

Amending budget 8/2005: exceptional increase in the forecast of revenue, increase of payment appropriations for the structural funds

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Preliminary Draft Amending Budget 8/2005 revised: On 6 October 2005, the Commission forwarded to the Council Preliminary Draft Amending Budget (PDAB) No. 8 to the general budget for 2005. At that time, the figures therein were still to be considered provisional. Thus, the Commission proposed to present the exact amounts affecting the revenue side and the changes to the general statement of revenue by means of an Amending Letter to this PDAB at a later stage of the procedure, together with the updated expenditure figures related to payment appropriations for Structural Funds. The final amounts to be taken into consideration were communicated to the Council on 16 November 2005.

The final version of this PDAB takes into account an increase in the forecast of revenue and changes in appropriations for sub-Heading 1a and Heading 2 on the expenditure side.

The total increase in the forecast of revenue (EUR 3 218 million) results from revisions of:

- the forecasts of VAT and GNI balances (EUR 2 451 million concerning Chapters 31 and 32 of the revenue side of the budget);
- the forecasts of traditional own resources (EUR 300 million);
- the forecasts of other revenue, namely, repayment of unused Community aid (EUR 360 million concerning Items 6150 and 6157) and interest on late payments and fines (EUR 107 million concerning Chapters 70 and 71).

On the expenditure side, the Commission proposes:

- to decrease the appropriations for the EAGGF-Guarantee (sub-Heading 1a) by EUR 650 million;
- to adapt the different budget lines related to Structural Actions within Heading 2 without changing the overall amount of appropriations available.

According to the final Commission proposal on PDAB No. 8/2005, **total contributions from Member States** to the 2005 budget **will be reduced by EUR 3 868 million**. Out of this amount, EUR 2 751 million concerning revisions of the forecasts of VAT and GNI balances, and of traditional own resources, results from technical adjustment.

The Council's draft amending budget 8/2005: On 1 December 2005, the Council established on this basis the Draft Amending Budget No. 8 for the financial year 2005 as set out in the technical annex to the draft amending budget 8/2005 (see Council document 14861/05 ADD). It covers for the most part the Commission's revised proposal as described above.