

Draft budget 2013:
investments & savings

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Draft Budget 2013 in a blink...

COMMITMENTS: €150.9 billion (+2%)

PAYMENTS: €137.9 billion (+6.8%)

COMMITMENTS = 1.13% of EU GNI

PAYMENTS = 1.03% of EU GNI

95% goes back to European citizens

HOWEVER...

COMMITMENTS = Tomorrow's payments

PAYMENTS = Yesterday's commitments

Conclusions:

1. Today's increase in payments was voted in the past!
2. Limit commitments to avoid huge bills in future

In tune with Member States

DB 2013

Savings wherever possible
Focus on investment for growth and jobs

Statement of EC

Growth-friendly fiscal consolidation
Job-friendly growth

Conclusions of European Councils:

“The Council is aware that an equilibrium between austerity and necessary investments has to be found: restrictive measures should not hamper the respect of commitments already made and the implementation of Union actions contributing to the fight against the negative effects of the crisis notably by boosting growth and employment at Union level...”

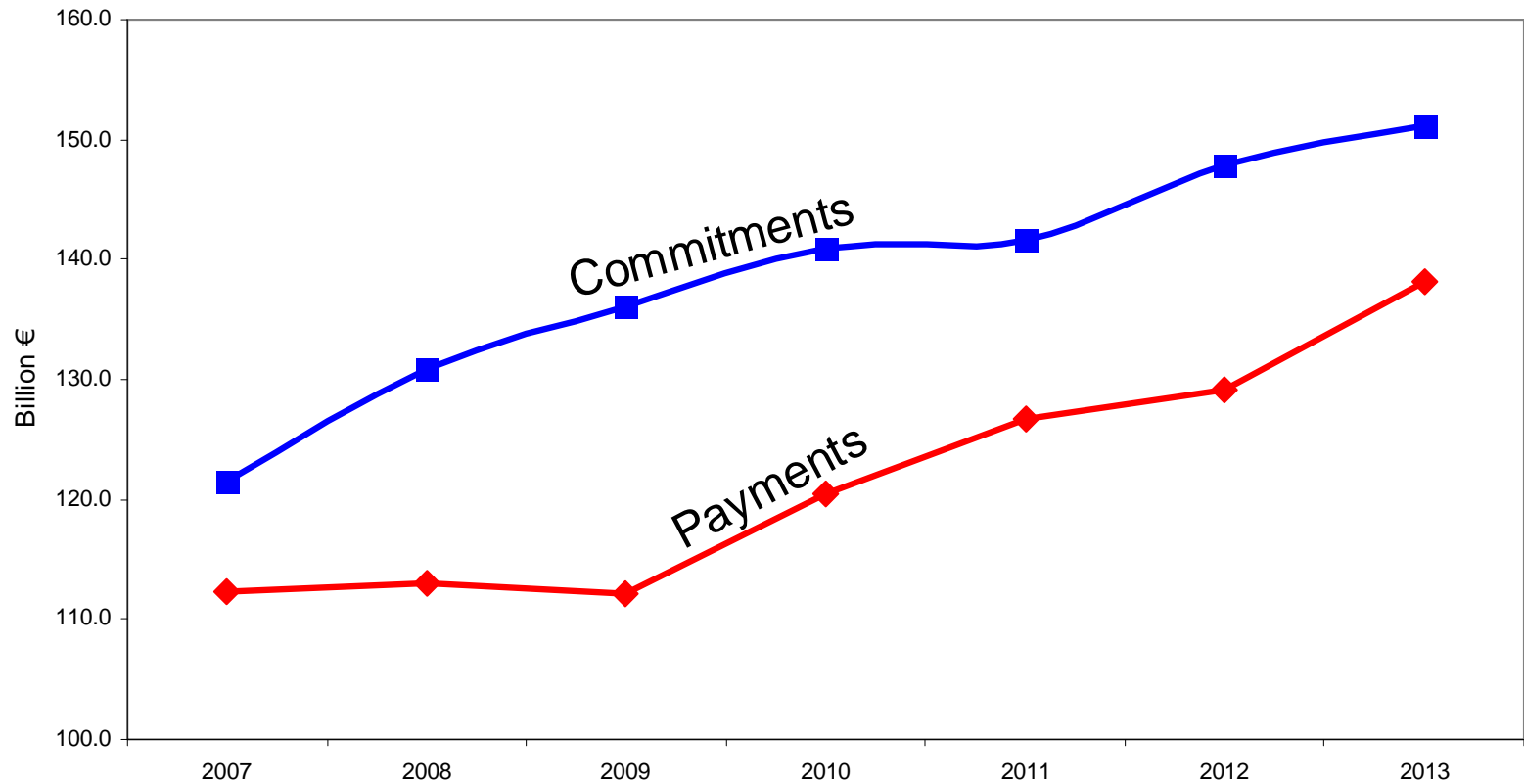
Commitments in 2013

2013 commitments frozen at inflation rate!

