Basic information

2012/2127(BUD) BUD - Budgetary procedure	Procedure completed
Amending budget 4/2012: own resources; risk-sharing instruments; EuroGlobe **Subject** 8.70.60 Previous annual budgets	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
BUDG Budgets	BALZANI Francesca (S&D)	11/09/2012
	Shadow rapporteur MULDER Jan (ALDE)	

Council of the European Union

Council configuration	Meetings	Date
General Affairs	3187	2012-09-24

European Commission

Commission DG	Commissioner
Budget	LEWANDOWSKI Janusz

Key events

Date	Event	Reference	Summary
20/06/2012	Commission draft budget published	COM(2012)0340	Summary
24/09/2012	Council position on draft budget published	14059/2012	Summary
24/09/2012	Draft budget approved by Council		
10/10/2012	Vote in committee		
11/10/2012	Budgetary report tabled for plenary	A7-0308/2012	Summary
22/10/2012	Committee referral announced in Parliament		
23/10/2012	Decision by Parliament	T7-0364/2012	Summary
23/10/2012	Results of vote in Parliament		
23/10/2012	End of procedure in Parliament		

21/12/2012	Final act published in Official Journal		

Technical information

Procedure reference	2012/2127(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Budget
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/7/10633

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE496.376	17/09/2012	
Amendments tabled in committee		PE496.518	25/09/2012	
Budgetary report tabled for plenary, 1st reading		A7-0308/2012	11/10/2012	Summary
Budgetary text adopted by Parliament		T7-0364/2012	23/10/2012	Summary

Council of the EU

Document type	Reference	Date	Summary
Council position on draft budget	14059/2012	24/09/2012	Summary

European Commission

Document type	Reference	Date	Summary
Commission draft budget	COM(2012)0340	20/06/2012	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Budget 2012/0781
OJ L 355 21.12.2012, p. 0001 Summary

Amending budget 4/2012: own resources; risk-sharing instruments; EuroGlobe

2012/2127(BUD) - 24/09/2012 - Council position on draft budget

On 20 June 2012, the Commission submitted draft amending budget (DAB) No 4/2012, covering the following elements:

- a revision of forecast of Own Resources;
- creation of budget lines with a token entry (p.m.) related to the establishment of risk sharing instruments;
- creation of a token entry (p.m.) on budget line 16 03 05 01.

Revision of the forecast of Own Resources: on the basis of more recent economic updates, the advisory committee on own resources agreed during its meeting on 21 May 2012 to revise the 2012 forecasts of traditional own resources, the VAT and the GNI bases. As a result of this updated forecast, it has been decided to:

- decrease by -7.9 % the financing from the net custom duties;
- increase by +0.4 % the forecast for the EU uncapped VAT base and
- decrease by -1.9 % the forecast for the GNI base.

The DAB also revises the budgetary imbalances in favour of UK (UK correction) for the years 2008, 2010 and 2011 and the gross reductions in GNI payments in favour of Sweden and the Netherlands.

These reductions are to be financed by all Member States.

Risk-sharing instruments: in order to address certain liquidity problems in financing the cohesion policy projects, Council Regulation (EC) No 1083 /2006 has been amended. The Member States experiencing or threatened by serious difficulties with respect to their financial stability would therefore have the option of creating risk-sharing instruments or similar bodies with a view to facilitate private investment. In order to implement those new provisions, it is proposed to create the following three new Articles under Chapter 13 (Regional Policy), with a token entry (p.m.):

- 13 03 40 (Risk-sharing instruments financed from the ERDF Convergence envelope);
- 13 03 41 (Risk-sharing instruments financed from ERDF Regional competitiveness and employment envelope);
- 13 04 03 (Risk-sharing instruments financed from the Cohesion Fund envelope).

Moreover, a new revenue Item 6 1 4 4 (repayment of Union support to commercially successful projects and activities and to Risk Sharing Instruments financed from the ERDF and Cohesion Fund - Assigned Revenue) will record potential reflows and amounts leftover from Union support to the risk sharing instruments.

Creation of a token entry (p.m.): Item 16 03 05 01 (Preparatory action - EuroGlobe) was created in the 2012 budget with a "dash" in payment appropriations. However, an internal transfer is necessary for this budget line in order to cover the payment request. In order to enable this transfer, it is proposed to modify the line and to replace the "dash" with a token entry (p.m.).

In conclusion, on 24 September 2012, the Council adopted its position on draft amending budget No 4 of the European Union for the financial year 2012, and was able to accept the Commission proposal without any changes.

Amending budget 4/2012: own resources; risk-sharing instruments; EuroGlobe

2012/2127(BUD) - 11/10/2012 - Budgetary report tabled for plenary, 1st reading

The Committee on Budgets adopted the report by Francesca BALZANI (S&D, IT) on the Council position on Draft amending budget No 4/2012 of the European Union for the financial year 2012, Section III – Commission.

Members recall that this Draft amending budget has a triple objective:

- the creation of four budget lines in order to reallocate financial appropriations from up to 10 % of the European Regional Development Fund (ERDF) and Cohesion Fund 2007-2013 allocation to risk-sharing instruments;
- a revision and budgeting of the forecast of the own resources, resulting in a change in the distribution between Member States of their own resources contributions to the EU budget; and
- the replacement of the "dash" presented in payment appropriations for a budget line 16 03 05 01 – Preparatory action – EuroGlobe by a token entry (p.m.) to make a transfer possible.

