


Procedure file

Basic information		
BUD - Budgetary procedure	2008/2161(BUD)	Procedure completed
Amending budget 5/2008: revision of the forecast of TOR (customs duties, agricultural duties and sugar levies) and VAT & GNI bases		
Subject 8.70.60 Previous annual budgets		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	BUDG Budgets		13/12/2006
Council of the European Union	Council configuration	ALDE VIRRANKOSKI Kyösti	
	General Affairs	Meeting	Date
European Commission	Commission DG	2885	22/07/2008
	Budget	Commissioner	
		GRYBAUSKAITĖ Dalia	

Key events			
17/06/2008	Commission preliminary draft budget published	COM(2008)0381	Summary
16/07/2008	Vote in committee		Summary
21/07/2008	Council draft budget published	11571/2008	Summary
22/07/2008	Draft budget approved by Council		
31/07/2008	Budgetary report tabled for plenary	A6-0328/2008	
02/09/2008	Results of vote in Parliament		
02/09/2008	Committee referral announced in Parliament		
02/09/2008	Decision by Parliament	T6-0379/2008	Summary
02/09/2008	End of procedure in Parliament		
14/11/2008	Final act published in Official Journal		

Technical information	
Procedure reference	2008/2161(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Budget
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/6/64497

Documentation gateway					
Commission preliminary draft budget		COM(2008)0381	18/06/2008	EC	Summary
Council draft budget		11571/2008	22/07/2008	CSL	Summary
Budgetary report tabled for plenary, 1st reading		A6-0328/2008	31/07/2008	EP	
Budgetary text adopted by Parliament		T6-0379/2008	02/09/2008	EP	Summary
Commission response to text adopted in plenary		SP(2008)6073	17/10/2008	EC	

Final act	
Budget 2008/833 OJ L 305 14.11.2008, p. 0001	Summary

Amending budget 5/2008: revision of the forecast of TOR (customs duties, agricultural duties and sugar levies) and VAT & GNI bases

PURPOSE: to present the Preliminary Draft Amending Budget No 5/2008.

CONTENT: the Preliminary Draft Amending Budget No 5 to the Budget for 2008 (PDAB 5/2008) covers the revision of the forecast of traditional own resources (TOR, i.e. customs duties, agricultural duties and sugar levies), VAT and GNI bases and the budgeting of the relevant UK corrections (2004 and 2007) as well as their financing, resulting in a change in the distribution between Member States of their own resources contributions to the EU budget.

This summary shows the distribution of total own resources payments between Member States as budgeted in:

- the Budget 2008 as adopted by the Community institutions in December 2007;
- the Amending Budget (AB) 1/2008- modifies the 2008 budget in order to mobilise the EU Solidarity Fund for the floods that hit the United Kingdom in June and July 2007, to modify the structure of the budget for the Research Executive Agency and the European Research Council Executive Agency, to modify the establishment plan of the European Agency for the Management of the Operational Cooperation at the External Borders, to create the budget item for Galileo Programme and budget article for Exceptional Crisis Expenditure;
- the Amending Budget (AB) 2/2008- modifies the 2008 budget in order to include into the 2008 budget unused appropriations for commitments for the ERDF, EAFRD and EFF arising from delays in implementation of the first year of the multi-annual financial framework 2007-2013, to modify the establishment plans of the European Medicines Agency and of the European Maritime Safety Agency; it only concerns commitment appropriations and does not change financing;
- the Amending Budget (AB) 3/2008- modifies the 2008 budget in order to include the budgeting of the revenue accruing from the Microsoft case and of the savings from lower pay and pension increase in 2007, to create budgetary structure for four Joint Technology Initiatives, to mobilise EU Solidarity Fund for fires in Greece in August 2007 and floods in Slovenia in September 2007, and to modify the establishment plans of the European Institute for Gender Equality and European Economic and Social Committee;
- the Amending Budget (AB) 4/2008- modifies the 2008 budget in order to budget the surplus from the previous year of EUR 1 528.8 million;
- the present PDAB 5/2008.

