Basic information

2004/2223(BUD) BUD - Budgetary procedure	Procedure completed
Amending budget 10/2004: section III Commission, general statement of revenue **Subject** 8.70.60 Previous annual budgets	

Key players

European Parliament	**Committee responsible**	**Rapporteur**	**Appointed**
	BUDG Budgets	MULDER Jan (ELDR)	02/12/2002
	Committee for opinion	**Rapporteur for opinion**	**Appointed**
	REGI Regional Development	The committee decided not to give an opinion.	
	AGRI Agriculture and Rural Development	The committee decided not to give an opinion.	
Council of the European Union			

Key events

Date	Event	Reference	Summary
13/10/2004	Commission preliminary draft budget published	SEC(2004)1234	Summary
24/11/2004	Vote in committee		Summary
29/11/2004	Council draft budget published	15179/2004	Summary
30/11/2004	Budgetary report tabled for plenary	A6-0053/2004	
01/12/2004	Committee referral announced in Parliament		
02/12/2004	Decision by Parliament	T6-0069/2004	Summary
02/12/2004	Results of vote in Parliament		
02/12/2004	End of procedure in Parliament		
29/03/2005	Final act published in Official Journal		

Technical information	
Procedure reference	2004/2223(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Budget
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/6/24546

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Budgetary report tabled for plenary, 1st reading		A6-0053/2004	30/11/2004	
Budgetary text adopted by Parliament		T6-0069/2004 OJ C 208 25.08.2005, p. 0017-0036 E	02/12/2004	Summary

Council of the EU

Document type	Reference	Date	Summary
Council draft budget	15179/2004	29/11/2004	Summary

European Commission

Document type	Reference	Date	Summary
Commission preliminary draft budget	SEC(2004)1234	13/10/2004	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Budget 2005/0243
OJ L 080 29.03.2005, p. 0001-0094 Summary

Amending budget 10/2004: section III Commission, general statement of revenue

2004/2223(BUD) - 13/10/2004 - Commission preliminary draft budget

PURPOSE : to present the Preliminary Draft Amending Budget No 11 for the year 2004.

CONTENT : the present PDAB 11/2004 covers three elements:

- an increase of payment appropriations for most of the Structural Funds budget lines in heading 2a (EUR 3.4 billion): The implementation of the Structural Funds 2000-2006 programmes trailed expectations in the first four years of the current programming period, which caused a significant under-execution of payment budgets. This has led to a more conservative budgeting approach by the budgetary authority. However, the regions, the Member States and, not least, the Commission's services spared no efforts to improve the use made of the resources of the Structural Funds for economic and social development projects. This notably included simplification measures adopted by the Commission in 2003. These efforts resulted in improved execution since the beginning of 2004. Payments have progressed quite rapidly this year, leading the Commission to anticipate already several months ago a possible need for reinforcing the payments budget. Nonetheless, the history of significant under-executions in the Structural Funds advised for a cautious approach. Responsible management of the budget requires the Commission to fund any shortfall in payment appropriations from the existing budget whenever possible, before proposing any net reinforcement of the budget to the budgetary authority. The global transfer provides every year a clearing house mechanism to balance excess supply and demand of payment appropriations in headings 2, 3, 4 and 7, and the Commission first explored this avenue. However, across-the-board strong implementation this year leaves no margin in other headings to fund the additional needs of the Structural Funds. This PDAB proposes the transfer of all the excess appropriations identified in the context of the global transfer procedure in heading 2 lines, to the lines with a foreseeable deficit, but this transfer only covers EUR 8 million out of the EUR 3.4 billion needed. On the other hand, it was possible to find within the existing budget, under heading 1A, a significant surplus of appropriations (EUR 1.1 billion), for which this PDAB proposes to annul the commitments and redeploy the corresponding payment appropriations to the Structural Funds (the surplus under the EAGGF-Guarantee is explained below). This reduces appreciably the request to the budgetary authority for additional appropriations. Thus, as summarised in the following table, the increase in appropriations for the Structural Funds, EUR 3.4 billion, is to be met partly with a reduction of the excess appropriations in heading 1A (EUR 1.1 billion) and partly with additional appropriations (EUR 2.3 billion);

