



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 20 April 2007

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FIN 184

"I/A" ITEM NOTE

from : General Secretariat of the Council

to : Permanent Representatives Committee/Council

No. Cion prop. : 7996/07 FIN 157 - COM(2007) 148 final

7997/07 FIN 158 - COM(2007) 149 final

Subject : - Preliminary Draft Amending Budget No. 2 to the budget for 2007 - General statement of revenue and expenditure by section - Section III - Commission
- Proposal for a Decision of the European Parliament and of the Council on the mobilisation of the EU Solidarity Fund for Hungary and Greece

1. On 28 March 2007, the Commission forwarded to the Council Preliminary Draft Amending Budget (PDAB) No. 2/2007 concerning the mobilisation of the EU Solidarity Fund for Hungary and Greece and the modification of the structure of the 2007 budget for Research, following the adoption of the 7th Framework Programme (FP7).

The aim of the proposal is to mobilise a total amount of EUR 24 370 114 in order to allocate an amount of EUR 15 063 587 to Hungary and EUR 9 306 527 to Greece for financial assistance from the EU Solidarity Fund relating to floods that hit these countries in March and April 2006, as well as to split into two separate budget lines Article 02 04 01 (*Security and Space Research*) and to introduce a new sub-programme under the specific programme "Capacities: Coherent development of research policies".

2. At the Trilogue meeting provided for in Point 26 of the Interinstitutional Agreement of 17 May 2006 (on the financing of the EU Solidarity Fund), held on 18 April 2007, agreement was reached on the above mentioned proposal for mobilisation of the EU Solidarity Fund and on PDAB No. 2/2007. The necessary payment appropriations for this PDAB will be fully covered with appropriations from Article 02 04 01 (*Security and space research*) instead of calling for fresh money.

3. The Permanent Representatives Committee is requested to advise the Council to:
 - adopt the Decision on the mobilisation of the EU Solidarity Fund for Hungary and Greece, as set out in document 7997/07;

 - establish Draft Amending Budget No. 2 to the budget for 2007 based on the outcome of the Trilogue meeting on 18 April 2007 as described in point 2 above;

 - instruct the Presidency to prepare the budget documents to be sent to the European Parliament.