2008	2009	2010	2011	2012	2013
3.3%	2.6% (*)	3.9% (*)	2.2% (*)	4.0%	2.0%

* excl. European Economic Recovery Plan

Commitments without sufficient payments = RAL

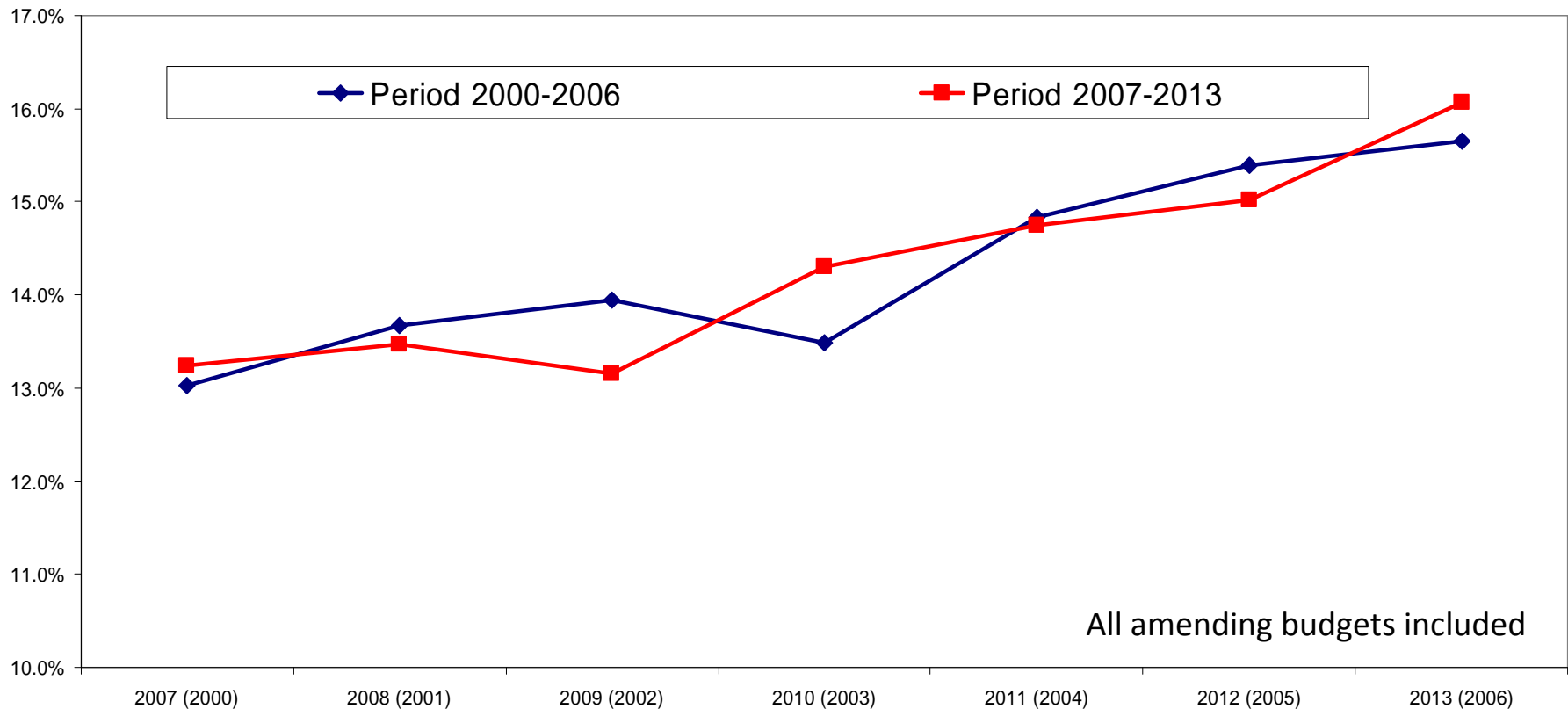


2012 – €18 billion gap

2013 – €13 billion gap

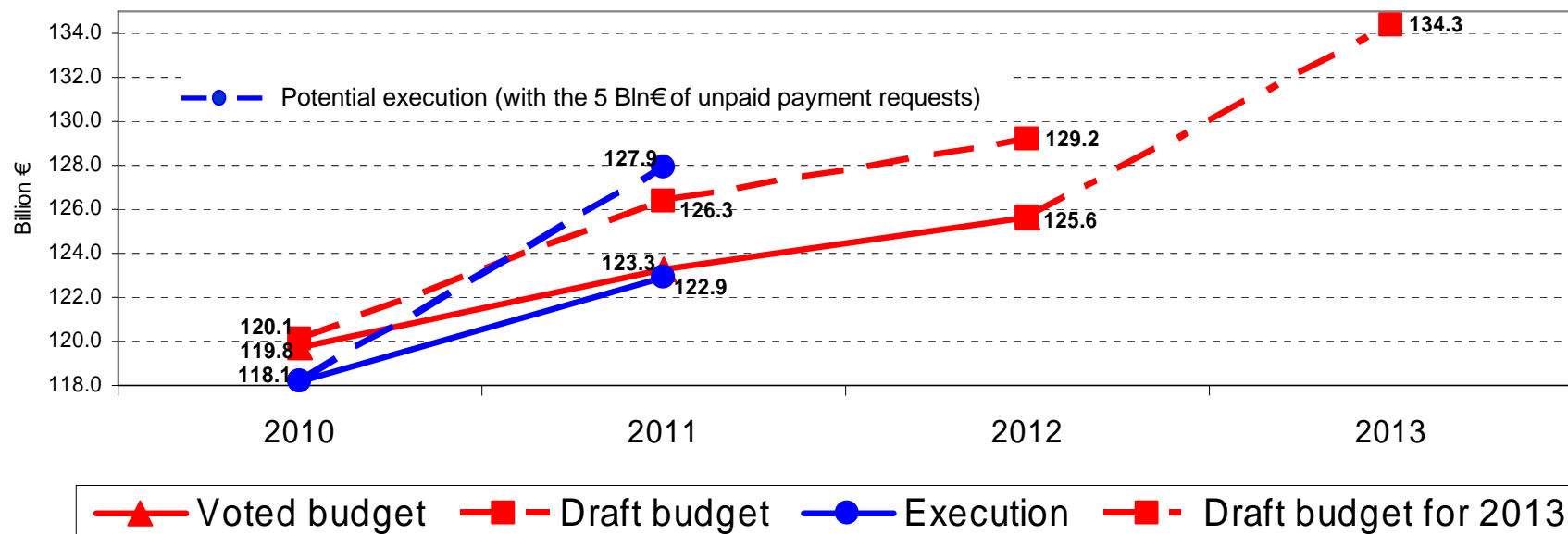
Evolution of Payment Appropriations 2000-2006 vs 2007-2013

CONSTANTLY UNDER AGREED CEILINGS



Draft Budget, Budget and execution for payments

Section III payments



COMMITMENTS INCREASE by 2% ... IN WHAT?

- **Competitiveness: +4.1%**
- **Cohesion: +3.3%**
- **Science & research (7th framework progr): +6.1%**
- **Infrastructure (TEN-T) : +10.5%**
- **Business (Competitiveness & Innovation): +7.3%**

Education to beat the crisis

Life Long Learning Programme
over 290 000 individual grants

€1.240 million

Youth in Action Programme
around 120 000 participants

€141 million

People: Mobility for young researchers

€954 million

Commission pushes for savings in administration

➤ **1% reduction in staff**

On top of savings from 2004 reform

Human resources by Institutions

How Institutions have taken into account a 1 % staff reduction

(Number of posts in the establishment plans of the Institutions)

