1999 budget: section III, Commission

1998/2174(BUD) - 28/10/1998 - Amending/supplementary letter on draft budget

OBJECTIVE: presentation by the Commission of Letter of Amendment No. 1 to the Preliminary Draft Budget (PDB) for 1999. SUBSTANCE: the purpose of the Letter of Amendment to the PDB for 1999 was to update the estimate of budget expenditure on agriculture in accordance with the institutional trialogue decision of 8.4.1997. More specifically, the Letter of Amendment concerned an increase in budgetary requirements for the EAGGF-Guarantee Section of EUR 513 m in 1999 (equivalent to 1.2% of the agricultural expenditure in the PDB). The rise in expenditure was justified mainly by a deterioration in certain agricultural markets (changes due to market situations estimated at + EUR 436 m). The letter also served to budgetise the legislative decisions on agriculture adopted since 29.04.1998, the date of presentation of the PDB for 1999 (changes due to agricultural legislation estimated at + EUR 77 m). Of the 23 budget chapters, 21 were amended; the appropriations called for were increased in 10 sectors of agriculture (+ EUR 1667 m) and reduced in 11 (- EUR 1154 m). The main changes in the budget may be summarised as follows: -increases in anticipated expenditure on arable farming, sugar, olive oil, textile plants, pigmeat and agrimonetary aid (due to falls in world prices or increases in the areas eligible); -falls in anticipated expenditure on fruit and vegetables, wine, dairy products, bovine meat, sheepmeat and clearance of accounts (due to declining production, less grubbing up, an improvement in the butter market, less deterioration in the reference prices for meat). Changes were also proposed to budget heading 4 (external action): a reduction of EUR 12 m in the figure originally proposed for aid to Bosnia (confined to a p.m. in the budget) and international fisheries agreements. In total, the Letter of Amendment provided for an increase in the budget of EUR 501 m in commitment appropriations.