Basic information

2011/2267(BUD) BUD - Budgetary procedure	Procedure completed
Amending budget 6/2011: revenue, integrated maritime policy, Greece: ESF, Palestine **Subject** 8.70.60 Previous annual budgets	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
BUDG Budgets		
	Shadow rapporteur GODMANIS Ivars (ALDE)	

Council of the European Union

Council configuration	Meetings	Date
Economic and Financial Affairs ECOFIN	3129	2011-11-30
Economic and Financial Affairs ECOFIN	3126	2011-11-18

European Commission

Commission DG	Commissioner
Budget	LEWANDOWSKI Janusz

Key events

Date	Event	Reference	Summary
18/10/2011	Commission draft budget published	COM(2011)0674	Summary
23/11/2011	Vote in committee		
25/11/2011	Budgetary report tabled for plenary	A7-0407/2011	
30/11/2011	Council position on draft budget published	17631/2011	Summary
30/11/2011	Committee referral announced in Parliament		
30/11/2011	Draft budget approved by Council		
01/12/2011	Decision by Parliament	T7-0522/2011	Summary
01/12/2011	Results of vote in Parliament		

01/12/2011	End of procedure in Parliament		
24/01/2012	Final act published in Official Journal		

Technical information

Procedure reference	2011/2267(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Budget
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/7/07569

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Amendments tabled in committee		PE476.081	22/11/2011	
Budgetary report tabled for plenary, 1st reading		A7-0407/2011	25/11/2011	
Budgetary text adopted by Parliament		T7-0522/2011	01/12/2011	Summary

Council of the EU

Document type	Reference	Date	Summary
Council position on draft budget	17631/2011	30/11/2011	Summary

European Commission

Document type	Reference	Date	Summary
Commission draft budget	COM(2011)0674	18/10/2011	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Budget 2012/0030
OJ L 020 24.01.2012, p. 0001 Summary

Amending budget 6/2011: revenue, integrated maritime policy, Greece: ESF, Palestine

2011/2267(BUD) - 30/11/2011 - Council position on draft budget

On 18 October 2011, the Commission submitted to the Council draft amending budget (DAB) No 6/2011, covering at the same time an update of revenue and a request for additional commitment (c/a) and payment appropriations (p/a). On 11 November, the Commission forwarded to the Council a letter with updated figures as regards expenditure.

This DAB takes account of an increase in the forecast of revenue, as well as an increase in appropriations on the expenditure side, in line with the latest estimates and needs.

As regards **revenue**, the revised forecast for own resources shows a net increase of EUR 1 276.9 million, resulting from:

- VAT and GNI balances from previous years (+EUR 1 814.9 million);
- other revenue, notably interests on late payments and fines (+EUR 662 million);
- decreased revenue from traditional own resources (-EUR 1 200 million).

With regard to **expenditure**, the Commission proposes a net increase of EUR 3.25 million in c/a and of EUR 550.3 million in p/a. The breakdown is as follows:

- **within sub-heading 1a (Competitiveness for growth and employment)**, +EUR 82 million in p/a on Article 08 04 01 (Cooperation - Nanosciences, nanotechnologies, materials and new production technologies) and +EUR 60 million in p/a on Item 09 04 01 01 (Support for research cooperation in the area of information and communication technologies), to meet outstanding needs which were not covered by the Global Transfer (DEC34/2011);
- **within sub-heading 1b (Cohesion for growth and employment)**:
  - +EUR 401.5 million in p/a on Article 04 02 17 (European Social Fund - Convergence) and +EUR 401.5 million in p/a on Article 04 02 19 (European Social Fund - Regional competitiveness and employment), to meet outstanding needs which were not covered by the Global Transfer;
  - +EUR 3.25 million in c/a and +EUR 0.3 million in p/a on Article 04 02 20 (European Social Fund - Operational technical assistance (2007-2013)) to address particularly urgent needs in the field of tax administration in Greece;
- **within heading 2 (Preservation and management of natural resources)**, a decrease of EUR 395 million in p/a is proposed on Item 05 04 05 01 (Rural development programmes), taking into account payments declared in November by Member States (this amount is used to cater for part of the outstanding needs in sub-heading 1b).

