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DRAFT REPORT

on the Council's position on Draft amending budget No 3/2011 of the European Union for the financial year 2011, Section III – Commission (0000/2011 – C7-0000/2011 – 2011/2075(BUD))

Committee on Budgets

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CONTENTS

	Page
MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION	3
EXPLANATORY STATEMENT	5

MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on the Council's position on Draft amending budget No 3/2011 of the European Union for the financial year 2011, Section III – Commission (0000/2011 – C7-0000/2011 – 2011/2075(BUD))

The European Parliament,

- having regard to Articles 310 and 314 of the Treaty on the Functioning of the European Union and Article 106a of the Treaty establishing the European Atomic Energy Community,
 - having regard to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities¹ ('the Financial Regulation'), and particularly Article 15(3) and Articles 37 and 38 thereof,
 - having regard to the general budget of the European Union for the financial year 2011, as definitively adopted on 15 December 2010²,
 - having regard to the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management³,
 - having regard to Draft amending budget No 3/2011, which the Commission submitted on 15 April 2011 (COM(2011)0219),
 - having regard to the Council's position on Draft amending budget No 3/2011 established on xxxx 2011 (xxx/2010 - C7-xxx/2011),
 - having regard to Rules 75b and 75e of its Rules of Procedure,
 - having regard to the report of the Committee on Budgets (A7-0000/2011),
- A. whereas Draft amending budget No 3/2011 aims to enter in the 2011 budget the surplus from the 2010 financial year, amounting to EUR 4 539 394 283,
- B. whereas the main components of that surplus are a positive outturn on income of more than EUR 1,8 billion, an under-spend in expenditure of EUR 2,72 billion, and a positive exchange rate difference of EUR 22,3 million,
- C. whereas the major part of the income side (EUR 1,28 billion out of EUR 1,8 billion) comes from interest on late payments and fines,
- D. whereas the difference between voted budget 2011 (EUR 122,96 billion) and implemented

¹ OJ L 248, 16.9.2002, p. 1.

² Texts adopted, P7_TA(2010)0475.

³ OJ C 139, 14.6.2006, p. 1.

/ carried over appropriations (EUR 120,97 billion) comes from cancelled appropriations (EUR 740 million), mostly because of non-adoption of DAB 10/2010,

- E. whereas the under-spend of EUR 2,72 billion results from under implementation of programmes, from under implementation of non mobilised reserves, from under implementation in other sections of the Budget, and from under execution of credits carried over from 2009 to 2010,
1. Takes note of Draft amending budget No 3/2011 devoted solely to the budgeting of the 2010 surplus, in accordance with Article 15 of the Financial Regulation;
 2. Is of the firm conviction that the part of income calculated from interest on late payments and fines is not to be considered as a surplus and should therefore not be deducted from the Member States' contributions (own resources based on GNI);
 3. Considers, on the contrary, that such income, stemming from the enforcement of EU competition policy, should be directly put back and reinvested in the EU budget; is determined to promote and defend this principle in the forthcoming negotiations on annual and multiannual budgets;
 4. Approves however the Council's position on Draft amending budget No 3/2011 as unamended and instructs its President to declare that Amending budget No 3/2011 has been definitively adopted and arrange for its publication in the Official Journal of the European Union;
 5. Instructs its President to forward this resolution to the Council and the Commission.

EXPLANATORY STATEMENT

According to Article 37 of the Financial Regulation, the Commission may present preliminary draft amending budgets, if there are "unavoidable, exceptional or unforeseen circumstances". Par. 3 states that "the budgetary authority shall discuss them with due account for their urgency". Article 15, par 3 Financial Regulation stipulates that the surplus from each financial year, whether surplus or deficit, is entered as revenue or expenditure in the budget of the subsequent financial year through an amending budget to be submitted by the Commission within 15 days following the submission of the provisional accounts.

Draft amending budget n°3 aims at budgeting the surplus resulting from the implementation of the budget year 2010, for an amount of EUR 4 539 394 283. Consequently, the global contribution of the Member States to the EU budget 2011 will be reduced accordingly:

Member State	Budget 2011	Draft amending budget No. 3/2011	New amount
Belgium	2 727 061 537	- 130 911 830	2 596 149 707
Bulgaria	262 461 005	- 12 599 367	249 861 638
Czech Republic	1 054 502 107	- 50 621 080	1 003 881 027
Denmark	1 845 312 713	- 88 583 723	1 756 728 990
Germany	19 225 070 910	- 922 894 175	18 302 176 735
Estonia	103 752 098	- 4 980 590	98 771 508
Ireland	1 002 466 968	- 48 123 148	954 343 820
Greece	1 753 900 997	- 84 195 529	1 669 705 468
Spain	7 940 086 860	- 381 161 659	7 558 925 201
France	15 432 906 316	- 740 852 370	14 692 053 946
Italy	11 914 786 867	- 571 966 026	11 342 820 841
Cyprus	131 106 473	- 6 293 730	124 812 743
Latvia	128 980 251	- 6 191 661	122 788 590
Lithuania	205 406 625	- 9 860 488	195 546 137
Luxembourg	220 196 687	- 10 570 481	209 626 206
Hungary	746 001 607	- 35 811 599	710 190 008
Malta	43 512 909	- 2 088 825	41 424 084
Netherlands	4 549 498 513	- 218 397 409	4 331 101 104
Austria	2 173 481 521	- 104 337 375	2 069 144 146
Poland	2 777 111 448	- 133 314 462	2 643 796 986
Portugal	1 231 533 469	- 59 119 421	1 172 414 048
Romania	965 258 081	- 46 336 945	918 921 136
Slovenia	268 476 254	- 12 888 128	255 588 126
Slovakia	518 819 301	- 24 905 776	493 913 525
Finland	1 380 492 668	- 66 270 167	1 314 222 501
Sweden	2 643 141 361	- 126 883 265	2 516 258 096
United Kingdom	13 316 087 106	- 639 235 054	12 676 852 052
Total	94 561 412 652	-4 539 394 283	90 022 018 369

Calculating of the surplus

The EUR **4.54 billion** surplus results from:

- Exchange rate differences: **22,3 million**
- Outturn on income: **1 800,9 million**
 - out of which: 1 284,7 million as interest on late payments and fines
(appearing in DAB on surplus since DAB 10/2010 was
not adopted)
- Outturn on expenditure: **2 716,2 million**

This outturn is calculated as follows:

Voted budget:	122.955.918.526,00
Implemented:	-119.471.815.596,03
Carried over to 2011:	-1.508.002.468,17
Cancelled:	740.068.183,73
 Outturn:	 2.716.168.645,59
