

EU budget: one step closer to a deal

Fruitful discussions on the 2015 EU budget and the pending draft amendment budgets for 2014, notably aimed at addressing outstanding payments, have taken place on 8 December between the Presidency of the Council and representatives of the European Parliament and the European Commission. The discussions took place on the basis of a last compromise proposal of the Commission. The Council's Permanent Representatives Committee will take stock of the progress on 9 December.

"Today we've made an important step towards solving the outstanding issues on the 2014 and 2015 EU budgets. We now need to finalise this work and reach a satisfactory result for everybody", said Pier Carlo Padoan, the Italian Minister for Finance and President of the Council.

The Council's priorities on the 2015 EU budget are to

- put a high priority on promoting growth and jobs
- respect member states' financing capacities first and foremost by optimising the use of scarce resources
- leave sufficient margins under the ceilings of the multiannual financial framework, allowing the EU to react rapidly to unforeseen events
- ensure that the agricultural crisis reserve is used for its genuine purposes only (i.e. in the case of major crisis affecting the agricultural production or distribution)
- show solidarity with member states hit by natural disasters by mobilising payments of a total amount of € 126.7 billion out of the EU solidarity fund; the resources will be used to remedy damages caused by floods in Serbia (€ 60.2 million), Italy (€ 16.3 million), Bulgaria (€ 10.5 million) and Croatia (€ 9.0 million), an earthquake in Greece (€ 3.7 million), ice storms in Slovenia (€ 18.4 million) and Croatia (€ 8.6 million)

On the draft amending budgets for 2014 the Council endeavoured notably to tackle the unprecedented scale of unpaid bills and put the development of commitments and payments on a more sustainable path to avoid a similar backlog of payments in future years.

Background

The Council adopted its position on the draft budget 2015 proposed by the Commission on 2 September. Since the Parliament could not accept the Council's position a three-week conciliation period started on 28 October. The conciliation period expired on 17 November without the Council and the Parliament being able to reach an agreement. In line with the Lisbon Treaty the Commission presented a new draft budget on 28 November. If the budget is not adopted at the beginning of 2015, a sum equivalent to not more than one twelfth of the budget appropriations for 2014 or of the draft budget proposed by the Commission, whichever is smaller, may be spent each month for each chapter of the budget.
