2005 budget: others sections

2004/2002(BUD) - 28/04/2004 - Commission preliminary draft budget

PURPOSE : to present the Preliminary Draft Budget of the European Commission for the financial year 2005 (Other Sections).

CONTENT : the rectified PDB takes into account the final figures for estimates for institutions other than the Commission, forwarded to the Council by the Commission, comprises budget estimates totaling:

- EUR 117 242 208 172 million in appropriations for commitments;

- EUR 109 568205 451 million in appropriations for payments.

This rectified preliminary draft general budget shows a 5.2% increase in appropriations for commitments and a 9.8% increase in appropriations for payments compared to the amounts authorised in the 2004 budget.

The volume of expenditure proposed by the Commission is equivalent to 1.03% of GNI of the EU-25. The financial framework agreed for the enlarged Union provides for a maximum of 1.08% of GNI for the EU budget. The preliminary draft is far lower — by EUR 4.7 billion — than the ceiling agreed for

2005.

This rise of EUR 9.7 billion (+ 9.8 % over 2004) is due to the full incorporation of the new Member States (+ EUR 3.9 billion), the reform of the common agricultural policy (+ EUR 1.3 billion) and the improved use of the structural funds (+ EUR 2.7 billion). Thus, these three factors explain more than 80 % of the total increase in payments.

The proportion of heading 5 of the PDB 2005 is established as follows for the EU-25:

- Commission (excluding common expenditure) EUR 2 871 billion;

- Other institutions EUR 2 345 billion;

- Common expenditure: 1 143 billion including Pensions - EUR 865,93 million; European Schools -EUR 127 million; Publications Office EUR 79,37 million; European Anti-fraud Office EUR 47,33 million; European Personnel Selection Office EUR 24,28 million. The estimated administrative expenditure of the institutions of the European Union (heading 5) comes to EUR 6.36 billion, 3.9 % higher than in 2004.

With the introduction of the activity based budget (ABB), most of the administrative expenditure is included in the corresponding policy sectors and only specific expenditure (i.e. publications or representation offices) shall be presented separately.

It should be noted that the Commission is asking for 700 new posts as part of the medium term adjustment to enlargement. Approximately half of the new staff will be devoted to linguistic services (refer to BUD /2004/2001).