2005 budget: section III, Commission

2004/2001(BUD) - 13/10/2004 - Document attached to the procedure

PURPOSE : to present the Amending Letter No 1 to the Preliminary Draft Budget for the year 2005 (Section III - Commission).

CONTENT : this amending letter 1/2005 covers the following issues :

-The request for supplementary appropriations under heading 7 of the Financial Perspective to finance actions encouraging the economic development of the Turkish Cypriot community : the margin available under heading 7 of PDB 2005 amounts to EUR 1 616 million. The Commission is proposing to use part of this margin for supplementary commitment appropriations amounting to EUR 219 million to finance the specific programme for the Turkish Cypriot community (EUR 114 million) and the pre-accession strategy for Croatia (EUR 105 million). The corresponding supplementary payment appropriations necessary amount to EUR 45,24 million (EUR 26,84 million and EUR 18,4 million respectively).

-The request for supplementary appropriations under heading 7 of the Financial Perspective to finance the pre-accession strategy for Croatia and the removal of the appropriations initially budgeted for Croatia in the framework of the CARDS programme under heading 4 of the Financial Perspective : the inclusion of Croatia in heading 7 implies the removal of the budgeted appropriations for Croatia under heading 4, which amount to EUR 65 million in commitment appropriations and EUR 10 million in payment appropriations. It is proposed to amend the corresponding budget lines to deduct these amounts. This implies a corresponding reduction in the amounts requested under the flexibility instrument.

-The proposal to extend PEACE II to cover 2005-2006. Thus aligning it with the other structural actions: the prolongation of PEACE II for two further years will only necessitate in this instrument a change in commitment appropriations for 2005. The total amount to be made available is EUR 60 million, of which EUR 36,6 million from the ERDF, and EUR 23,4 million under the ESF. This increase is made possible by the margin under heading 2, created by the end of Ireland's eligibility for the Cohesion Fund. Accordingly, the Commission intends to adjust the corresponding sub-headings in a separate proposal.

-The proposal for the Publications Office (OPOCE) to take over activities and posts linked to CORDIS (Community Research and Development Information Service) formerly belonging to DG ENTR : CORDIS as the information platform for research and innovation is considered as a valuable complement to the public services already being offered by the Publications Office, and a "preliminary" transfer of CORDIS was agreed between the two services concerned with effect from 1 May 2004. To definitively integrate CORDIS into OPOCE requires changes to the establishment plans (18 posts) and a transfer of appropriations.

-The creation of a new budget article to allow for the accession of the European Community to the International Convention for the Protection of New Varieties of Plants (UPOV).

-The updating of revenue in the context of Switzerland's association with the application of the Schengen agreement and Eurodac.

- A number of technical corrections to the budget remarks in order to take account of the legal bases adopted since the presentation of PDB 2005.

This amending letter to the preliminary draft budget 2005 implies a modification of the PDB as follows:

- EUR 214 million in additional commitment appropriations;

- EUR 35,24 million in additional payment appropriations.

The PDB (comprising the amending letter 1/2005) is presented as follows :

- commitment appropriations : EUR 117.427.519.560;

- payment appropriations : EUR 109.574.756.839.