



Procedure file

Basic information		
BUD - Budgetary procedure	2006/2265(BUD)	Procedure completed
Amending budget 6/2006: revision of the forecasts for traditional own resources and of VAT and GNI balances, decrease of appropriations for the EAGGF and the Structural Funds and Cohesion Fund		
Subject 3.10.13 European Agricultural Guidance and Guarantee Fund, EAGGF and EAGF 8.70.01 Financing of the budget, own resources 8.70.60 Previous annual budgets		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	BUDG Budgets	PSE PITTELLA Gianni	06/12/2004
Council of the European Union	Council configuration	Meeting	Date
	Employment, Social Policy, Health and Consumer Affairs2767		30/11/2006
European Commission	Commission DG	Commissioner	
	Budget	GRYBAUSKAITĖ Dalia	

Key events			
31/10/2006	Commission preliminary draft budget published	SEC(2006)1410	Summary
30/11/2006	Council draft budget published	15635/2006	Summary
30/11/2006	Vote in committee		Summary
30/11/2006	Draft budget approved by Council		
04/12/2006	Budgetary report tabled for plenary	A6-0444/2006	
12/12/2006	Committee referral announced in Parliament		
12/12/2006	Debate in Parliament		
13/12/2006	Results of vote in Parliament		
13/12/2006	Decision by Parliament	T6-0558/2006	Summary
13/12/2006	End of procedure in Parliament		

Technical information

Procedure reference	2006/2265(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Budget
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/6/42303

Documentation gateway

Commission preliminary draft budget	SEC(2006)1410	31/10/2006	EC	Summary
Council draft budget	15635/2006	30/11/2006	CSL	Summary
Budgetary report tabled for plenary, 1st reading	A6-0444/2006	04/12/2006	EP	
Budgetary text adopted by Parliament	T6-0558/2006	13/12/2006	EP	Summary
Commission response to text adopted in plenary	SP(2007)0303	24/01/2007	EC	

Final act

[Budget 2006/995](#)
[OJ L 402 30.12.2006, p. 0001](#) Summary

Amending budget 6/2006: revision of the forecasts for traditional own resources and of VAT and GNI balances, decrease of appropriations for the EAGGF and the Structural Funds and Cohesion Fund

PURPOSE: to present the Preliminary Draft Amending Budget No 6 to the General Budget 2006.

CONTENT: the Commission presents this Preliminary Draft Amending Budget (PDAB) No 6 for the year 2006 (Section III-Commission) to take into account the following exceptional circumstances:

- the need to budget a substantial increase in the forecast of revenue, in particular for the revision of the forecasts of VAT and GNI balances and traditional own resources (EUR 2 470 million);

- the need for a decrease of payment appropriations in budget lines for the following Headings:

- § 1a: EAGGF-Guarantee: the Commission has identified for sub-heading 1a a significant surplus of appropriations, for which this PDAB proposes to annul the commitments where there is an important excess of the budget. The under-utilisation is due to more favourable developments of agricultural markets in 2005/2006 also relates to some agricultural direct aids so that savings are generated;
- § 2: Structural Funds and Cohesion Fund: this PDAB proposes a reduction of EUR 2 500 million in payment appropriations. The bulk of the downward revision sought by this PDAB concerns the 2000-2006 Structural Funds programmes and is linked to the Spanish payment claims. This may lead the Commission to revise the figure in the course of the procedure concerning this PDAB;
- § 7: Pre-accession: essentially due to the under-utilisation of expenditure relating to SAPARD, ISPA and the aid programme for Cyprus.

The total reduction of payment appropriations for all the headings amounts EUR 3 906 million, after taking into account redeployments from other headings proposed in the global transfer.

- the Commission proposes the modification of the remarks of budget article 1 1 1 concerning the sugar storage, as well as of article 13 03 08 ? European Development Fund (ERDF), Technical assistance and innovative measures.

Overall, the budget shall be reduced by EUR 860 million in commitment appropriations and EUR 3 906 million in payment appropriations.

Amending budget 6/2006: revision of the forecasts for traditional own resources and of VAT and GNI balances, decrease of appropriations for the EAGGF and the Structural Funds and Cohesion

Fund

PURPOSE: to present the draft amending budget 6/2007 as established by the Council.

CONTENT: on 3 November 2006, the Commission forwarded to the Council Preliminary Draft Amending Budget (PDAB) No. 6/2006 to the general budget for 2006. At that time the figures therein were still to be considered provisional.

Thus, the Commission proposed to present the updated amounts affecting the revenue and the expenditure sides at a later stage of the procedure.

The final amounts to be taken into consideration were communicated to the Budget Authority on 17 November 2006.

The final version of this PDAB takes into account the following:

- § the need to budget a substantial increase in the forecast of revenue concerning the revision of the forecasts of VAT and GNI balances, traditional own resources and other revenue (EUR 2 668 million); accordingly to this proposed revision Member States will reduce their contributions based on the GNI;
- § the need for a decrease of payment appropriations in budget lines for Headings 1, 2 and 7 (EUR 4 706 million), after taking into account redeployments from other Headings proposed in the global transfer.

Additionally, the Commission proposes the modification of the remarks of budget article 1 1 1 concerning the sugar storage, as well as of article 13 03 08 - European Regional Development Fund (ERDF), Technical assistance and innovative measures.

According to the final Commission proposal on PDAB No. 6/2006, total contributions from Member States to the 2006 budget will be thus reduced by EUR 7 374 million.

On 30 November 2006, the Council established - on this basis - Draft Amending Budget No. 6 for the financial year 2006 as set out in the technical annex to this explanatory memorandum (refer to Council document 15635/2006).

Amending budget 6/2006: revision of the forecasts for traditional own resources and of VAT and GNI balances, decrease of appropriations for the EAGGF and the Structural Funds and Cohesion Fund

The committee adopted the report by Giovanni PITTELLA (PES, IT) adopting the Council's Draft Amending Budget No. 6/2006 unamended. The committee noted that "the regular and systematic underestimation of revenue with all its effects should be considered as an issue deserving further scrutiny" and that the low level of implementation of payments that were adopted in the annual budgetary procedure remains a constant cause for concern. It reminded the Commission of "its responsibility to do its utmost to implement payments as adopted by the budgetary authority within the framework of the annual budgetary procedure".

Amending budget 6/2006: revision of the forecasts for traditional own resources and of VAT and GNI balances, decrease of appropriations for the EAGGF and the Structural Funds and Cohesion Fund

The European Parliament adopted a resolution drafted by Giovanni PITTELLA (PES, IT) adopting the Council's Draft Amending Budget No. 6/2006 unamended. (Please see the summary of proceedings in committee dated 30/11/2006.)

Amending budget 6/2006: revision of the forecasts for traditional own resources and of VAT and GNI balances, decrease of appropriations for the EAGGF and the Structural Funds and Cohesion Fund

PURPOSE: final adoption of amending budget 6/2006.

LEGISLATIVE ACT: 2006/995/EC, Euratom.

CONTENT: the European Parliament has definitively adopted amending budget 6/2006 of the European Union, in line with its resolution of 13 December 2006 (refer to resolution summary).

This amending budget essentially aims to reduce Member States' contributions to the 2006 budget by EUR 7.373 billion.