



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 2 July 2013

11686/13

**FIN 379
PE-L 50**

I/A ITEM NOTE

from:	Presidency
to:	Permanent Representatives Committee/Council
No. prev. doc.:	9359/13 FIN 252
No. Cion prop.:	8041/13 FIN 165 - COM(2013) 183 final
Subject:	Draft amending budget No 2 to the general budget for 2013: General statement of revenue - Statement of expenditure by section - Section III - Commission

1. On 2 April 2013, the Commission submitted to the Council draft amending budget (DAB) No 2/2013 proposing to increase payment appropriations by EUR 11.2 billion in 2013 across (sub-)headings 1a, 1b, 2, 3a, 3b and 4 of the multiannual financial framework (MFF).

This amount would aim at covering the outstanding needs in payment appropriations until the end of the year. EUR 982.601 million has been requested for sub-heading 1a, EUR 9 001.150 million for sub-heading 1b, EUR 608.490 million for heading 2, EUR 128.350 million for sub-heading 3a, EUR 15.150 million for sub-heading 3b and EUR 489.500 million for heading 4. In addition DAB No 2/2013 covers an increase in the initial forecast of revenue from fines and penalties by EUR 290 million.

2. On 14 May 2013, the ECOFIN Council reached a political agreement on DAB No 2/2013, on the basis of the Presidency proposal recorded in document 9359/13. The Council agreed to provide EUR 7.3 billion in a first tranche and to focus this amount on measures to support economic growth, create jobs and tackle unemployment, especially among young people, taking into account the proportions proposed by the Commission. The Council also adopted two statements confirming *inter alia* its willingness to come back to this issue at a later stage in 2013.
3. In the context of a political agreement on the new MFF reached on 27 June 2013 by the Presidents of the European Parliament, the Council and the Commission, it has been agreed to proceed now with the formal adoption of the Council's position on DAB No 2/2013. The Council committed itself to take a formal position on DAB No 2/2013 no later than at the ECOFIN Council on 9 July 2013.
4. The Presidency suggests that the amount of EUR 7.3 billion out of EUR 11.2 billion is proportionally distributed among the budget lines in the Commission proposal at the level of 65 % of the initial amounts requested. Annex 4 provides the detailed budget lines and the corresponding new amounts.
5. The Permanent Representatives Committee is invited to advise the Council to:
 - adopt, by a qualified majority¹, the Council's position on DAB No 2/2013 as set out in point 4;
 - approve the draft decision of the European Parliament and of the Council establishing amending budget No 2/2013 as set out in Annex 1 and transmit it to the European Parliament;

¹ DK, FI, NL, SE and UK voting against.

- instruct the Presidency to prepare the budgetary documents to be sent to the European Parliament and to approve the draft letter in Annex 3 to that effect;
 - have the Council's position published in the *Official Journal of the European Union* as set out in the Annex 2.
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DRAFT

DECISION
of the EUROPEAN PARLIAMENT and of the COUNCIL
establishing amending budget No 2 of the European Union for the financial year 2013

The EUROPEAN PARLIAMENT and the COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 314 thereof,

Having regard to the Treaty establishing the European Atomic Energy Community, and in particular Article 106a thereof,

Having regard to Council Decision 2007/436/EC, Euratom of 7 June 2007 on the system of the European Communities' own resources¹,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002²,

¹ OJ L 163, 23.6.2007, p. 17.

² OJ L 298, 26.10.2012, p. 1.

Whereas:

- the European Union's general budget for the financial year 2013 was definitively adopted on 12 December 2012¹,
- on 2 April 2013, the Commission submitted draft amending budget No 2 of the European Union for the financial year 2013, in accordance with Article 314 of the Treaty on the Functioning of the European Union,
- the Council adopted its position on this draft amending budget on 9 July 2013,
- the European Parliament approved the Council's position at its plenary sitting of [...] 2013,

HAVE ADOPTED THIS DECISION:

Sole Article

Amending budget No 2 of the European Union for the financial year 2013 is hereby established in accordance with the Annex to this Decision.

Done at [...], [...] 2013.

*For the European Parliament
The President*

*For the Council of the EU
The President*

¹ OJ L 66, 8.3.2013, p. 1, with Corrigendum in OJ L 134, 18.5.2013, p. 21.

