2001 Budget: section III

1999/2190(BUD) - 31/10/2000 - Document attached to the procedure

In accordance with the Interinstitutional Agreement of 6 May 1999, the Commission is sending the budgetary authority this ad hoc letter of amendment (No.2) to update the figures underlying the estimate of agricultural expenditure in the preliminary draft budget (PDB), as regards the market organisations and related measures. Requirements for subheading 1a are expected to be EUR 932.5 million lower than initially forecast. Compared with the PDB, the situation has improved on practically all agricultural markets. This letter of amendment also takes into account legal bases adopted since the PDB was presented and also reflects positions taken by the budgetary authority during the budgetary discussion, e.g. concerning school milk, flax and hemp and promotion. The dollar parity effect accounts for roughly half of all the savings encountered (approximately EUR 430 million in relation to the PDB, mainly substantially reduced export refunds expressed in EUR). As provided for in the Interinstitutional Agreement, the Commission is also correcting the level and the breakdown of appropriations for the international fisheries agreements. Operational Item B7-8000 is increased by around EUR 42.3 million in commitment and payment appropriations for three agreements that have been initialled and will soon be proposed to the budgetary authority (Greenland, Angola and Côte d'Ivoire). It is also proposed to keep the appropriations for the agreement with Morocco to be kept unchanged given the possibility that it might enter into force at the beginning of 2001. Taking into account the agreements renewed during 2000, the provisional appropriations in Chapter B0-40 can be reduced by around EUR 45 million in commitment appropriations and EUR 43 million in payment appropriations. Besides two familiar components of the traditional ad hoc letter of amendment, the Commission wishes to add one further item relating to the balance for 2000. Under Article 32 of the Financial Regulation, the balance from each financial year is entered in the budget for the following financial year as revenue in the case of a surplus or expenditure in the case of a deficit. The second paragraph of this Article of the Financial Regulation specifies that the estimates of this revenue or expenditure will be entered in the budget procedure, and where appropriate, in a letter of amendment. The Commission considers that an estimated balance of EUR 900 million can be included as revenue in the PDB 2001. The additional revenue results mainly from the increase in recoveries from traditional own resources during the year as well as from an initial estimate of the overall impact of the adjustments of the VAT bases and GNP data following the modifications announced by the Member States. These adjustments have to be entered into the Commission's account by 01.12.2000. Thus, EUR 900 million will be entered in the budget under Article 300 (surplus available from the preceding financial year).