

Transitional procedural guidelines on budgetary matters in view of the entry into force of the Lisbon Treaty

European Parliament resolution of 12 November 2009 on transitional procedural guidelines on budgetary matters in view of the entry into force of the Lisbon Treaty (2009/2168(INI))

The European Parliament,

- having regard to the Treaty on the European Union and the Treaty Establishing the European Community,
 - having regard to the Treaty of Lisbon (TL),
 - having regard to the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management¹ (IIA),
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities² (Financial Regulation),
 - having regard to its resolution of 7 May 2009 on the financial aspects of the Treaty of Lisbon³,
 - having regard to its resolution of 25 March 2009 on the Mid-Term Review of the 2007-2013 Financial Framework⁴,
 - having regard to Rule 48 of its Rules of Procedure,
 - having regard to the report of the Committee on Budgets (A7-0045/2009),
- A. whereas the TL introduces important modifications in financial and budgetary matters, notably by rendering the multiannual financial framework (MFF) a legally binding act with which the annual budget has to comply, by suppressing the distinction between compulsory and non-compulsory expenditure and by substantially simplifying the budgetary procedure,
- B. whereas these modifications render obsolete some of the provisions of the IIA and of the Financial Regulation,
- C. whereas its entry into force will thus require the rapid adoption of several legal acts necessary to put into practice the new “financial constitution” of the Union, notably:
- the adoption of the new regulation containing the MFF;

¹ OJ C 139, 14.6.2006, p. 1

² OJ L 248, 16.9.2002, p. 1.

³ Texts adopted, P6_TA(2009)0374.

⁴ Texts adopted, P6_TA(2009)0174.

- the adaptation of the Financial Regulation to the new principles on how to adopt and implement the budget;
 - the approval of a new IIA containing mainly rules on the collaboration of the institutions during the annual budgetary procedure that are not included in the two mentioned legal instruments,
- D. whereas even if the procedures to adopt these new instruments run smoothly, they will require long negotiations and may last for several months after the entry into force of the TL,
- E. whereas in order to ensure the appropriate application of the principles of the TL, it would be advisable for the institutions to agree on some provisional guidelines allowing for the implementation of the budget, for the adoption of amending budgets if it proves indispensable to do so and on the practical modalities of interinstitutional collaboration in the framework of the budgetary procedure for 2011,
- F. whereas these transitional guidelines should be in place at the beginning of 2010, which would require them to be agreed at the budgetary conciliation before the second reading of the Council, scheduled for 19 November 2009,
- G. whereas in order to ensure that Parliament's delegation - representing one branch of the budgetary authority - has a solid position for the future negotiations it should be given clear orientations based on a mandate endorsed by Parliament,
1. Welcomes the imminent entry into force of the TL, which will give full application to the principle of joint approval by the two branches of the budgetary authority - if necessary through the convening of the conciliation committee - of the whole annual budget; considers that this principle should *sic et simpliciter* be applied, with the necessary adaptations (such as a simplified form of conciliation), to all other budgetary procedures not specifically mentioned in the Treaties, such as the adoption of amending budgets and transfers;
 2. Considers it necessary for both branches of the budgetary authority to agree on transitional guidelines for the implementation of the budget, notably the approval of transfers, on the adoption of amending budgets and on principles for practical interinstitutional collaboration during the annual budgetary procedure, which would be applicable until the adoption of the legal acts necessary to ensure the implementation of the new rules introduced by the TL is complete;
 3. Stresses that conditions for agreement on these guidelines should be that the latter fully respect the institutional balance, that they entirely secure Parliament's new budgetary prerogatives under the TL (in terms of content, procedure and calendar) and that they be applied only until the relevant legal acts are adopted and enter into force;
 4. Considers that in any case transitional measures may neither diverge from the general principles set by the new Treaty nor prejudice the forthcoming legislative procedures, but that they should allow the two arms of the budgetary authority to find the necessary practical arrangements pending the adoption of the legislation;
 5. Considers that such transitional guidelines are necessary in the areas concerning the

procedure for adoption of amending budgets, the approval of transfers and the definition of a pragmatic calendar and collaboration principles applicable to the annual budgetary procedure, in order to provide a framework for the cooperation between the two arms of the budgetary authority with a view to facilitating the smooth and successful running of the procedures;