Institutions	2012 Budget	2013 DB (excl. Croatia)	Evolution 2013/2012 (excl. Croatia)		2013 Croatia request	2013 DB (incl. Croatia)	Evolution 2013/2012 (incl. Croatia)	
European Parliament	6 694	6 713	29	0.4%		6 713	29	0.4%
European Council and Council	3 153	3 107	-46	-1.5%	46	3 153	0	0.0%
Commission	25 065	24 802	-263	-1.0%	(**) 142	24 944	-121	-0.5%
Court of Justice	1 952	1 952	0	(*) 0.0%	63	2 015	63	3.2%
Court of Auditors	887	878	-9	-1.0%	13	891	4	0.5%
European Economic & Social Committee	724	724	0	0.0%	10	734	10	1.4%
Committee of the Regions	531	531	0	0.0%	6	537	6	1.1%
European Ombudsman	66	67	1	1.5%		67	1	1.5%
European Data-protection Supervisor	43	45	2	4.7%		45	2	4.7%
European External Action Service	1 670	1 670	0	0.0%		1 670	0	0.0%
Total Institutions	40 775	40 489	-286	-0.7%	280	40 7869	-6	0.0%

(*) Excluding the request for an extension of the Court of Justice by 12 new judges, it has to be noted that the Court of Justice has effectively decided to follow the call of the Commission for a 1% reduction in staff, leading to a cut of 14 posts in its establishment plan

(**) Of which 28 FTE of external personnel frontloaded for Croatia in 2012 (Amending Letter 2/2012) and transformed into posts in the 2013 Draft Budget

Only the European Council and Council, Court of Auditors, Court of Justice and the Commission have taken into account a 1% staff reduction

Assessment of the performance of the programmes under heading 1a

Total of performance savings under heading 1a <i>(In million €)</i>	- 531.4
<p>➤ Performance savings on FP7: <i>(JTIs: -315.5; REA & ERCEA: -17.7; admin. support expenditure: -18.1)</i></p>	- 351.3
<p>➤ Performance savings on non research programmes: <i>(TEN-T: -118.0; Marco Polo 2: -11.1; Progress: -5.3; Statistical, Customs, Anti-pollution, Fiscalis, ISA and Hercules programmes, and EIT: -18.4; Social dialogue, Communication on the euro, publication of public procurement and other reductions below EUR 1 million: -7.7; decentralised agencies: -5.2; executive agencies: -3.6; admin. support expenditure: -11.2)</i></p>	- 180,1

Assessment of the performance of the programmes under heading 1a

Use of savings made on programmes under heading 1a	<i>(In million €)</i>	+ 531.4
➤ Financing ITER		+ 360.0
➤ Increase of other programmes supporting growth & jobs <i>(FP7: +71.1; CIP: +19.7; LLL: +13.6; Progress Microfinance Facility: +2.0; Activities supporting the European transport policy, activities which did not have a financial programming in 2012 such as 'Your first Eures Job', ENP Chair in Natolin: +21.7)</i>		+ 128.1
➤ Margin		+ 43.3

Where will EU money go in 2013?

APPROPRIATIONS BY HEADING	Billion €		% change from 2012		Margins (Million €)	
	CA	PA	CA	PA	CA	PA
1. Sustainable growth:	70.5	62.5	+3.5	+13.0	116.0	
Competitiveness	16.0	13.6	+4.1	+17.8	91.0	
Cohesion	54.5	49.0	+3.3	+11.7	25.1	
2. Preservation and management of natural resources:	60.3	58.0	+0.6	+1.6	981.5	
Of which Direct aids & market related expenditure	44.1	44.1	+0.4	+0.5		
Of which Rural development, environment and fisheries	16.2	13.8	+1.2	+5.4		
3. Citizenship, freedom, security and justice:	2.1	1.6	(*) +0.8	(*) +6.1	294.4	
Freedom, Security and Justice	1.4	0.9	+1.8	+11.1	268.8	
Citizenship	0.7	0.6	(*) - 1.2	(*) - 0.4	25.6	
4. The EU as a global player	9.5	7.3	+0.7	+5.1	391.9	
5. Administrative expenditure (for all EU Institutions):	8.5	8.5	(**) +2.8	(**) +2.8	636.6	
of which Commission	3.4	3.4	(**) +1.2	(**) +1.2		
of which other institutions	3.6	3.6	(**) +2.6	(**) +2.6		
Total appropriations	150.9	137.9	+2.0	+6.8	2 420.4	6 182.6
In % of EU-27 GNI	1.13	1.03				

* excl. European Union Solidarity Fund

** excl. Croatia



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