Amending budget 5/2007: revision of the forecast of traditional own resources, VAT and GNI bases and the budgeting of the relevant UK corrections for 2003 and 2006

2007/2162(BUD) - 21/06/2007 - Commission preliminary draft budget

PURPOSE: to present the Preliminary Draft Amending Budget No 5 to the Budget for 2007 (PDAB 5 /2007).

CONTENT: the Preliminary Draft Amending Budget No 5 to the Budget for 2007 (PDAB 5/2007) covers the following points:

- **the revision of the forecast of traditional own resources** (TOR, i.e. customs duties, agricultural duties and sugar levies), VAT and GNI bases and the budgeting of the relevant UK corrections as well as their financing, resulting in a change in the distribution between Member States of their own resources contributions to the EU budget;
- **the repayment of the surplus from the Guarantee Fund for external measures:** Article 7 of Council Decision (EC, Euratom) 2000/597 states that "surplus from the Guarantee Fund arising from external measures, transferred to the revenue account in the budget, shall be regarded as constituting own resources ". Thus in addition to the revision of the forecasts of own resources, the PDAB 5/2007 enters an amount of EUR 260 940 125. This amount results from the repayment to the general budget of the amount corresponding to the provision of outstanding capital liabilities for Bulgaria and Romania at 1 January 2007;
- **the impact of changes in the Financial Regulation on the revenue side**: all the recent amendments to the Financial Regulation have entered into force by 1 May 2007. Moreover Regulation (EC, Euratom) No 2342/2002 laying down detailed rules for the implementation of the Financial Regulation has been also amended. Therefore appropriate changes will need to be made in the PDAB 5/2007. Three new budget lines (6330, 6331 and 6332) have been created to accommodate financial contributions from Member States and other donor countries, including in both cases their public and parastatal agencies, or from international organisations to certain external aid projects or programmes financed by the Community and managed by the Commission on their behalf, pursuant to the relevant basic act. This is a consequence of the new point (aa) that has been inserted into Article 18 (1) of the Financial Regulation. Some budget remarks in the statement of revenue contain references to articles of the Financial Regulation that have been modified and they need to be adjusted accordingly. This is a purely technical update and concerns the following articles/items: 5000, 5001, 522, 6113, 6701, 6702, 6703, 6711, 6712 and 6802.