Revision of the forecast of TOR, VAT and GNI bases: as compared to the forecast agreed in May 2007, the forecast agreed in May 2008 has been revised as follows:

- the total forecast of 2008 net agricultural duties was decreased by 23.8% to EUR 1 282.8 million (after deduction of 25% in collection costs). The breakdown of this total forecast between Member States has been updated, using the latest information available on collected 2007 net agricultural duties. The revised total forecast was provided by DG AGRI;
- the total forecast of 2008 net sugar levies was increased by 11.8% to EUR 707.8 million (after deduction of 25% in collection costs). The revised total forecast and breakdown between Member States were provided by DG AGRI;
- total 2008 net customs duties are now forecast at EUR 16 545.7 million (after deduction of 25% in collection costs), which represents an increase by 0.7% relative to the May 2007 forecast of EUR 16 431.9 million. The main reason for this increase is a higher forecast of the weighted average tariff (1.62%, as compared to 1.54% last year). The forecast was made on a Member State basis, using DG ECFIN forecast growth rates of extra EU imports as published in the spring 2008 economic forecasts on 28 April 2008;
- the total 2008 EU uncapped VAT base is now forecast at EUR 6 023 302.5 million, which represents an increase of 0.9% as compared to the May 2007 forecast of EUR 5 968 617.1 million. The total 2008 EU capped VAT base is forecast at EUR 5 795 819.8 million, which represents an increase of 0.5% as compared to the May 2007 forecast of EUR 5 766 921.4 million;
- the total 2008 EU GNI base is forecast at EUR 12 556 324.2 million, which represents a decrease of 0.3 % as compared to the May 2007 forecast of EUR 12 589 247.2 million.

2004 and 2007 UK corrections: the correction of budgetary imbalances in favour of the United Kingdom (UK correction) to be budgeted in the present PDAB concerns two years: 2004 and 2007. As the UK correction of a certain year is to be financed in the following year, all 27

Member States participate in the financing of the 2007 UK correction. The financing of the 2004 UK correction does, however, only concern the 25 countries that were Member States in 2005.

The amount of the UK correction to be budgeted in chapter 15 of the present PDAB 5/2008 is the amount of the 1st update of the 2007 UK correction (i.e. EUR 6 534 458 982, replacing the EUR 5 757 931 681 entered in the budget 2008). The financing of the definitive amount of the 2004 UK correction is entered in chapter 35 of the present PDAB 5/2008 along the 2005 GNI (and VAT) bases as known at the end of 2007.

Amending budget 5/2008: revision of the forecast of TOR (customs duties, agricultural duties and sugar levies) and VAT & GNI bases

The Committee on Budgets unanimously adopted the report by Kyösti VIRRANKOSKI (ALDE, FI) on the draft amending budget No 5/2008 of the European Union for the financial year 2008.

Amending budget 5/2008: revision of the forecast of TOR (customs duties, agricultural duties and sugar levies) and VAT & GNI bases

On 19 June 2008, the Commission sent to the Council a preliminary draft amending budget (PDAB) No 5/2008.

This PDAB covers the following issues which result in a change in the apportionment between Member States of own resources contributions to the EU budget:

- revision of the forecast of traditional own resources (TOR, i.e. customs duties, agricultural duties and sugar levies) and of the VAT and GNI bases, as approved at the meeting of the Advisory Committee on Own Resources (ACOR) on 7 May 2008;
- entry in the budget of the first update of the 2007 UK correction and the final amount of the 2004 UK correction, as well as their financing.

On 22 July 2008, the Council established draft amending budget No 5 for the financial year 2008, as submitted by the Commission in its PDAB No 5 and as set out in the technical annex to this explanatory memorandum (see Doc. 11571/08 ADD 1).

Amending budget 5/2008: revision of the forecast of TOR (customs duties, agricultural duties and sugar levies) and VAT & GNI bases

PURPOSE: final adoption of amending budget No 5 of the European Union for the financial year 2008.

LEGISLATIVE ACT: Decision 2008/833/EC, Euratom.

CONTENT: the European Parliament finally adopted amending budget 5/2008 of the European Union (in accordance with its resolution of 2 September 2008 ? please see the summary of the resolution).

This amending budget deals with the following matters:

- revision of the forecast of traditional own resources (TOR, i.e. customs duties, agricultural duties and sugar levies) and of the VAT and GNI bases;
- entry in the budget of the first update of the 2007 UK correction and the final amount of the 2004 UK correction, as well as their financing.

These two amendments will result in a change in the apportionment between Member States of own resources contributions to the EU budget.

Amending budget 5/2008: revision of the forecast of TOR (customs duties, agricultural duties and sugar levies) and VAT & GNI bases

The European Parliament adopted, by 646 votes to 25 with 13 abstentions, a resolution approving, without amendment, the drafted amending budget No 5/2008 of the European Union.

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