

# 2012 budget: all sections

2011/2020(BUD) - 25/10/2011 - Document attached to the procedure

**PURPOSE:** presentation of the Amending Letter No 3 (AL 3) to the Draft Budget for 2012 – Section III – Commission.

**CONTENT:** the Amending Letter No 3 (AL 3) to the Draft Budget for 2012 (DB 2012) covers the following:

- the line by line updating of the estimated needs for agricultural expenditure. In addition to changing market factors, the AL also incorporates the impact of legislative decisions adopted in the agricultural sector since the DB 2012 was drawn up, revised estimates of needs for some direct payments, as well as any proposals, which are expected to have a significant effect during the coming budget year;
- an update of the situation for International Fisheries Agreements;
- reinforcement of the EU contribution to the European Chemicals Agency (ECHA) under Heading 2.

The budgetary impact of these adjustments is a reduction in commitment appropriations of EUR 85.7 million and in payments appropriations of EUR 83.4 million compared to the Draft Budget 2012.

**(1) Updating the estimated needs for agricultural expenditure:** the AL 3 is based on the needs of the EU as a whole. According to the present AL 3, overall appropriations requested for heading 2 in 2012 are estimated at EUR 60 073 million, leaving a margin of EUR 737 million in commitment appropriations below the corresponding ceiling of the multiannual financial framework.

The commitment appropriations for agricultural expenditure (including veterinary and fisheries expenditure financed under the EAGF) amount to EUR 44 092 million, a decrease of EUR 88 million compared with the DB 2012, mostly explained by higher than expected assigned revenue to be carried over from 2011. EAGF payment appropriations are decreased by the same amount to a total of EUR 44 015 million.

**(2) International Fisheries Agreements:** the AL 3 proposes to decrease commitment appropriations and payment appropriations for budget article 11 03 01 International Fisheries Agreements by EUR 3.5 million and EUR 2.8 million, respectively, as well as to increase on the reserve line commitment appropriations by EUR 4.2 million and payment appropriations by EUR 5.8 million.

**(3) ECHA:** on 12 June 2009, the Commission presented a proposal for a Regulation of the European Parliament and of the Council concerning the placing on the market and use of biocidal products. This proposal includes new tasks for the European Chemicals Agency (ECHA), part of which is financed under Heading 2 of the multi-annual financial framework. The Council adopted its position at first reading on 21 June 2011, and introduced changes which give rise to the additional workload and associated resource needs for the Agency.

On 11 August 2011, the Commission adopted a Communication on the Council's position, including a revised version of the financial statement taking into account the changes introduced by Council annexed to the Commission communication. As 2012 will be a year of preparation and applications for product authorisations and substances approval will only be submitted from 2013 onwards, ECHA's work on biocides will depend entirely on the EU subvention in 2012. In order for ECHA to be ready in time to

implement the additional tasks assigned to it by the co-legislators, the Commission proposes that the subvention is increased by EUR 1.7 million, both in commitment appropriations and payment appropriations. These amounts are entered in the reserve, pending the adoption of the legal base.