Amending budget 3/2008: bluetongue vaccinations; Joint Technology Initiatives; EU Solidarity Fund; establishment plans of European Institute for Gender Equality and European Economic and Social Committee (EESC)

2008/2095(BUD) - 26/05/2008 - Council draft budget

On 15 April 2008, the Commission forwarded to the Council preliminary draft amending budget (PDAB) No. 3/2008 to the general budget for 2008, incorporating the following elements:

- The budgeting of the revenue accruing from the Microsoft case, following the final judgement of the Court of First Instance, for a total amount of **EUR 849.2 million**;
- The mobilisation of the EU Solidarity Fund for an amount of **EUR 98 million** in commitment and payment appropriations relating to forest fires in Greece in August 2007 (EUR 89.7 million) and floods in Slovenia in September 2007 (EUR 8.3 million) accompanied by the corresponding proposal for a Decision on the mobilisation of the EU Solidarity Fund (see ACI/2008/2091);
- The budgeting of part of the savings arising from an increase for staff pay and pensions smaller than estimated in 2007, leading to a **reduction of EUR 2.3 million** in commitment and payment appropriations for the pensions and severance grants budget line (item 30 01 13 07) – in this context, the Commission proposed to budget separately the remaining part of EUR 16.6 million in its request for transfer No. DEC7/2008 and to use it for the financing of the Monitoring Mechanism related to the Microsoft judgement;
- The reinforcement of the budget item "emergency fund for veterinary complaints and other animal contamination which are a risk for public health" (17 04 03 01) due to the bluetongue crisis, of **EUR 130 million** in commitment appropriations, and EUR 64 million in payment appropriations;
- The creation of the necessary budgetary structure to accommodate four Joint Technology Initiatives: Innovative Medicines Initiative (IMI), Clean Sky, ARTEMIS (Joint Technology Initiative in Embedded Computing Systems) and ENIAC (European Technology Platform on Nanoelectronics) with a total allocation of **EUR 257.5 million** in commitment appropriations and EUR 194.6 million in payment appropriations coming from the 7th Research Framework Programme;
- The modification to the establishment plan of the European Institute for Gender Equality: it is proposed to upgrade the AD13 available post to grade AD14, this readjustment having no impact on the level of budgetary appropriations;
- The modifications to the establishment plan of the European Economic and Social Committee. The various conversion, upgrading and downgrading operations proposed, in budget terms neutral, would result in increasing the AD temporary posts by 1 unit, in decreasing the AST permanent posts by 3 units and in increasing the AST temporary posts by 2 units.

The net effect of PDAB No. 3/2008 would be an increase of **EUR 689.5 million** on the revenue side in the 2008 general budget, diminishing accordingly the global contribution of the Member States to its financing.

At the simplified trilogue provided for in the Interinstitutional Agreement of 17 May 2006 on the financing of the EU Solidarity Fund, an agreement was reached on the Decision on the mobilisation of the EU Solidarity Fund and on the amount as proposed by the Commission.

With respect to the other elements of PDAB No. 3/2008 included in the Commission proposal, an overall agreement was reached by qualified majority, articulated as follows:

(1) to include the content of transfer No. DEC 7/2008 in PDAB No. 3/2008 (transfer No. DEC7/2008 was rejected by the Council on 14 May 2008), so that:

- the total amount of the savings (EUR 18.9 million) arising from the smaller than estimated increase for pay and pensions is budgeted for reasons of transparency through one amending budget;
- the financing of the Monitoring Mechanism related to the Microsoft judgement, as updated by the Commission on 22 May 2008, is budgeted from an amount of EUR 14.6 million (EUR 2.4 million on line 03 01 02 11 and EUR 12.2 million on line 03 03 02).

(2) to finance part of the appropriations needed for this Monitoring Mechanism related to the Microsoft judgement by redeploying verifiable savings (EUR 3.9 million) from budget line 26 02 01 ("Procedures for awarding and advertising public supply, works and service contracts"); the remaining financing would be covered by the savings on salaries;

(3) to reject the modification to the establishment plan of the European Institute for Gender Equality;

(4) to accept the other proposals from the Commission.

Following the adoption of this draft amending budget, the Commission entered the following statement in the minutes: “The Commission confirms the importance of ensuring a smooth process for the adoption of the decision on the mobilisation of the EU Solidarity Fund. Taking into consideration the wishes of the budgetary authority, the Commission confirms, that in the future, every amending budget required by the mobilisation of the Solidarity Fund will **be solely for that purpose**”.

As a result, the Council established draft amending budget No. 3 as modified above. At the same time, the Council also adopted the Decision of the European Parliament and of the Council on the mobilisation of the **EU Solidarity Fund** as proposed by the Commission.