relevant EP services in the light of these time constraints, coordinators have approved a short timetable in order to adopt both this proposal and the corresponding DAB at the April II plenary:

Members' attention is also drawn to the following:

1°) ITRE and ECON committees have decided not to deliver an opinion so as not to delay the timetable.

2°) National delegations in Council have been consulted and agreed to a fast-track procedure, aiming at an agreement at the stage of first reading; a meeting was convened in Council on Tuesday 25 February for discussing content, as a blocking minority of MSs had raised concerns over Art. 2 (treatment of dividends). After a second meeting on 4 March p.m., Council may be ready to negotiate with the EP already on 6 March or the week after, with a view to agreeing on a final text to be submitted to BUDG committee on 19 March.

3°) The legal base for the proposal since last Decision has changed: the European Parliament is now in codecision with the Council under Article 173(3) TFEU

4°) The draft report contains a consolidated amendment introducing a new Recital and a new Article with the aim of clarifying this new legal basis.

As background information, Members will find in the Meeting documents:

- the PowerPoint for the presentation of the evaluation of the EIF own resources activity in the BUDG meeting of 28 November 2012, by Gerassimos Thomas, DG ECFIN, Director for Finance, Coordination with EIB Group, EBRD and Innovative Financial Instruments,
- the joint Commission-EIB report to the European Council issued on 27-28 June 2013: “Increasing lending to the economy: implementing the EIB capital increase and joint Commission-EIB initiatives”) following the EIB capital increase in 2012

One amendment has been received within the deadline.

Once adopted this report shall constitute, in line with art. 70 RoP, the mandate for Parliament's negotiators. Members will also vote on the decision to enter into negotiations and the setup of the negotiating team.

Draft calendar:

Date	Body	Event
24 February	BUDG	Circulation of draft report on EIF capital increase
27 Feb., 10.00	BUDG	Deadline for AMs (EN only)
4 March	BUDG	Vote in BUDG
April II	Plenary	Adoption in Plenary

16. Mobilisation of the European Globalisation Adjustment Fund - application EGF/2013/008 ES/Comunidad Valenciana textiles from Spain

Rapporteur: F. Daerden

- *Consideration and adoption*

The BUDG Committee will vote on the Rapporteur's draft report on the mobilisation of EGF assistance for 198 enterprises operating in manufacture of textiles in the region of Comunidad Valenciana in Spain.

The amount of the foreseen EGF contribution for the reintegration of 300 workers into employment is EUR 840 000.

In total 7 amendments were tabled within the deadline.

Draft calendar:

Date	Body	Event
12 February	BUDG	Presentation of draft report
19 February	BUDG	Deadline for AMs
13 February	EMPL	Vote in EMPL
04 March	BUDG	Vote in BUDG
March	Plenary	Adoption in Plenary

17. Protocol setting out the fishing opportunities and the financial contribution provided for in the Fisheries Partnership Agreement between the European Community and the Republic of Seychelles

Rapporteur: F. Alfonsi

- *Consideration and adoption*

The EU negotiates with the Republic of Seychelles in view of renewing the protocol to their Fisheries Partnership Agreement. The main aim of the protocol is to provide fishing opportunities for European Union vessels in the waters of the Republic of Seychelles. The new protocol covers a period of six years (2014-2019) and provides for a total financial contribution of EUR 30 700 000 for the whole period. The draft opinion proposes to support the protocol.

No amendment has been tabled.

18. EU-Comoros Protocol setting out the fishing opportunities and financial contribution provided for in the Fisheries Partnership Agreement between the two parties currently in force

Rapporteur: F. Alfonsi

- *Consideration and adoption*

The EU negotiates with the Union of the Comoros with a view to renewing the protocol to their Fisheries Partner-

ship Agreement. The main aim of the protocol is to provide fishing opportunities for European Union vessels in the fishing zone of the Union of the Comoros within the limits of the available surplus. The new protocol covers a period of three years from 1 January 2014 and provides for a total financial contribution of EUR 1 800 000. The draft opinion proposes to support the protocol.

No amendment has been tabled.

19. Budget 2014 – Section III

Rapporteur: A. Jensen

- *Any transfer request*

DEC 01/2014

DEC 01 corresponds to the decision for mobilisation of the European Globalisation Adjustment Fund, treated in point 16 of today's agenda.

20. Budget 2014 - Other Sections

Rapporteur: M. Hohlmeier

- *Any possible request*

No request

21. Buildings policy

Rapporteur: M. Hohlmeier

- *Any possible request*

EBA notification - Long Term Solution

Further to the early information received on 18 October 2013, EBA submitted the notification for approval of its long term office solution on 4 February 2014.

As the rental contracts of the existing office accommodation expire in 12/2014 and the office space currently available is relatively expensive and not sufficient for EBA's staff needs, a new long term office solution for a rental period of 12 years is proposed by EBA.

EBA's request will be discussed.

End of voting time

22. Reporting of the work of the Joint Working Group Bureau/Budg

Chair of BUDG delegation: G. Lyon

Postponed, as no meeting of the Joint Working Group took place since last BUDG meeting.

23. Any other business

24. Next meeting:

- *19 March 2014 - 09.00-12.30 and 15.00-18.30*
- *20 March 2014 - 09.00-12.30*