COUNCIL DECISION

adopting the Council's position on draft amending budget No 2 of the European Union for the financial year 2013

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 314 thereof, in conjunction with the Treaty establishing the European Atomic Energy Community, and in particular Article 106a thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002¹, and in particular Article 41 thereof,

Whereas:

- the Union's budget for the financial year 2013 was definitively adopted on 12 December 2012²,
- on 2 April 2013, the Commission submitted a proposal containing draft amending budget No 2 to the general budget for the financial year 2013,

¹ OJ L 298, 26.10.2012, p. 1.

² OJ L 66, 8.3.2013, p. 1, with Corrigendum in OJ L 134, 18.5.2013, p. 21.

HAS DECIDED AS FOLLOWS:

Sole Article

The Council's position on draft amending budget No 2 of the European Union for the financial year 2013 was adopted on 9 July 2013.

The full text can be accessed for consultation or downloading on the Council's website:
<http://www.consilium.europa.eu/>.

Done at Brussels, on 9 July 2013.

For the Council
The President

DRAFT LETTER

from : President of the Council

to : President of the European Parliament

Sir,

I am forwarding under separate cover the Council's position on draft amending budget No 2 for the financial year 2013¹, adopted by the Council on 9 July 2013.

(Complimentary close).

¹ Doc. 11693/13 + ADD 1.

ANNEX 4

Budget lines		DAB No 2/2013	Council position on DAB No 2/2013
TOTAL		11 225 241 204	7 300 000 000
<i>Sub-heading 1a - Competitiveness for growth and employment</i>		<i>982 600 734</i>	<i>639 005 009</i>
02 02 01	Competitiveness and Innovation Framework Programme — Entrepreneurship and Innovation Programme	60 000 000	39 019 206
02 02 15	European Earth monitoring programme (GMES)	10 500 000	6 828 361
02 03 01	Operation and development of the internal market, particularly in the fields of notification, certification and sectoral approximation	650 000	422 708
02 03 04 01	Support to standardisation activities performed by CEN, Cenelec and ETSI	1 900 000	1 235 608
02 04 01 01	Space research	34 500 000	22 436 044
02 04 01 02	Security research	50 000 000	32 516 005
02 04 01 03	Research related to transport (Galileo)	40 000 000	26 012 804
02 05 01	European satellite navigation programmes (EGNOS and Galileo)	20 000 000	13 006 402
04 05 01	European Globalisation Adjustment Fund (EGF)	13 000 000	8 454 161
08 02 01	Cooperation — Health	200 000 000	130 064 019
08 03 01	Cooperation — Food, agriculture and fisheries, and biotechnology	65 000 000	42 270 807
08 05 01	Cooperation — Energy	20 000 000	13 006 402
08 06 01	Cooperation — Environment (including climate change)	40 000 000	26 012 804
08 08 01	Cooperation — Socioeconomic sciences and the humanities	12 495 000	8 125 750
08 10 01	Ideas	35 000 000	22 761 204
08 13 01	Capacities — Research for the benefit of small and medium-sized enterprises (SMEs)	20 000 000	13 006 402
08 14 01	Capacities — Regions of knowledge	2 727 000	1 773 423
08 15 01	Capacities — Research potential	805 000	523 508
08 16 01	Capacities — Science in society	8 000 000	5 202 561
08 18 01	Capacities — Risk-sharing finance facility (RSFF)	750 770	488 241
08 21 01	Euratom — Nuclear fission and radiation protection	7 150 000	4 649 789
08 22 03 01	Completion of the sixth EC framework programme (2003 to 2006)	7 804 000	5 075 098
09 03 01	Competitiveness and Innovation Framework Programme — Information and Communication Technologies Policy Support Programme (ICT PSP)	32 000 000	20 810 243
09 04 01 01	Support for research cooperation in the area of information and communication technologies (ICTs — Cooperation)	85 000 000	55 277 209
10 02 01	Non-nuclear activities of the Joint Research Centre (JRC)	2 000 000	1 300 640
10 03 01	Nuclear activities of the Joint Research Centre (JRC)	2 000 000	1 300 640
10 05 01	Decommissioning of nuclear installations and waste management	4 000 000	2 601 280
12 04 01	Specific activities in the field of financial services, financial reporting and auditing	1 442 856	938 318
14 02 01	Implementation and development of the internal market	500 000	325 160
14 04 02	Customs 2013	9 000 000	5 852 881
14 05 03	Fiscalis 2013	6 000 000	3 901 921
15 02 02	Erasmus Mundus	6 000 000	3 901 921
15 02 22	Lifelong learning programme	120 000 000	78 038 411
15 07 77	People	45 000 000	29 264 405
26 03 01 01	Interoperability Solutions for European Public Administrations (ISA)	10 000 000	6 503 201
29 02 03	Completion of the Union Statistical Programme 2008 to 2012	9 376 108	6 097 472

