



Procedure file

Basic information	
BUD - Budgetary procedure	2013/2018(BUD)
2014 budget: estimates of revenue and expenditure - Section I, Parliament	
Subject 8.70.60 Previous annual budgets	
Procedure completed	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	BUDG Budgets	PPE HOHLMEIER Monika	18/12/2012
		Shadow rapporteur	
		ALDE LYON George	
Council of the European Union	Commission DG	Commissioner	
European Commission	Budget	LEWANDOWSKI Janusz	

Key events			
20/03/2013	Vote in committee		
25/03/2013	Committee report tabled for plenary	A7-0112/2013	Summary
16/04/2013	Debate in Parliament		
17/04/2013	Results of vote in Parliament		
17/04/2013	Decision by Parliament	T7-0173/2013	Summary
17/04/2013	Draft budget approved by Council		
17/04/2013	End of procedure in Parliament		

Technical information	
Procedure reference	2013/2018(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Budgetary preparation
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure completed

Documentation gateway

Committee draft report	PE506.186	01/03/2013	EP	
Amendments tabled in committee	PE506.334	12/03/2013	EP	
Committee report tabled for plenary, single reading	A7-0112/2013	25/03/2013	EP	Summary
Parliament's opinion on budgetary estimates/guidelines	T7-0173/2013	17/04/2013	EP	Summary

2014 budget: estimates of revenue and expenditure - Section I, Parliament

The Committee on Budgets adopted the report by Monika HOHLMEIER (EPP, DE) on Parliament's estimates of revenue and expenditure for the financial year 2014.

Members recall that the level of the preliminary draft estimates for the 2014 budget, as suggested by the Secretary-General in his report to the Bureau, amounts to EUR 1 813 144 206 and take into account the rate of increase of 3.58% compared with the 2013 budget. They stress that this proposed increase consists of legal obligations, stemming from the exceptional one-year additional expenses of electing a new Parliament and becoming a truly independent democratic institution by applying its own Statutes for Members and their assistants.

Members recall that in the context of continuing economic and financial difficulties, as reflected in the austerity measures taken by many Member States in response to the debt crisis, Parliament should continue to exercise a high degree of budgetary responsibility, control and self-restraint.

Exceptional expenditure: Members emphasise the fact that the financial implications of the European elections and the turnover of Members and their assistants during the changeover between legislative terms are of an exceptional nature. They regret that those additional costs must be borne in one single budget year and asks the Secretary General to identify a way of ensuring that those costs are spread over the lifetime of the parliamentary term in future. Further efforts must be made to implement further changes, savings and structural reforms, including using the possibilities of the Financial Regulation, with the ambition of keeping the budget increase closer to the rate of inflation.

Members also highlight Croatia's accession and recall that estimated direct costs may total EUR 13.6 million.

In parallel, Members appreciate the fact that all other expenditure is reduced in total by 0.15%, according to preliminary draft estimates, compared with the 2013 budget. They welcome the efforts made by the Bureau to present realistic preliminary draft estimates which has a particularly low when compared with the corresponding period under the previous MFF (2007-2013).

Draft estimates: the overall level of the draft estimates for 2014 is set at EUR 1 808 144 206 (corresponding to a rate of net increase of 3.29% over the 2013 budget). Whilst highlighting the exceptional expenditure of 2014, Members call for further savings and redeployments via structural reforms to be sought during the Parliament's reading in autumn 2013 in the course of the 2014 budgetary procedure and in the following years, through in particular the scope for inter-institutional cooperation arrangements between Parliament, the European Economic and Social Committee and the Committee of the Regions.

Further reductions and savings on the preliminary draft estimates for the financial year 2014 are highlighted in the following areas and for the following amounts: "energy consumption" (EUR -0,5 million), "Official Journal" (EUR -1 million), "parliamentary assistance" (EUR -1 million), "European Parliament carbon offsetting scheme" (EUR - 0,25 million), "fitting-out of premises" (EUR -1,25 million) and "contingency reserve" (EUR -1 million). Members propose to analyse the possibility of moving the article 'Pensions' (article 103) and the transitional allowances for Members out of the sub-ceiling of administrative expenditure during the 2014 annual budgetary procedure.

Members recall the need to pursue structural and organisational reforms that aim to achieve greater efficiencies without endangering legislative excellence and the quality of working conditions.

Specific issues: Members insist on the following:

- structural reforms such as reforms in travel policy and management, a reduced length and number of missions, the increased use of video-conferencing and reorganisation of translation and interpretation services, some of which have been in place since 2011, are estimated to allow annual savings of approximately EUR 29 million;
- the proposed decreases compared with the 2013 budget in the areas of translation (-56%) and interpreting costs (-23%) without jeopardising the principle of multilingualism;
- a significant cut in expenditure related to Parliament television (Europarl TV) is already anticipated.

