Basic information

2008/2311(BUD) BUD - Budgetary procedure	Procedure completed
Amending budget 9/2008: increase in the forecast of revenue; decrease in payment appropriations **Subject** 8.70.60 Previous annual budgets	

Key players

European Parliament	**Committee responsible**	**Rapporteur**	**Appointed**
	BUDG Budgets	VIRRANKOSKI Kyösti (ALDE)	13/12/2006
Council of the European Union			
European Commission	**Commission DG**	**Commissioner**	
	Budget	GRYBAUSKAITĖ Dalia	

Key events

Date	Event	Reference	Summary
31/10/2008	Commission preliminary draft budget published	COM(2008)0693	Summary
21/11/2008	Draft budget approved by Council		
27/11/2008	Council draft budget published	16263/2008	Summary
02/12/2008	Vote in committee		Summary
04/12/2008	Committee referral announced in Parliament		
08/12/2008	Budgetary report tabled for plenary	A6-0487/2008	
16/12/2008	Decision by Parliament	T6-0595/2008	Summary
16/12/2008	Results of vote in Parliament		
16/12/2008	End of procedure in Parliament		
30/01/2009	Final act published in Official Journal		

Technical information

Procedure reference	2008/2311(BUD)

Procedure type	BUD - Budgetary procedure
Procedure subtype	Budget
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/6/69276

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Budgetary report tabled for plenary, 1st reading		A6-0487/2008	08/12/2008	
Budgetary text adopted by Parliament		T6-0595/2008	16/12/2008	Summary

Council of the EU

Document type	Reference	Date	Summary
Council draft budget	16263/2008	27/11/2008	Summary

European Commission

Document type	Reference	Date	Summary
Commission preliminary draft budget	COM(2008)0693	31/10/2008	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Budget 2009/0043
OJ L 027 30.01.2009, p. 0001 Summary

Amending budget 9/2008: increase in the forecast of revenue; decrease in payment appropriations

2008/2311(BUD) - 31/10/2008 - Commission preliminary draft budget

PURPOSE: to present the Preliminary Draft Amending Budget (PDAB) No 10 for the year 2008.

CONTENT: this Preliminary Draft Amending Budget (PDAB) No 10 for the year 2008 covers the following elements:

1. the need to budget a net increase in the forecast of revenue (**EUR 1 198.7 million**) after the revision of the forecasts of own resources and other revenue;
2. the need for a decrease of payment appropriations in budget lines for headings 1a, 1b, 2, 3b and 4 (**EUR 4 891.3 million**), after taking into account the redeployments proposed in the global transfer.

1) Increase of revenue: the Commission has revised the forecasts for own resources. As far as the VAT and GNI own resources balances are concerned, and on the basis of the available information, the Commission proposes to enter an amount of EUR 1 823.7 million. At this stage the calculations for Member States' balances are still provisional because of the on-going verification of VAT and GNI data. This may lead the Commission to revise the figures in the course of the procedure for this PDAB.

The Commission also proposes to decrease Traditional Own Resources (TOR) by EUR 1 600 million in chapter 12 of revenue. The Amending Budget No 5/2008 estimated the total of traditional own resources as a net amount of EUR 18 536.3 million. However taking into account the evolution of the cashed amounts since the beginning of the year, this is now estimated at EUR 16 936.3 million. If new actual data for the last quarter of the year would imply significant changes to this estimation, the Commission will revise its figures also in the course of the budgetary procedure.

This PDAB also takes account of financial corrections in connection with the Structural funds (EUR 313 million), other non-assigned contributions and refunds (EUR 33 million) and interest on late payments and fines. The Amending Budget No 3/2008 already increased amounts entered in Budget 2008 by EUR 849.2 million. Considering the amounts that at this stage of the year are cashed or will probably be cashed, it is proposed to enter an additional amount of EUR 629 million in the budget.

2) Decrease in payment appropriations: the Commission proposes to adjust the level of payment appropriations for certain budget lines in order to align them more closely to the latest estimates of needs. The reduction in the level of payment appropriations proposed amounts to **EUR 4 891.3 million**.

This reduction can be characterised as follows:

- **Heading 1a - Competitiveness for Growth and Employment:** - EUR 50 million for the completion of programmes for enterprises;
- **Heading 1b - Cohesion for Growth and Employment:** - EUR 4 514.7 million for Structural and Cohesion Funds (the 2008 budget requested by the Commission for Heading 1b was established under the hypothesis that all the 2007-2013 programmes would be adopted in 2007 and that execution would start immediately after their approval, leading to an appropriate level of interim payments. Interim payments for the 2000-06 programmes have, however, exceeded expectations and consequently absorbed a significant part of the payments originally estimated for the 2007-13 programmes. However, an important number of payments are currently suspended by the Commission for the 2000-2006 programmes, following audits of the management and control systems of certain specific operational programmes, and while awaiting for the Member States concerned to take the necessary corrective measures);
- **Heading 2 - Preservation and Management of Natural Resources:** - EUR 20.7 million for the Reserve for Fisheries Agreements;
- **Heading 3b - Citizenship:** - EUR 13.6 million for the Public Health Programme and – EUR 26.7 for the transition facility for institution building after accession;
- **Heading 4 - the EU as a Global Player**: - EUR 47.6 million for the Instrument for Pre-Accession (IPA) (Human Resources Development); - EUR 70 million for Instrument for Pre-accession Assistance for Rural Development (IPARD); - EUR 100 million for the Instrument for structural policies for pre accession (ISPA) (Completion of other previous projects (2000 to 2006); and - EUR 48 million for cooperation with developing countries in Asia.

