2004 budget: others sections

2003/2002(BUD) - 25/07/2003 - Document attached to the procedure

This document is to be annexed to the draft budget for 2004, in accordance with the 1979 agreements on budgetary procedure. Article 8(3) of the Financial Regulation of 27 March 2003 applicable to the 9th European Development Fund requires the Commission to make this document available to the Council by 15 June, stipulating that this information serves as a basis for an interim estimate of commitments and disbursements. In accordance with Article 38 of the Financial Regulation, this communication is accompanied by a proposal for a Council Decision on the instalment of the contributions to be paid by the Member States in July 2003. As in previous years, this document shows: - EDF implementation at 31.12.2002; - financial implementation forecasts for the current year (2003); - expenditure forecasts for 2004. This document states that after slowing down somewhat in 2001, the rate of decisions picked up again in 2002 (EUR 2 114.5 million in new decisions), thanks primarily to the provision by the Council of new funding as a transitional measure pending the entry into force of the ACP-EU Partnership Agreement signed in Cotonou. 1 These measures enabled the Commission to commit a considerable sum (EUR 793 million) and so offset some of the shortfall in resources for the countries performing best. In short, decisions slightly exceeded the target (EUR 2 000 million) fixed in the communications of June and November 2002. 2 After deducting decommitments amounting to EUR 346.1 million, the net figure is EUR 1 768.4 million. For 2003 and 2004, in order to get more reliable forecasts the Commission went over each individual (project) dossier carefully with the delegations. Taking into account the figures supplied by the EIB for its own instruments (risk capital, investment facility and interest rate subsidies) we arrive at EUR 2 500 million of new decisions for 2003 (EUR 200 million up on the figure in the November 2002 Communication) and confirmation of the estimated on EUR 3 275 million for 2004. The sharp rise in the forecast for 2003 can be attributed to the Commission's efforts to improve the EDF's performance. The document equally highlights the situation regarding payments, with payments amounting to EUR 1 902.5 million in 2002, the rate of implementation of the EDF was slightly lower than that recorded in 2001 (EUR 2 142.49 million). However, the figures recorded for 2002 are still above the average for 1989-2001 (about EUR 1 600 million). It was not possible to achieve the target figure of EUR 2 000 million set by the Commission in June 2002. This is largely due to the fact that there was no need to pay the final instalment of EUR 149 million to the EIB for the HIPC (debt relief) initiative because a number of ACP countries notched up delays in achieving the objectives that would have entitled them to such aid. A new payment estimate has been drawn up for 2003 and 2004 covering both current projects and those in the pipeline. Taking the EIB's estimates into account we get a figure of EUR 2 100 million for 2003. The Commission will be doing its utmost to speed up the rate of disbursement in order to meet a more ambitious target by the year end, and will re-assess the situation in its communication in October 2003. The total estimated for 2004 is EUR 2 600 million, confirminglast year's forecast orders of magnitude.?