Amending budget 6/2006: revision of the forecasts for traditional own resources and of VAT and GNI balances, decrease of appropriations for the EAGGF and the Structural Funds and Cohesion Fund

2006/2265(BUD) - 30/11/2006 - Council draft budget

PURPOSE: to present the draft amending budget 6/2007 as established by the Council.

CONTENT: on 3 November 2006, the Commission forwarded to the Council Preliminary Draft Amending Budget (PDAB) No. 6/2006 to the general budget for 2006. At that time the figures therein were still to be considered provisional.

Thus, the Commission proposed to present the updated amounts affecting the revenue and the expenditure sides at a later stage of the procedure.

The final amounts to be taken into consideration were communicated to the Budget Authority on 17 November 2006.

The final version of this PDAB takes into account the following:

- the need to budget a substantial increase in the forecast of revenue concerning the revision of the forecasts of VAT and GNI balances, traditional own resources and other revenue (**EUR 2 668 million**); accordingly to this proposed revision Member States will reduce their contributions based on the GNI;

- the need for a decrease of payment appropriations in budget lines for Headings 1, 2 and 7 (**EUR 4 706 million**), after taking into account redeployments from other Headings proposed in the global transfer.

Additionally, the Commission proposes the modification of the remarks of budget article 1 1 1 concerning the sugar storage, as well as of article 13 03 08 - European Regional Development Fund (ERDF), Technical assistance and innovative measures.

According to the final Commission proposal on PDAB No. 6/2006, total contributions from Member States to the 2006 budget will be thus reduced by **EUR 7 374 million**.

On 30 November 2006, the Council established - on this basis - Draft Amending Budget No. 6 for the financial year 2006 as set out in the technical annex to this explanatory memorandum (refer to Council document *15635/2006*).