Amending budget 1/2007: agreement resulting from the trialogue on 28 November 2006 - Structural Funds, European Fisheries Fund, European Investment Fund and Joint Research Centre

2006/2303(BUD) - 20/12/2006 - Commission preliminary draft budget

PURPOSE: to present the Preliminary Draft Amending Budget (PDAB) No 1 for the year 2007.

CONTENT: the Commission presents this Preliminary Draft Amending Budget (PDAB) No 1 for the year 2007 in order to integrate into the budget 2007 the necessary technical adjustments needed from the Amending Letter 2/2007, which could not be taken on board during the last phase of the 2007 budget procedure, as accepted during the trialogue of 28 November 2006.

On the basis of the agreement reached at the trialogue meeting of 28 November, at its meeting on 30 November 2006 the Council accepted only the following items from Amending Letter 2/2007:

- **EUR 500 million** in commitment appropriations for the European Global Adjustment Fund (**EGF**) with only a reference to the IIA and Article 12 of the EGF Regulation;
- **EUR 6 million** in commitment appropriations and **EUR 4.4 million** in payment appropriations for **Hercule II** as proposed by the Commission.

Moreover, the appropriations for the International Fund for Ireland were already included in the 1st reading of the 2007 draft budget by the EP and accepted in the Council's 2nd reading.

At the trialogue meeting of 28 November, the Commission announced that it would come forward with this Preliminary Draft Amending Budget in early 2007 with the political understanding that the proposed modifications will be taken into account in the final publication of the budget 2007 in the Official Journal scheduled for mid-March 2007.

To this end, the Commission calls on the European Parliament and the Council to agree on this Preliminary Draft Amending Budget in **one single reading**, in view of its final adoption by 1 February 2007.

In parallel, adjustments are needed following the agreement reached at the trialogue meeting of 28 November 2006. The main technical adjustments concern the following: i) changes arising from the new Multi-Annual Financial Framework on external relations and development; ii) the Structural and Cohesion Funds and the European Fisheries Fund; iii) changes to JRC establishment plan; iv) the creation of new budget items (treasury management, EDF contribution to common administrative support expenditure) following the modernisation of the accounting system; v) increase of European Investment Fund capital; vi) reallocation of funds for the platform of the European Social NGOs from Heading 1a to Heading 3b; vii) updating the budgetary remarks of the programmes with Swiss participation.