- a decrease of appropriations for several budget lines under heading 1a, whose payment component is requested to be redeployed to the structural Funds lines EUR 1.1 billion): The PDAB proposes decreases in the appropriations for the EAGGF-Guarantee where there is an important under-utilisation of the budget due to generally favourable developments on agricultural markets in 2003/2004. These favourable developments concern in particular the following key sectors: markets measures for cereals;

sheepmeat and goatmeat; beef; milk and milk products; wine sector; textile plants and sugar. At this stage, the overall under-utilisation is estimated at around EUR 1.6 billion. However, the cancellation of appropriations for the EAGGF-Guarantee should not exceed EUR 1.1 billion, given the limits laid down in the Financial Regulation;

- an increase in the forecast of revenue, in particular for import duties (EUR 1.3 billion) : according to Article 16 of Council Regulation 1150/2000/EC, Euratom of 22 May 2000, the Commission proposes to revise the forecasts of traditional own resources on the basis of the actual outturn by an increase of EUR 1.2 billion. In addition, the Commission foresees other revenue such as for registering the recovery of fines. No amount was introduced in the 2004 budget, as it is very difficult to forecast these recoveries. The entities that are subjected to a fine can file an appeal against the Commission Decision imposing fines. However for some EUR 80 million the Commission can consider its recovery as definitive. Therefore an amount of EUR 80 million is being budgeted. Other revenue is foreseen in terms of registering interest on late payments. An amount of EUR 20 millions can be entered on the line at this stage of the year, given the amounts recovered or that will most likely be recovered before the end of the year.

To conclude, the use of updated forecasts on the revenue side improves the accuracy of the payments that Member States are asked to make available during the budgetary year. This proposed revision increases the traditional own resources forecasts and other revenue by EUR 1.3 billion. The global increase in payment appropriations needed being EUR 2.3 billion, the additional call on member states GNI contributions is thus limited to EUR 1 billion.

Amending budget 10/2004: section III Commission, general statement of revenue

2004/2223(BUD) - 02/12/2004 - Budgetary text adopted by Parliament

The European Parliament adopted the resolution by Jan MULDER (ALDE, NL), and approveddraft amending budget No 10/2004.

Amending budget 10/2004: section III Commission, general statement of revenue

2004/2223(BUD) - 02/12/2004 - Final act

PURPOSE : to adopt amending budget 10/2004 (formerly 11/2004).

LEGISLATIVE ACT : 2005/243/EC, Euratom.

CONTENT : the European Parliament adopted amending budget 10/2004 in accordance with its resolution dated 2 December 2004 (please refer to the summary of the resolution). This amending budget aims to refinance the European Union’s structural policy.

It should be noted that this amending budget 10/2004 was formerly referenced as 11/2004 when it was presented by the Commission as the preliminary draft budget.

Amending budget 10/2004: section III Commission, general statement of revenue

2004/2223(BUD) - 29/11/2004 - Council draft budget

PURPOSE : to present the draft Amending Budget 10 for the financial year 2004 (Section III – Commission) as established by the Council.

CONTENT : to recall, on 15 October 2004, the Commission forwarded to the Council Preliminary Draft Amending Budget (PDAB) 11/2004. The Commission proposal highlighted the increase of payment appropriations for most of the Structural Funds budget lines (EUR 3.4 billion); the decrease of appropriations for several budget lines for the EAGGF-Guarantee, which are redeployed to the Structural Funds budget lines (EUR 1.1 billion) and the increase in the forecast revenue from "import duties" and "miscellaneous revenue" (EUR 1.3 billion).

The supplementary call on Member States for new own resources amounted to EUR 1 billion.

On 25 November 2004 during the conciliation meeting, the Commission presented revised figures following the analysis of new data available: increase of payment appropriations for most of the Structural Funds budget lines (EUR 3.7 billion); decrease of appropriations for several budget lines for the EAGGF-Guarantee, which are redeployed to the Structural Funds budget lines (EUR 1.7 billion); increase in the forecast revenue (EUR 1.5 billion).

Therefore, the supplementary call on Member States for new own resources amounts now to EUR 0.5 billion.

Following conciliation with the European Parliament delegation on 25 November 2004 prior to the Budget Council meeting, the Council decided, as part of an overall agreement with the European Parliament and the Commission involving adoption of the Amending Budget at a single reading, to accept Draft Amending Budget 10/2004 as modified by the Commission.

It should be noted that the PDAB 11/2004 has been transformed into 10/2004.