Amending budgets

6. Recalls that amending budgets may be adopted only following the same procedure established by the treaties for the annual budgetary procedure, including the conciliation committee if necessary, except in so far as the calendar is concerned, and considers that, as for the annual budget, the budgetary authority has the right to introduce amendments on elements not known at the moment of the adoption of the budget;
7. Stresses that the current number of amending budgets is excessive and should be reduced as much as possible, in order to comply with the conditions set out in Article 37 of the Financial Regulation in respect of their presentation; considers it desirable for the institutions to agree on some periods of the year on which amending budgets should be presented, except in very urgent circumstances;
8. Points out that the purpose of the transitional guidelines concerning amending budgets should aim to facilitate reaching an agreement by the two branches of the budgetary authority without ruling out resorting to the conciliation committee; considers that this goal could be pursued through improving the exchange of information between the Commission and the two branches of the budgetary authority and amongst each other; stresses, however, that those guidelines must fully respect the prerogatives of Parliament concerning the budgetary procedure which applies in general to amending budgets, as mentioned above;

Transfers

9. Considers that Parliament and Council should have the possibility of expressing, on equal terms, their approval of, or opposition to, all transfers currently submitted for approval of the budgetary authority, irrespective of their nature (payments or commitments) and of their amounts, to the extent that such transfers represent a deviation from the decision of the budgetary authority; considers, therefore, that a procedure respecting the balance between the two branches of the budgetary authority, including, if necessary, a simplified form of conciliation, is the only option compatible with the TL;
10. Considers that a possible agreement on transfers shall aim at avoiding conflicts between the two branches of the budgetary authority, which are both entitled to pronounce themselves on an equal footing, avoiding complicating usual management by the relevant services, and harmonising the calendar in order to possibly avoid the convocation of conciliation structures, without putting into question the current level of intervention of Parliament in the adoption of transfers; considers it desirable that the threshold for transfers remains constant;

Provisional twelfths

11. Considers that the TL contains sufficiently clear rules on provisional twelfths allowing for its application in case of necessity without the need for transitional guidelines on the matter;

Calendar and collaboration principles for the annual budgetary procedure

12. Considers that the calendar of the annual procedure should continue to allow a wide consultation of the different bodies within Parliament and respect multilingualism requirements; stresses that it is not ready to accept a reduction of the period of time available for taking its decisions;
13. Is of the opinion that transitional guidelines on collaboration principles should aim at improving the cooperation between the institutions during the different stages of the budgetary procedure and adapting (and anticipating, if necessary) the different steps of the pragmatic calendar to the new rules on the budgetary procedure, with a view to transforming what have become purely formal meetings into genuine in-depth exchanges of views; stresses its wish, however, that a new reduced IIA on establishing sound rules on these matters be agreed between the institutions before the budgetary procedure for 2011 starts;
14. Calls on the Commission to present as soon as possible proposals for a common understanding on these issues by the two branches of the budgetary authority along the lines of this resolution;
15. Calls also on the Commission to present as soon as possible the appropriate proposals for the adoption of a regulation containing the MFF and for the adaptation of the Financial Regulation; stresses that these proposals constitute a single political package and should be presented and dealt with together; strongly expects that these proposals take into account the demands expressed by Parliament in its resolutions on the financial aspects of the TL and on the mid-term review;
16. Recalls that, according to the TL, the consent of Parliament is required for the adoption of the new regulation containing the MFF and that the modifications of the Financial Regulation will fall under the ordinary legislative procedure (co-decision);
17. Confers a mandate on the Committee on Budgets to negotiate and agree at the budgetary conciliation of November 2009 on the required transitional guidelines on the issues mentioned above within the limits and under the conditions set out in this resolution;

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18. Instructs its President to forward this resolution to the Council and the Commission.