Lastly, within heading 4 (The EU as a global player), a redeployment of EUR 100 million in c/a is proposed in favour of Item 19 08 01 02 (European Neighbourhood and Partnership financial assistance to Palestine, the peace process and UNRWA), to address the most immediate needs of the Palestinian Authority (EUR 70.8 million) and UNRWA (EUR 29.2 million). This amount is proposed as a frontloading of appropriations to cover expenditure in 2012. In addition, a redeployment of EUR 13.4 million is proposed to secure the financing of commitment appropriations for Article 21 06 07 (Banana Accompanying Measures), including a frontloading of some EUR 8 million, within its reference amount of EUR 190 million over the years 2010-2013.

DAB No 6/2011 also includes the creation of a new Article 11 09 05 (Programme to support the further development of an Integrated Maritime Policy), with c/a entered in the reserve (EUR 23.14 million), financed through redeployment within heading 2 (c/a on Items 17 04 01 01 and 17 04 02 01 will be reduced accordingly). The combined effect of the increase in the revised forecast of revenue

(+EUR 1 276.9 million) and the increase in p/a (+EUR 550.3 million) is a **net reduction of Member States' contributions to the 2011 budget by EUR 726.6 million**.

On 18/19 November 2011, the Conciliation Committee, in the framework of the agreement on the joint text concerning the budget for 2012, reached a political agreement on DAB No 6/2011, accepting the Commission's updated proposal **except for p/a within sub-heading 1b** for which **it decreased p/a** on Articles 04 02 17 (European Social Fund - Convergence) and 04 02 19 (European Social Fund – Regional competitiveness and employment) to **EUR 226.35 million**.

Taking into account the new amount of +EUR 200 million net increase in p/a, the combined effect of DAB No 6/2011 is now a **reduction of Member States' contributions to the 2011 budget by EUR 1 076.9 million**.

Amending budget 6/2011: revenue, integrated maritime policy, Greece: ESF, Palestine

2011/2267(BUD) - 01/12/2011 - Budgetary text adopted by Parliament

The European Parliament adopted by 490 votes to 115, with 9 abstentions, a resolution aiming to approve, without amendment, the Council position on Draft amending budget No 6/2011 of the European Union for the financial year 2011, Section III – Commission.

The resolution recalls that the Council has modified Draft amending budget No 6/2011 by decreasing to EUR 200 million the total net reinforcement in payment appropriations although the Parliament has persistently stressed, throughout the entire 2011 budgetary procedure, that the overall level of payments advocated by the Council and adopted for the financial year 2011 was **insufficient and would not enable all clearly agreed needs to be met**. It states that part of the revenue increase stems from fines and interest on late payments totalling EUR 435 million, i.e. from the enforcement of competition policy.

Parliament deeply regrets the climate of **mistrust prevailing during the negotiations between the Commission and the Member States as to the level of extra payment appropriations needed in 2011 for the Commission to be able to fulfil the legal obligations of the Union**. It requests the Commission to communicate to the two arms of the budgetary authority and to the public in general, what are the consequences of this agreement on the implementation of ongoing programmes. It is particularly concerned about the effects of this decision on the running of structural and cohesion funds in the Member States, along with key programmes under the heading 'Sustainable growth'.

The resolution underlines that the **Council's approach is at odds with the processes of the European Semester** and a strengthened European economic governance whereby synergies and complementarities between the Union and the national budgets should be sought. Parliament is all the more concerned by the stance of the Council since, if the Union is to recover from the current economic and social crisis, forward-looking investments need to be supported. In this regard, it expresses its willingness to take part, together with the Council and the Commission, in a stocktaking exercise in order to address potential shortcomings and shortfalls in the implementation of the current multiannual programmes, particularly those under subheadings 1a and 1b.

Parliament reiterates its firm conviction that part of the revenue stemming from fines and interest on late payments, i.e. from the enforcement of competition policy, which is an exclusive Union competence, should be directly put back and reinvested in the Union budget and not returned to the Member States in the context of the balance.

Amending budget 6/2011: revenue, integrated maritime policy, Greece: ESF, Palestine

2011/2267(BUD) - 01/12/2011 - Final act

PURPOSE: definitive adoption of amending budget No 6 of the European Union for the financial year 2011.

LEGISLATIVE ACT: 2012/30/EU, Euratom.

