Basic information

2010/2048(BUD) BUD - Budgetary procedure	Procedure lapsed or withdrawn
Amending budget ex-3/2010: Banana Accompanying Measures (BAM) for ACP countries **Subject** 6.20.01 Agreements and relations in the context of the World Trade Organization (WTO) 6.40.06 Relations with ACP countries, conventions and generalities 8.70.60 Previous annual budgets 8.70.70 Flexibility instrument **Geographical area** ACP countries	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
BUDE Budgetary Conciliation Committee		

Former committee responsible	Former rapporteur	Appointed
BUDG Budgets	SURJÁN László (PPE)	08/04/2010

Council of the European Union

Council configuration	Meetings	Date
General Affairs	3040	2010-10-25
Economic and Financial Affairs ECOFIN	3044	2010-11-15

European Commission

Commission DG	Commissioner
Budget	LEWANDOWSKI Janusz

Key events

Date	Event	Reference	Summary
08/04/2010	Commission draft budget published	COM(2010)0149	Summary
13/09/2010	Council position on draft budget published	13472/2010	Summary
20/09/2010	Committee referral announced in Parliament		

07/10/2010	Vote in committee		Summary
08/10/2010	Budgetary report tabled for plenary	A7-0281/2010	
19/10/2010	Debate in Parliament		
20/10/2010	Decision by Parliament	T7-0371/2010	Summary
20/10/2010	Results of vote in Parliament		
25/10/2010	Parliament's amendments rejected by Council		Summary
25/10/2010	Start of budgetary conciliation (Parliament and Council)		
11/11/2010	Debate in Council		Summary
15/11/2010	Agreement not reached in budgetary conciliation		
15/11/2010	Additional information		Summary

Technical information

Procedure reference	2010/2048(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Budget
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure lapsed or withdrawn
Committee dossier	BUDE/7/04375 BUDG/7/02663

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE441.300	05/10/2010	
Amendments tabled in committee		PE450.623	06/10/2010	
Budgetary report tabled for plenary, 1st reading		A7-0281/2010	08/10/2010	
Budgetary text adopted by Parliament		T7-0371/2010	20/10/2010	Summary

Council of the EU

Document type	Reference	Date	Summary
Council position on draft budget	13472/2010	13/09/2010	Summary

European Commission

Document type	Reference	Date	Summary
Commission draft budget	COM(2010)0149	08/04/2010	Summary

Additional information		
Source	Document	Date
European Commission	EUR-Lex	

Amending budget ex-3/2010: Banana Accompanying Measures (BAM) for ACP countries

2010/2048(BUD) - 20/10/2010 - Budgetary text adopted by Parliament

The European Parliament adopted by 580 votes to 28, with 17 abstentions a resolution amending the Council's position on Draft amending budget No 3 /2010 of the European Union for the financial year 2010, Section III – Commission, on funding accompanying measures in the banana sector.

The resolution pointed out that the Commission was proposing to amend Regulation (EC, Euratom) No 1905/2006 (see COD/2010/0059) to allow the financing of Bananas Accompanying Measures (BAM) over the years 2010 to 2013, with an overall budget of EUR 190 million, and a potential supplementary EUR 10 million if margins allowed. It added that the proposed annual breakdown of the financial assistance for BAM provided for an amount of **EUR 75** million in 2010.

Parliament noted that the major part of this financial assistance in 2010 stemmed from **redeployment** within heading 4 of the budget (EUR 55.8 million out of the total EUR 75 million). This proposed redeployment affected instruments and actions that the EU and particularly the European Parliament had defined as being of great interest. The resolution pointed out that the margin available under heading 4 was only EUR 875 530, due to the need to finance to the greatest extent, in 2010, the EU's priorities in its role as a global player. It also stressed that past budgetary procedures had illustrated the extreme pressure this heading had been under.

The resolution reiterated Parliament's position that **new priorities should be financed by new funds**. It said that the remaining margin of EUR 875 530 under Heading 4 could be used for the financing of BAM and that the Commission should present a **new proposal** for the mobilisation of the Flexibility Instrument for the remaining part of **EUR 74.12 million** (rather than the EUR 18.3 million initially proposed)**,** given that the financing of BAM fulfilled the conditions for the use of the Flexibility Instrument.

In its amendments, Parliament therefore **reinstated all the amounts provided for under Heading 4 of the financial perspective for 2010**.

Amending budget ex-3/2010: Banana Accompanying Measures (BAM) for ACP countries

2010/2048(BUD) - 11/11/2010

The Conciliation Committee reached convergence on Draft amending budget No 3 to the EU budget for 2010 seeks to ensure the financing of EUR 75 million for measures to help African, Caribbean and Pacific (ACP) banana exporting countries **affected by trade liberalisation** required by the World Trade Organisation (WTO).

