Supplementary and amending budget 1/1998

1998/2009(BUD) - 15/05/1998 - Commission preliminary draft budget

OBJECTIVE: Presentation of a preliminary draft supplementary and amending budget 1/98 (Commission section) of ECU 580 m. SUBSTANCE: There are two main reasons for the draft supplementary and amending budget 1/98: 1) to enter as revenue in the 1998 budget a surplus from the 1997 budget of ECU 380 million (ECU 960 million net surplus from the 1997 budget less ECU 580 million retained by the Commission in 1998 for exceptional expenditure); 2) revision of the amounts under the heading of correction for budgetary imbalances to take account of the increased amount to be payed to the United Kingdom under this heading (ECU 1 164.5 million). Because of these two factors the call-in rate for VAT and GNP-based resources and the contributions by the Member States have to be recalculated. This results in a reimbursement of ECU 1 307.9 million to the Member States, allocated as indicated in the draft supplementary and amending budget. With regard to the ECU 580 million retained by the Commission in this supplementary and amending budget 1/98 for exceptional expenditure, the Commission provides the following justification: - ECU 450 million in payment appropriations for the ESF, - ECU 30 million in payment appropriations for the PHARE programme to comply with the allocations agreed at the Cannes European Council, - ECU 100 million in payment appropriations for humanitarian aid ('El niño' weather phenomenon, worsening situation in Africa and deterioration of living conditions in Afghanistan and Kosovo). The present SAB also provides an opportunity to propose, in line with Parliament's wishes (see resolution on the ECSC budget 1998) the creation of a budget structure to receive revenue from the ECSC operating budget (see BUD0091) for the community programmes RECHAR and RESIDER (token entry in the budget) and to extend the Community guarantee for macro-financial assistance to Ukraine. Total preliminary draft SAB 1/98: ECU 580 million, a variation of 2.12% in relation to the initial total 1998 budget, in payment appropriations.