Amending budget 9/2008: increase in the forecast of revenue; decrease in payment appropriations

2008/2311(BUD) - 18/12/2008 - Final act

PURPOSE: final adoption of amending budget No 9/2008.

LEGISLATIVE ACT: 2009/43/EC, Euratom.

CONTENT: the European Parliament finally adopted amending budget No 9/2008 of the European Union, in accordance with its resolution of 18 December 2008 (please see the summary of the resolution).

This amending budget covers the net increase in the forecast of revenues (EUR 1 198.7 million) and the decrease of payment appropriations in budget lines for headings 1a, 1b, 2, 3b and 4 (EUR 4 891.3 million). The combined effect of these two factors leads to a net decrease in Member States' contribution to the 2008 budget.

The amending budget also covers the inclusion of the budgetary aspects related to the financing of the Facility for rapid response to soaring food prices in developing countries in 2008, as resulting from the joint declaration of the Parliament and of the Council of 21 November 2008 on the financing of the Food Facility (please refer to the summary of draft amended budget BUD/2008/2026 of 27 November 2008).

Amending budget 9/2008: increase in the forecast of revenue; decrease in payment appropriations

2008/2311(BUD) - 27/11/2008 - Council draft budget

On 31 October 2008, the Commission forwarded to the Council preliminary draft amending budget (PDAB) No 10 to the general budget for 2008.

The preliminary draft amending budget takes account of an increase in the forecast of revenue and a reduction in payment appropriations for the budget lines for headings 1a, 1b, 2, 3b and 4.

As regards revenue, the net increase of EUR 2 044,9 million results from revisions of the forecasts for:

- VAT and GNI balances (+ EUR 2 505.4 million);
- traditional own resources (- EUR 1 600 million);
- other revenue (+ EUR 1 139.5 million) including EUR 313 million for financial corrections in connection with the Structural Funds and EUR 793.5 million for interest on late payments and fines.

As regards expenditure, the total reduction of EUR 4 891.3 million results from the Commission's proposal to reduce payment appropriations for the following budget lines, in order to align them more closely on the latest estimates of needs:

a) within sub-heading 1a (Competitiveness for growth and employment) a reduction of EUR 50 million for the Article Completion of programme for enterprises;

b) within sub-heading 1b (Cohesion for growth and employment) a total reduction of EUR 4 514.7 million, including EUR 1 614.7 million for the ESF, EUR 1 485 million for the ERDF and EUR 1 415 million for the Cohesion Fund;

c) within sub-heading 2 (Preservation and management of natural resources) a reduction of EUR 20.7 million for the item Reserve for international fisheries agreements;

d) within sub-heading 3b (Citizenship) a total reduction of EUR 40.3 million, including EUR 13.6 million for Completion of public health programme (2003 to 2008) and EUR 26.7 million for the Transition facility for institution building after accession;

e) within heading 4 (The EU as a global player) a total reduction of EUR 265.6 million, including EUR 217.6 million for the various pre-accession instruments and EUR 48 million for Cooperation with developing countries in Asia.

The combined effect of the increase in the forecast of revenue (EUR 2 044.9 million) and the decrease in payment appropriations in the budget lines for headings 1a, 1b, 2, 3b and 4 (EUR 4 891.3 million) is to r**educe Member States' contributions to the 2008 budget by EUR 6 936.2 million**.

Further to the conclusions reached at the conciliation meeting with the European Parliament on 21 November 2008, the Council agreed to:

- the Commission proposal as updated by the Commission on 12 November 2008,

- the creation in the draft budget of the budget line relating to the Food Facility (Article 21 02 03 – Rapid response to food price increases in developing countries) **with a pm, in heading 4 of the Multiannual Financial Framework**, and the entry of an additional amount of EUR 240 million in commitment appropriations on the budget line "Emergency Aid Reserve" (Article 40 02 42).

On 27 November 2008 the Council established draft amending budget No 9 for 2008 (and not 10), on the basis of the items listed under section II above and as it is set out in the technical annex to this statement of reasons (see Council doc. *16263/08 ADD 1*).

Amending budget 9/2008: increase in the forecast of revenue; decrease in payment appropriations

2008/2311(BUD) - 16/12/2008 - Budgetary text adopted by Parliament

The European Parliament adopted by, 577 votes to 11 against 22, the resolution approving, without amendment, Draft amending budget No 9/2008 of the European Union for the financial year 2008.

The report had been tabled for consideration in plenary by Kyösti **VIRRANKOSKI** (ALDE, FI) on behalf of the Committee on Budgets.

The European Parliament recalls that this draft amending budget covers the following items:

- a net increase in the forecast of revenues (EUR 1 198.7 million) after the revision of the forecasts of own resources and other revenue;
- a decrease of payment appropriations in budget lines for headings 1a, 1b, 2, 3b and 4 (EUR 4 891.3 million), after taking into account the redeployments proposed in the global transfer;
- the inclusion of the budgetary aspects related to the financing of the Facility for rapid response to soaring food prices in developing countries in 2008, as resulting from the joint declaration of the Parliament and of the Council of 21 November 2008 on the financing of the Food Facility (please refer to BUD/2008/2026).

Parliament recalls that the Council has adopted Preliminary draft amending budget (PDAB) No 10/2008 as DAB 9/2008, following the cancellation of PDAB 8/2008.