Basic information

2006/2098(BUD) BUD - Budgetary procedure	Procedure completed
Amending budget 2/2006: budgeting the surplus from the implementation of the budget year 2005 **Subject** 8.70.60 Previous annual budgets	

Key players

European Parliament	**Committee responsible**	**Rapporteur**	**Appointed**
	BUDG Budgets	PITTELLA Gianni (PSE)	06/12/2004
Council of the European Union			
European Commission	**Commission DG**	**Commissioner**	
	Budget		

Key events

Date	Event	Reference	Summary
12/04/2006	Commission preliminary draft budget published	SEC(2006)0490	Summary
21/04/2006	Council draft budget published	08513/2006	Summary
21/04/2006	Draft budget approved by Council		
26/04/2006	Committee referral announced in Parliament		
15/05/2006	Vote in committee		
15/05/2006	Budgetary report tabled for plenary	A6-0181/2006	
18/05/2006	Decision by Parliament	T6-0215/2006	Summary
18/05/2006	Results of vote in Parliament		
18/05/2006	End of procedure in Parliament		
13/07/2006	Final act published in Official Journal		

Technical information

Procedure reference	2006/2098(BUD)
Procedure type	BUD - Budgetary procedure

Procedure subtype	Budget
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/6/35935

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE372.147	20/04/2006	
Budgetary report tabled for plenary, 1st reading		A6-0181/2006	15/05/2006	
Budgetary text adopted by Parliament		T6-0215/2006	18/05/2006	Summary

Council of the EU

Document type	Reference	Date	Summary
Council draft budget	08513/2006	21/04/2006	Summary

European Commission

Document type	Reference	Date	Summary
Commission preliminary draft budget	SEC(2006)0490	12/04/2006	Summary
Commission response to text adopted in plenary	SP(2006)3065	01/08/2006	

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Budget 2006/0465
OJ L 193 13.07.2006, p. 0001-0020 Summary

Amending budget 2/2006: budgeting the surplus from the implementation of the budget year 2005

2006/2098(BUD) - 21/04/2006 - Council draft budget

On 21 April 2006, the Council established Draft Amending Budget No 2 for the financial year 2006 as submitted by the Commission in its Preliminary Draft Amending budget No. 2 (please refer to the summary dated 12/04/2006) and set out in the technical annex to this explanatory memorandum (see Council document 8513/2006 ADD 1).

Amending budget 2/2006: budgeting the surplus from the implementation of the budget year 2005

2006/2098(BUD) - 12/04/2006 - Commission preliminary draft budget

PURPOSE : to present the preliminary draft amending budget No 2 to the general budget for 2006.

CONTENT : the Preliminary Draft Amending Budget 2/2006 aims at budgeting the surplus resulting from the implementation of the budget year 2005. As provided for in the Financial Regulation, it is the only subject of this PDAB and it has to be submitted within 15 days following the submission of the provisional accounts, which took place on 31 March 2006.

The Commission's proposal can be summarised as follows:

Revenue :

- entry in the budget of the surplus of the implementation of the budget year 2005, which amounts to **EUR 2 410 079 591,35** including an over-registering in revenue of **EUR 1 292 374 750,19** divided as follows by title:

1. Own resources: - EUR 10 834 757,10

3. Surpluses available: - EUR 13 531 728,64

4. Miscellaneous Community taxes levies and dues: - EUR 12 809 953,05

5. Revenue accruing from the administrative operation of the institutions: + EUR 123 098 462,50

6. Contributions and repayments, EEA: + EUR 1 167 571 621,12

7. Interest on late payment and fines: + EUR 38 379 646,77

8. Borrowing and lending operations: + EUR 16 396 732,60

9. Miscellaneous revenue: - EUR 15 895 274,01

Expenditure :

a) an under-spending of **EUR 1 076 780 696,79** divided as follows by Heading of the Financial Perspective:

• Agriculture: EUR 156 574 401,67

• Structural operations: EUR 58 463 440,29

• Internal policies: - EUR 54 653 266,07

• External action: EUR 181 080 519,83

• Administration: EUR 66 405 283,89

• Reserves: EUR 205 890 000,00

• Pre-accession aid: EUR 463 020 317,18

b) a negative balance of monetary exchange of -EUR 40 924 144,37.

The budgeting of the surplus will diminish accordingly the global contribution of the Member States to the financing of the EU Budget. This global decrease by Member State will also be influenced by the updated own resources forecast including the updated amount of the UK correction and the budgeting of the surplus of the guarantee fund for external loans. These forecasts will be the subject of a separate Preliminary Draft Amending Budget, to be presented by the Commission at the beginning of June 2006,

which is expected to change further the amounts of the contributions by country.

Amending budget 2/2006: budgeting the surplus from the implementation of the budget year 2005

2006/2098(BUD) - 18/05/2006 - Final act

PURPOSE: final adoption of amending budget 2/2006.

LEGISLATIVE ACT : 2006/465/EC, Euratom.

CONTENT: The European Parliament agreed to the final adoption of amending budget 2/2006 of the European Union in accordance with its resolution of 18 May 2006. (see summary of the resolution).

This amending budget relates to the surplus of the implementation of the 2005 financial year and involves a total amount of **2 410 million euros**.

Amending budget 2/2006: budgeting the surplus from the implementation of the budget year 2005

2006/2098(BUD) - 18/05/2006 - Budgetary text adopted by Parliament

The European Parliament adopted a resolution drafted by Giovanni PITTELLA (PES, Italy) and decided to accept Council's Draft amending budget unamended.

To recall, draft amending budget No 2/2006 aims to enter in the 2006 budget the surplus from the financial year 2005, amounting to EUR 2 410 million. The two main elements of this surplus are an over-registering in revenue of EUR 1 292 million and an under-spending in expenditure of EUR 1 077 million. The under-spending of payment appropriations, compared to the years before, has decreased overall to about 1% of the budget, i.e. only EUR 1 077 million of the total EU 2005 budget of EUR 105 684 048 940 were not used. For agriculture, the sum not spent amounted to EUR 157 million, or 0.3%, of EUR 48 510 million, for structural funding it was EUR 58 million (0.2%) of a total EUR 32 641 million, for external action it amounted to EUR 181 million (3.5%) of the total allowance of EUR 5 171 million, for administration it was EUR 66 million (1.0%) of a total EUR 6 292 million and for pre-accession strategy it amounted to EUR 463 million (13.5%) of a total of EUR 3 428 million.

Parliament stated that, compared to 2004, there have been considerable general improvements in the uptake of allocations in the fields of structural funds, where in 2004, EUR 232 million or 0.7% of the total budget of EUR 34 451 million were not spent, and internal policies, where an amount of EUR 50 million (0.7%) of a total of EUR 7 432 million was left unused in 2004. There is still some room for improvement, especially in the field of external action, where EUR 181 million equalling 3.5% of the total allowance were not spent in 2005, and in pre-accession strategy where the amount unused, compared to 2004, has actually gone up to EUR 463 million or 13,5% of the allowance initially planned.

Parliament welcomed the positive development in budget implementation over the last few years. It called on the Commission to continue its efforts to fully implement the budget which is even more important in view of the limited resources that will be available under the new financial framework 2007 – 2013.