

# Procedure file

Basic information		
BUD - Budgetary procedure	<a href="#">2010/2049(BUD)</a>	Procedure lapsed or withdrawn
Mobilisation of the Flexibility Instrument: 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
	<b>BUDG</b> Budgets		21/04/2010
		PPE <a href="#">BÖGE Reimer</a>	
		Shadow rapporteur	
		ALDE <a href="#">JENSEN Anne E.</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
	<b>DEVE</b> Development		The committee decided not to give an opinion.
	<b>AGRI</b> Agriculture and Rural Development		The committee decided not to give an opinion.
Council of the European Union European Commission	Commission DG <a href="#">Budget</a>	Commissioner	LEWANDOWSKI Janusz

Key events			
08/04/2010	Non-legislative basic document published	COM(2010)0150	Summary
21/04/2010	Committee referral announced in Parliament		
02/06/2010	Vote in committee		
15/11/2010	Additional information		Summary
19/11/2010	Additional information		

Technical information

Procedure reference	2010/2049(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Mobilisation of funds
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure lapsed or withdrawn
Committee dossier	BUDG/7/02666

### Documentation gateway

Non-legislative basic document		COM(2010)0150	08/04/2010	EC	Summary
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## Mobilisation of the Flexibility Instrument: Banana Accompanying Measures (BAM) for ACP countries

**PURPOSE:** to mobilise the Flexibility Instrument in order to complement the financing in the 2010 budget, beyond the ceiling of heading 4, of EUR 18.3 million towards the financing of the Banana Accompanying Measures (BAM).

**PROPOSED ACT:** Decision of the European Parliament and of the Council.

**CONTENT:** the Interinstitutional Agreement of 17 May 2006 (see [ACI/2004/2099](#)) allows for the mobilisation of the Flexibility Instrument to allow the financing of clearly identified expenditure which could not be financed within the limits of the ceilings available for one or more headings of the multiannual financial framework.

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

A draft amending budget has been presented in parallel (see [BUD/2010/2048](#)).

## Mobilisation of the Flexibility Instrument: Banana Accompanying Measures (BAM) for ACP countries

The proposal for a decision to mobilise the Flexibility Instrument in 2010 to finance the Banana Accompanying Measures was presented by the Commission in April 2010 in parallel with Draft Amending Budget No 3/2010 (see [2010/2048\(BUD\)](#)).

Following the proposal to amend Regulation (EC) No 1905/2006 establishing a financing instrument for development cooperation, Draft Amending Budget No 3/2010 was introduced to cover appropriations related to 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).

The draft amending budget proposed that EUR 75 million should be allocated to the BAM in 2010 under budget Article 21 06 07 (Banana Accompanying Measures), created during the 2010 budget procedure. This amount would be entered into the reserve pending the adoption of the legislation amending Regulation (EC) No 1905/2006, and would be financed as follows: EUR 55.8 million in commitment appropriations from redeployment of appropriations under Heading 4 of the Multiannual Financial Framework (MFF), EUR 0.9 million from the margin of Heading 4 and the remaining EUR 18.3 million through the mobilisation of the Flexibility Instrument in 2010.

Parliament found it unacceptable that, under the Commission proposals, the major part of this financial assistance in 2010 would have stemmed from redeployment within heading 4. It pointed out that the proposed redeployment affected instruments and actions that the EU and particularly the European Parliament had defined as being of great interest. It also pointed out that financial assistance for the BAM should have been integrated at an earlier stage into the current MFF, that new priorities should be financed by new funds and that the financing of the BAM fulfilled the conditions provided for in point 27 of the IIA of 17 May 2006 on the use of the Flexibility Instrument.

It therefore called on the Commission to use the remaining margin of EUR 875 530 under Heading 4 and to present a new proposal for the mobilisation of the Flexibility Instrument for the remaining amount needed to finance the BAM in 2010 - EUR 74 124 470. This was opposed by the Council, which was unwilling to mobilise the Flexibility Instrument at all for this purpose, and wanted all the funds to come from redeployments within Heading 4.

It was agreed that the budgetary conciliation on the 2011 draft general budget would be extended to include Draft Amending Budget No 3/2010 and the associated proposal to mobilise the Flexibility Instrument for the BAM, given that these two dossiers were related to the broader context of the negotiations, i.e. the future financing framework and interinstitutional cooperation on budgetary matters following the Lisbon Treaty.

With the failure of the budgetary conciliation process on 15 November 2010, the two dossiers on Draft Amending Budget No 3/2010 and the proposed mobilisation of the Flexibility Instrument for the BAM became obsolete and have now lapsed.