CONTENT: the European Parliament definitively adopted amending budget No 6/2011 of the European Union in accordance with its resolution of 1 December 2011 (please refer to the summary of the resolution).

This amending budget is the result of budgetary negotiations carried out in the framework of the conciliation committee on 18/19 November 2011. The Committee, in the framework of the agreement on joint text concerning the budget for 2012, reached a political agreement on DAB No 6/2011 with the following result:

Commitment appropriations (in EUR million):

- ESF - Operational technical assistance +3.3 +3.3
- ENPI - Palestine, MEPP, UNRWA: +100.0
- Banana Accompanying Measures : +13.4

Sub-total reinforcements +116.7 million.

- Macro financial assistance: -104.4
- International agricultural agreements: -0.1
- Multilateral and international climate agreements: -0.2
- International organisations customs and tax: -0.1
- Third countries education and vocational training: -6.3
- FAO contribution: -0.3
- Commodities agreements: -2.0
- **Sub-total reductions: -113.4 million**.

Total net impact: EUR +3.3 million.

Payment appropriations (in EUR million):

- ESF – Convergence: +226.35
- ESF - Regional Competitiveness: +226.35
- ESF - Operational technical assistance: +0.3
- Cooperation - Nanosciences, nanotechnologies: +82.0
- Cooperation - ICTs : +60.0

Sub-total reinforcements: +595.0 million.

Rural Development: -395.0

Sub-total reductions: -395.0 million.

Total impact: +200 million (against EUR 550.3 million initially proposed by the Commission).

In conclusion, the combined effect of DAB No 6/2011, taking into account the new amount of +EUR 200 million net increase in p/a, is a **reduction of Member States' contributions to the 2011 budget by EUR 1 076.9 million**.

Amending budget 6/2011: revenue, integrated maritime policy, Greece: ESF, Palestine

2011/2267(BUD) - 18/10/2011 - Commission draft budget

PURPOSE: presentation of Draft Amending Budget (DAB) No 6 for the year 2011 – Commission.

CONTENT: Draft Amending Budget (DAB) No 6/2011 covers the following:

- the usual update in the forecast of revenue after the revision of the forecasts of own resources and other revenue;
- the creation of a new budget line: 11 09 05 — Programme to support the further development of an Integrated Maritime Policy (IMP), with commitment appropriations of **EUR 23.14 million** entered in reserve, pending adoption of the legal base. These commitment appropriations are reallocated from other lines withing Heading 2;
- the reallocation of **EUR 60 million** in commitment appropriations within Heading 4 EU as a Global Player, in favour of budget item 19 08 01 02 — European Neighbourhood and Partnership financial assistance to Palestine, the peace process and UNRWA (United Nations Relief and Works Agency for Palestine Refugees in the Near East). This amount is proposed as a frontloading of appropriations to cover expenditure in the year 2012;
- a reinforcement of budget article 04 02 20 European Social Fund - Operational technical assistance by **EUR 3.25 million** to provide specific expertise in support of the Administrative Reform Operational Programme in the field of tax administration in Greece. Payment appropriations of EUR 300 000 are also requested;
- an increase of payment appropriations of **EUR 550 million** to meet outstanding needs which remain after the "Global Transfer". EUR 142 million of this amount will be used to increase payments in Heading 1a Competitiveness for Growth and Employment, and the remaining EUR 408 million will be reallocated to Heading 1b Cohesion for Growth and Employment;
- a token ("p.m.") decrease of payment appropriations in 05 04 05 01 — Rural development programmes to take into account the possible difference between the payment forecasts from the Member States, as updated in September 2011, and the declaration of payments that will be submitted in November 2011. This is entered tentatively and, once declarations from Member States are received, may be revised to meet part of the needs in Heading 1b Cohesion for Growth and Employment.

To summarise, the net effect of this DAB No 6/2011 is **an increase in commitment appropriations by EUR 3.25 million and an increase in payment appropriations by EUR 550.3 million in Headings 1a and 1b**. However, due to the VAT and GNI balances of previous years to be cashed in according to Regulation (EC, EURATOM) No 1150/2000 and to the increase in other revenue, namely EUR 435 million in fines, total revenue increases EUR 1 276.9 million leading to a **decrease in the budgeted Member States' GNI-based contributions for 2011 of EUR 726.6 million**.