Amending budget 4/2012: own resources; risk-sharing instruments; EuroGlobe

2012/2127(BUD) - 24/09/2012 - Council position on draft budget

On 20 June 2012, the Commission submitted draft amending budget (DAB) No 4/2012, covering the following elements:

- a revision of forecast of Own Resources;
- creation of budget lines with a token entry (p.m.) related to the establishment of risk sharing instruments;
- creation of a token entry (p.m.) on budget line 16 03 05 01.

Revision of the forecast of Own Resources: on the basis of more recent economic updates, the advisory committee on own resources agreed during its meeting on 21 May 2012 to revise the 2012 forecasts of traditional own resources, the VAT and the GNI bases. As a result of this updated forecast, it has been decided to:

- decrease by -7.9 % the financing from the net custom duties;
- increase by +0.4 % the forecast for the EU uncapped VAT base and
- decrease by -1.9 % the forecast for the GNI base.

The DAB also revises the budgetary imbalances in favour of UK (UK correction) for the years 2008, 2010 and 2011 and the gross reductions in GNI payments in favour of Sweden and the Netherlands.

These reductions are to be financed by all Member States.

Risk-sharing instruments: in order to address certain liquidity problems in financing the cohesion policy projects, Council Regulation (EC) No 1083/2006 has been amended. The Member States experiencing or threatened by serious difficulties with respect to their financial stability would therefore have the option of creating risk-sharing instruments or similar bodies with a view to facilitate private investment. In order to implement those new provisions, it is proposed to create the following three new Articles under Chapter 13 (Regional Policy), with a token entry (p.m.):

- 13 03 40 (Risk-sharing instruments financed from the ERDF Convergence envelope);
- 13 03 41 (Risk-sharing instruments financed from ERDF Regional competitiveness and employment envelope);
- 13 04 03 (Risk-sharing instruments financed from the Cohesion Fund envelope).

Moreover, a new revenue Item 6 1 4 4 (repayment of Union support to commercially successful projects and activities and to Risk Sharing Instruments financed from the ERDF and Cohesion Fund - Assigned Revenue) will record potential reflows and amounts leftover from Union support to the risk sharing instruments.

Creation of a token entry (p.m.): Item 16 03 05 01 (Preparatory action - EuroGlobe) was created in the 2012 budget with a "dash" in payment appropriations. However, an internal transfer is necessary for this budget line in order to cover the payment request. In order to enable this transfer, it is proposed to modify the line and to replace the "dash" with a token entry (p.m.).

In conclusion, on 24 September 2012, the Council adopted its position on draft amending budget No 4 of the European Union for the financial year 2012, and was able to accept the Commission proposal without any changes.