As regards buildings policy, Members believe that in the current climate of austerity, long-term investments such as Parliament's building projects need to be handled prudently and transparently. They reiterate Parliament's request in its resolution of 16 February 2012 on the guidelines for the 2013 budget procedure for precise information on the progress in buildings projects and its financial implication to be provided every six months and the Parliament's statement that no new unforeseen building projects should be undertaken until the end of the current legislature.

Lastly, Members take note of the fact that the opening of the European House of History is foreseen for 2015 and expect an update on the possible cofinancing agreement with the Commission.

2014 budget: estimates of revenue and expenditure - Section I, Parliament

The European Parliament adopted by 524 votes to 103, with 45 abstentions, a resolution on Parliament's estimates of revenue and expenditure for the financial year 2014.

Parliament recalls that the level of the preliminary draft estimates for the 2014 budget, as suggested by the Secretary-General in his report to the Bureau, amounts to EUR 1 813 144 206 and takes into account the rate of increase of 3.58% compared with the 2013 budget. It stresses that this proposed increase consists of legal obligations, stemming from the exceptional one-year additional expenses of electing a new Parliament and becoming a truly independent democratic institution by applying its own Statutes for Members and their assistants.

Members recall that in the context of continuing economic and financial difficulties, as reflected in the austerity measures taken by many Member States in response to the debt crisis, Parliament should continue to exercise a high degree of budgetary responsibility, control and self-restraint.

Exceptional expenditure: Parliament emphasises the fact that the financial implications of the European elections and the turnover of Members and their assistants during the changeover between legislative terms are of an exceptional nature. It regrets that those additional costs must be borne in one single budget year and asks the Secretary General to identify a way of ensuring that those costs are spread over the lifetime of the parliamentary term in future. Further efforts must be made to implement further changes, savings and structural reforms, including using the possibilities of the Financial Regulation, with the ambition of keeping the budget increase closer to the rate of inflation.

Parliament also highlights Croatia's accession and recalls that estimated direct costs may total EUR 13.6 million.

In parallel, Members appreciate the fact that all other expenditure is reduced in total by 0.15%, according to preliminary draft estimates, compared with the 2013 budget. They welcome the efforts made by the Bureau to present realistic preliminary draft estimates which has a particularly low when compared with the corresponding period under the previous MFF (2007-2013).

Draft estimates: the overall level of the draft estimates for 2014 is set at EUR 1 808 144 206 (corresponding to a rate of net increase of 3.29% over the 2013 budget). Whilst highlighting the exceptional expenditure of 2014, Parliament calls for further savings and redeployments via structural reforms to be sought during the Parliament's reading in autumn 2013 in the course of the 2014 budgetary procedure and in the following years, through in particular the scope for inter-institutional cooperation arrangements between Parliament, the European Economic and Social Committee and the Committee of the Regions.

Further reductions and savings on the preliminary draft estimates for the financial year 2014 are highlighted in the following areas and for the following amounts: "energy consumption" (EUR -0.5 million), "Official Journal" (EUR -1 million), "parliamentary assistance" (EUR -1 million), "European Parliament carbon offsetting scheme" (EUR 0.25 million), "fitting-out of premises" (EUR -1.25 million) and "contingency reserve" (EUR -1 million). Members propose to analyse the possibility of moving the article 'Pensions' (article 103) and the transitional allowances for Members out of the sub-ceiling of administrative expenditure during the 2014 annual budgetary procedure.

Parliament recalls the need to pursue structural and organisational reforms that aim to achieve greater efficiencies without endangering legislative excellence and the quality of working conditions. Members note, in that regard, that the provision of independent scientific advice and the capacity to exercise scrutiny should be improved to strengthen Parliament's work as an institution vested with legislative and democratic scrutiny powers.

Specific issues: it insists on the following:

- structural reforms such as reforms in travel policy and management, a reduced length and number of missions, the increased use of video-conferencing and reorganisation of translation and interpretation services, some of which have been in place since 2011, are estimated to allow annual savings of approximately EUR 29 million;
- the proposed decreases compared with the 2013 budget in the areas of translation (-56%) and interpreting costs (-23%) without jeopardising the principle of multilingualism;
- a significant cut in expenditure related to Parliament television (EuroParl TV) is already anticipated.

As regards buildings policy, Members believe that in the current climate of austerity, long-term investments such as Parliament's building projects need to be handled prudently and transparently. They reiterate Parliament's request in its resolution of 16 February 2012 on the guidelines for the 2013 budget procedure for precise information on the progress in buildings projects and its financial implication to be provided every six months and the Parliament's statement that no new unforeseen building projects should be undertaken until the end of the current legislature.

At the same time, in an amendment adopted in plenary, Parliament points to the significant savings that could be achieved if Parliament were to have a single seat. Plenary recalls its resolution of 23 October 2012 in the interests of achieving a positive outcome of the MFF [2014-2020 approval procedure](#), in which Parliament urged the budgetary authority to raise this issue in the negotiations on the next MFF 2014-2020.

Lastly, Parliament takes note of the fact that the opening of the European House of History is foreseen for 2015 and expects an update on the possible cofinancing agreement with the Commission.