They also recall that Draft amending budget No 4/2012 foresees the possibility that reflows and amounts left-over from Union support to risk-sharing instruments financed from cohesion policy be added the following year, at the request of the Member State concerned, to its cohesion policy financial allocation. Draft amending budget No 4/2012 is fully consistent with the modifications of the Financial Regulation agreed between the European Parliament and the Council.

Members also call on Parliament to approve, without amendment, the Council's position on Draft amending budget No 4/2012 but demand that:

- any transfer from cohesion policy to those to-be-defined financial instruments should be duly justified to the budgetary authority and well controlled; and
- that regular and detailed information on the operational programmes to be reduced, on the financial instruments to be implemented and on the projects to be supported should be transmitted to Parliament.

Amending budget 4/2012: own resources; risk-sharing instruments; EuroGlobe

2012/2127(BUD) - 23/10/2012 - Budgetary text adopted by Parliament

The European Parliament adopted by 472 votes to 22, with 28 abstentions, a resolution approving, without amendment, the Council position on Draft amending budget No 4/2012 of the European Union for the financial year 2012, Section III – Commission.

Parliament recalls that this Draft amending budget has a triple objective:

- the creation of four budget lines in order to reallocate financial appropriations from up to 10 % of the European Regional Development Fund (ERDF) and Cohesion Fund 2007-2013 allocation to risk-sharing instruments;
- a revision and budgeting of the forecast of the own resources, resulting in a change in the distribution between Member States of their own resources contributions to the EU budget; and
- the replacement of the "dash" presented in payment appropriations for a budget line 16 03 05 01 – Preparatory action – EuroGlobe by a token entry (p.m.) to make a transfer possible.

It also recalls that Draft amending budget No 4/2012 foresees the possibility that reflows and amounts left-over from Union support to risk-sharing instruments financed from cohesion policy be added the following year, at the request of the Member State concerned, to its cohesion policy financial allocation. Draft amending budget No 4/2012 is fully consistent with the modifications of the Financial Regulation agreed between the European Parliament and the Council.

Amending budget 4/2012: own resources; risk-sharing instruments; EuroGlobe

2012/2127(BUD) - 23/10/2012 - Final act

PURPOSE: definitive adoption of amending budget No 4 of the European Union for the financial year 2012.

LEGISLATIVE ACT: 2012/781/EU, Euratom.

CONTENT: Parliament decided to definitively adopt the amending budget No 4/2012 of the European Union, in accordance with its resolution of 23 October 2012 (please refer to the summary of the resolution).

This amending budget aims to:

- review the forecast of the Member States' own resources;
- create budget lines for the implementation of risk-sharing instruments financed from the European Regional Development Fund (ERDF) and the Cohesion Fund, all with a token entry (p.m.);
- amend budget line 16 03 05 01 – Preparatory action – EuroGlobe aiming to promote European Public Spaces, public debates on EU policies and activities, culture and studies to replace the "dash" for payments on the line with a token entry (p.m.), in order to allow the final payments to be made.

Amending budget 4/2012: own resources; risk-sharing instruments; EuroGlobe

2012/2127(BUD) - 20/06/2012 - Commission draft budget

PURPOSE: presentation of draft amending budget (DAB) n° 4 for the year 2012.

CONTENT: **this draft amending budget (DAB) n° 4 for the year 2012** concerns the following:

- a revision of the forecast of Traditional Own Resources (TOR, i.e. customs duties and sugar sector levies), VAT and GNI bases, the budgeting of the relevant UK corrections as well as their financing and revision of financing of GNI reductions in favour of the Netherlands and Sweden in 2012, resulting in a change in the distribution between Member States of their own resources contributions to the EU budget;

- the creation of 4 new budget lines for the implementation of risk-sharing instruments financed from the European Regional Development Fund (ERDF) and the Cohesion Fund, all with a token entry (p.m.);

- modification of the budget line 16 03 05 01 – Preparatory action – EuroGlobe to replace the "dash" for payments on the line with a token entry (p.m.), in order to allow the final payments to be made.

With regard to the preparatory action EuroGlobe, this was created in 2009. It concerns public debates on EU policies and activities, culture and studies. In accordance with article 49 of the Financial Regulation, **the relevant commitment appropriations for a preparatory action may be entered in the budget for not more than three successive financial years**. However, the finalisation of payments can continue thereafter. A contract, covering the organisation of a communication campaign and public debates on EU policies and activities of direct relevance to citizens using cinema events, was signed on 28 December 2009, and provides for actions to be carried out during the Hungarian and Polish presidencies in 2011, ending not later than 31 December 2011. The pre-financing and two interim payments were made in 2010 and 2011. In November 2011, the Commission was informed that the final payment request, together with the final report, would be presented only in 2012. The request for a final payment was received on 12 March 2012. In order to cover this final payment the Commission will make an internal transfer. However, in accordance with article 25 of the Financial Regulation, **a transfer can only be made to a budget line for which there are authorised appropriations, or which carries a token entry (p.m.).** In the 2012 budget, the line in question, 16 03 05 01 – Preparatory action – EuroGlobe only contains a "dash" in payment appropriations. Therefore, it is proposed to replace this with a token entry (p.m.) to make the required transfer possible.