Amending budget 6/2011: revenue, integrated maritime policy, Greece: ESF, Palestine

2011/2267(BUD) - 30/11/2011 - Council position on draft budget

On 18 October 2011, the Commission submitted to the Council draft amending budget (DAB) No 6/2011, covering at the same time an update of revenue and a request for additional commitment (c/a) and payment appropriations (p/a). On 11 November, the Commission forwarded to the Council a letter with updated figures as regards expenditure.

This DAB takes account of an increase in the forecast of revenue, as well as an increase in appropriations on the expenditure side, in line with the latest estimates and needs.

As regards **revenue**, the revised forecast for own resources shows a net increase of EUR 1 276.9 million, resulting from:

- VAT and GNI balances from previous years (+EUR 1 814.9 million);
- other revenue, notably interests on late payments and fines (+EUR 662 million);
- decreased revenue from traditional own resources (-EUR 1 200 million).

With regard to **expenditure**, the Commission proposes a net increase of EUR 3.25 million in c/a and of EUR 550.3 million in p/a. The breakdown is as follows:

- **within sub-heading 1a (Competitiveness for growth and employment)**, +EUR 82 million in p/a on Article 08 04 01 (Cooperation - Nanosciences, nanotechnologies, materials and new production technologies) and +EUR 60 million in p/a on Item 09 04 01 01 (Support for research cooperation in the area of information and communication technologies), to meet outstanding needs which were not covered by the Global Transfer (DEC34/2011);
- **within sub-heading 1b (Cohesion for growth and employment)**:
    - +EUR 401.5 million in p/a on Article 04 02 17 (European Social Fund - Convergence) and +EUR 401.5 million in p/a on Article 04 02 19 (European Social Fund - Regional competitiveness and employment), to meet outstanding needs which were not covered by the Global Transfer;
    - +EUR 3.25 million in c/a and +EUR 0.3 million in p/a on Article 04 02 20 (European Social Fund - Operational technical assistance (2007-2013)) to address particularly urgent needs in the field of tax administration in Greece;
- **within heading 2 (Preservation and management of natural resources)**, a decrease of EUR 395 million in p/a is proposed on Item 05 04 05 01 (Rural development programmes), taking into account payments declared in November by Member States (this amount is used to cater for part of the outstanding needs in sub-heading 1b).

Lastly, within heading 4 (The EU as a global player), a redeployment of EUR 100 million in c/a is proposed in favour of Item 19 08 01 02 (European Neighbourhood and Partnership financial assistance to Palestine, the peace process and UNRWA), to address the most immediate needs of the Palestinian Authority (EUR 70.8 million) and UNRWA (EUR 29.2 million). This amount is proposed as a frontloading of appropriations to cover expenditure in 2012. In addition, a redeployment of EUR 13.4

million is proposed to secure the financing of commitment appropriations for Article 21 06 07 (Banana Accompanying Measures), including a frontloading of some EUR 8 million, within its reference amount of EUR 190 million over the years 2010-2013.

DAB No 6/2011 also includes the creation of a new Article 11 09 05 (Programme to support the further development of an Integrated Maritime Policy), with c/a entered in the reserve (EUR 23.14 million), financed through redeployment within heading 2 (c/a on Items 17 04 01 01 and 17 04 02 01 will be reduced accordingly). The combined effect of the increase in the revised forecast of revenue

(+EUR 1 276.9 million) and the increase in p/a (+EUR 550.3 million) is a **net reduction of Member States' contributions to the 2011 budget by EUR 726.6 million**.

On 18/19 November 2011, the Conciliation Committee, in the framework of the agreement on the joint text concerning the budget for 2012, reached a political agreement on DAB No 6/2011, accepting the Commission's updated proposal **except for p/a within sub-heading 1b** for which **it decreased p/a** on Articles 04 02 17 (European Social Fund - Convergence) and 04 02 19 (European Social Fund – Regional competitiveness and employment) to **EUR 226.35 million**.

Taking into account the new amount of +EUR 200 million net increase in p/a, the combined effect of DAB No 6/2011 is now a **reduction of Member States' contributions to the 2011 budget by EUR 1 076.9 million**.