

The budgetary procedure (1 December 2009)

Caption: Diagram showing the budgetary procedure as provided for in Article 314 of the Treaty on the Functioning of the European Union (EU). Following the entry into force of the Treaty of Lisbon on 1 December 2009, the European Parliament shares the power to decide on the entire annual budget of the EU with the Council of the European Union and it has the final say.

Source: European Union– Europarl – Budgetary procedure [ON-LINE]. [Strasbourg]: European Parliament, [01.03.2014]. http://www.europarl.europa.eu/pdf/budget/budgetary_procedure_en.pdf.

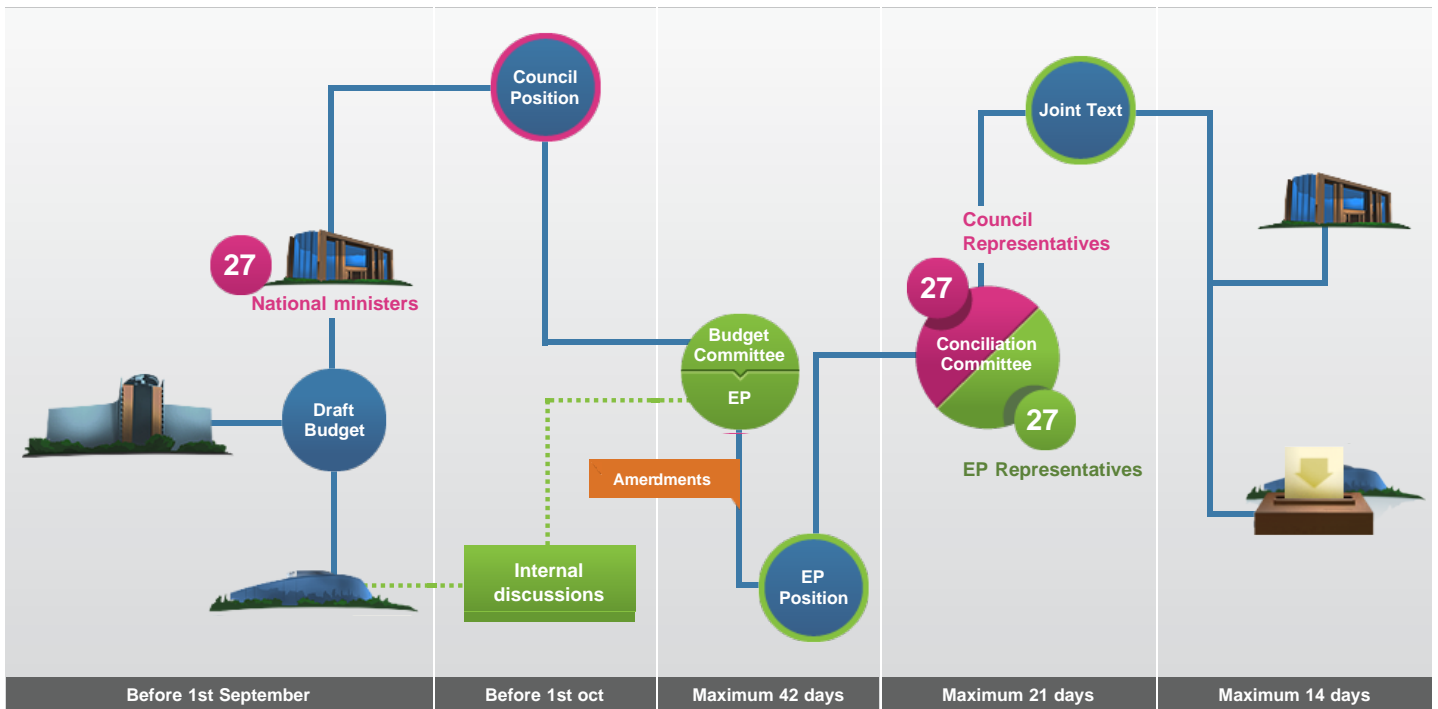
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URL: http://www.cvce.eu/obj/the_budgetary_procedure_1_december_2009-en-e218bcbd-0310-435a-91ad-6a3c9c0ce1d1.html

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Budgetary procedure



First phase:

Draft budget

All EU institutions draw up their estimates for the draft budget before 1 July each year. The Commission consolidates these estimates and prepares the annual draft budget, which is submitted to Parliament and Council no later than 1 September.

Second phase:

Council position

The Council adopts its position on the draft budget and forwards it to Parliament before 1 October, along with the reasons for its position. At the same time, parliamentary committees discuss the draft budget and deliver their opinions to the Budgets Committee, which is responsible for preparing Parliament's position.

Third phase:

Parliament's position

Parliament has 42 days either to approve the Council's position, or, by an absolute majority of its members, to amend it. MEPs vote on the position prepared by the Budgets Committee and any tabled amendments, usually during a plenary session in October.

If Parliament approves Council's position, or declines to state a position, the budget is deemed adopted. However, Parliament normally adopts amendments and the amended text is forwarded to the Council. In this case, the President of the Parliament immediately convenes a meeting of the Conciliation Committee. The committee does not meet if the Council informs Parliament within 10 days that it has approved all of its amendments.

Fourth phase:

Conciliation

The Conciliation Committee, composed of representatives of the Council and an equal number of members representing Parliament, has 21 days to reach an agreement on a joint text.

Fifth phase:

Adoption

If the Conciliation Committee agrees on a joint text, Parliament and Council have 14 days to approve it. The President of Parliament then signs the budget and declares that

it has been definitively adopted.

If the conciliation procedure fails, or if the joint text is rejected by Parliament, the Commission submits a new draft budget. If the joint text is rejected by the Council, Parliament may still decide to adopt it.



European Parliament



European Commission



Council of the European Union