Amending budget ex-3/2010: Banana Accompanying Measures (BAM) for ACP countries

2010/2048(BUD) - 08/04/2010 - Commission draft budget

PURPOSE: presentation of draft amending budget **No 3 to the 2010 general budget** with a view to financing Banana Accompanying Measures through the mobilisation of the Flexibility Instrument.

CONTENT: Draft Amending Budget No 3/2010 covers appropriations relaing to the establishment of the financing of the Banana Accompanying Measures (BAM) in favour of the main ACP banana-supplying countries affected by the Most Favoured Nation (MFN) liberalisation in the framework of the World Trade Organisation (WTO), following the proposal to amend Regulation (EC) No 1905/2006.

These measures would last for four years (2010-2013) and have a total budget of EUR 190 million.

In 2010, EUR 75 million will be allocated to the BAM under budget Article 21 06 07 - Bananas Accompanying Measures, created during the 2010 budget procedure. This amount will be entered into the reserve pending the adoption of the amending Regulation (EC) No 1905/20066, to be financed as follows:

- EUR 55.8 million in commitment appropriations stem from redeployment of appropriations under Heading 4, EUR 0,9 million from the margin of Heading 4 and
- **EUR 18.3 million through the mobilisation of the Flexibility Instrument in 2010**.

Banana accompanying measures: the European Union is committed to helping ACP countries adapt to the effects of changes in its import regime. The integration of all developing countries into the multilateral trading system and the global economy is a key EU development objective. The European Commission therefore proposes to support the main ACP banana-exporting countries to address the challenges they will face by establishing Banana Accompanying Measures (BAM). The Banana Accompanying Measures are intended to support the adjustment of ACP bananas supplier countries affected by the Most Favoured Nation (MFN) liberalisation in the framework of the WTO.

This programme should aim:

- to support the adaptation and/or restructuring of areas dependent upon banana

exports through budget support or specific interventions,

- to provide for social resilience policies, economic diversification or investments in competitiveness improvement, where this is a viable strategy, taking into account the results of and experiences gained through the Special System and the Special Framework of Assistance to traditional ACP suppliers of bananas.

For further information regarding this financing instrument, please refer to COD/2010/0059.

Mobilisation of the Flexibility Instrument: having examined all possibilities for re-allocating appropriations under heading 4, the Commission proposes to mobilise the Flexibility Instrument for the financing of the Banana Accompanying Measures (BAM), for an amount of EUR 18.3 million beyond the ceiling of heading 4.

Conclusion: the net financial impact of this amending budget is EUR 19.2 million in additional commitment appropriations, with no new request for payment appropriations.

Amending budget ex-3/2010: Banana Accompanying Measures (BAM) for ACP countries

2010/2048(BUD) - 25/10/2010

The Council decided **not to approve all amendments to its position on the financing of so-called banana accompanying measures (BAM)** voted by the European Parliament.

In accordance with Article 314 of the Treaty on the Functioning of the EU, a conciliation committee will now be convened in order to agree on a joint text within 21 days.

To recall, in adopting its position on draft amending budget no.3 for 2010, the Council accepted the financing of EUR 56.7 million for the accompanying measures to help ACP banana-exporting countries affected by liberalisation measures in the framework of the World Trade Organisation. In the view of the Council, this amount should be secured by redeployments within heading 4 of the EU budget (EU as a global player) and from the margin of the same heading. Concerning the financing of further EUR 18.3 million for ACP banana supplier countries, the Council asked the Commission to propose as soon as possible additional redeployments within heading 4.

Amending budget ex-3/2010: Banana Accompanying Measures (BAM) for ACP countries

2010/2048(BUD) - 13/09/2010 - Council position on draft budget

On 12 April 2010, the Commission submitted draft amending budget (DAB) No 3 to the general budget for 2010 concerning the financing of the Banana Accompanying Measures (BAM). It proposed that EUR 75 million should be allocated to BAM, to be financed as follows:

- EUR 55.8 million in commitment appropriations by redeployments under heading 4;
- EUR 0.9 million from the margin of heading 4;
- EUR 18.3 million by mobilisation of the Flexibility Instrument.

The net impact of DAB No 3/2010 would be EUR 19.2 million in commitment appropriations.

The Council reached an agreement on EUR 56.7 million for financing the Banana Accompanying Measure by redeployment and from the margin of heading 4 (without the use of the Flexibility Instrument).

The Council invited the Commission to present as soon as possible additional redeployments within heading 4 for the financing of the remaining EUR 18.3 million for the Banana Accompanying Measures.

On 13 September 2010, the Council adopted its position on draft amending budget No 3 of the European Union for the financial year 2010 as set out in the technical annex to its explanatory memorandum (see Council doc 13472/10 ADD 1).