Budget lines		DAB No 2/2013	Council position on DAB No 2/2013
<i>SUB-HEADING 1B - COHESION FOR GROWTH AND EMPLOYMENT</i>		<i>9 001 150 000</i>	<i>5 853 628 782</i>
04 02 01	Completion of the European Social Fund (ESF) — Objective 1 (2000 to 2006)	860 000 000	559 275 287
04 02 17	European Social Fund (ESF) — Convergence	1 620 000 000	1 053 518 565
04 02 19	European Social Fund (ESF) — Regional competitiveness and employment	773 000 000	502 697 439
13 03 01	Completion of European Regional Development Fund (ERDF) — Objective 1 (2000 to 2006)	515 000 000	334 914 852
13 03 04	Completion of European Regional Development Fund (ERDF) — Objective 2 (2000 to 2006)	86 000 000	55 927 529
13 03 06	Completion of Urban (2000 to 2006)	150 000	97 548
13 03 16	European Regional Development Fund (ERDF) — Convergence	1 797 000 000	1 168 625 222
13 03 18	European Regional Development Fund (ERDF) — Regional competitiveness and employment	833 000 000	541 716 645
13 03 19	European Regional Development Fund (ERDF) — European territorial cooperation	182 000 000	118 358 258
13 04 01	Cohesion Fund — Completion of previous projects (prior to 2007)	250 000 000	162 580 025
13 04 02	Cohesion Fund	2 085 000 000	1 355 917 412
<i>HEADING 2 - PRESERVATION AND MANAGEMENT OF NATURAL RESOURCES</i>		<i>608 490 470</i>	<i>395 713 584</i>
05 04 02 01	Completion of the European Agricultural Guidance and Guarantee Fund, Guidance Section - Objective 1	95 916 258	62 376 271
05 04 02 02	Completion of the special programme for peace and reconciliation in Northern Ireland and the border counties of Ireland (2000 to 2006)	2 189 102	1 423 617
05 04 05 01	Rural development programmes	460 000 000	299 147 246
07 03 07	LIFE+ (Financial Instrument for the Environment — 2007 to 2013)	10 000 000	6 503 201
11 06 12	European Fisheries Fund (EFF) — Convergence objective	33 995 404	22 107 895
11 06 13	European Fisheries Fund (EFF) — Outside convergence objective	6 389 706	4 155 354
<i>SUB-HEADING 3A - FREEDOM, SECURITY AND JUSTICE</i>		<i>128 350 000</i>	<i>83 468 585</i>
18 02 04	Schengen information system (SIS II)	3 000 000	1 950 960
18 02 06	External Borders Fund	21 000 000	13 656 722
18 02 09	European Return Fund	27 000 000	17 558 643
18 03 03	European Refugee Fund (ERF)	30 000 000	19 509 604
18 03 05	European Migration Network	1 000 000	650 320
18 03 09	European Fund for the Integration of third-country nationals	28 500 000	18 534 123
18 03 14 02	European Asylum Support Office — Contribution to Title 3	1 500 000	975 480
18 03 17	Preparatory action — Enable the resettlement of refugees during emergency situations	650 000	422 708
18 05 08	Prevention, preparedness and consequence management of terrorism	2 000 000	1 300 640
18 05 09	Prevention of and fight against crime	12 500 000	8 129 001
18 08 01	Prince — Area of freedom, security and justice	1 200 000	780 384
<i>SUB-HEADING 3A - CITIZENSHIP</i>		<i>15 150 000</i>	<i>9 852 350</i>
09 02 06	Preparatory action — Erasmus for Journalists	150 000	97 548
15 04 44	Culture Programme (2007 to 2013)	3 500 000	2 276 120
15 04 66 01	MEDIA 2007 — Support programme for the European audiovisual sector	2 500 000	1 625 800
17 03 06	Union action in the field of health	9 000 000	5 852 882

Budget lines		DAB No 2/2013	Council position on DAB No 2/2013
HEADING 4 - THE EU AS A GLOBAL PLAYER		489 500 000	318 331 690
04 06 01	Instrument for Pre-Accession Assistance (IPA) — Human resources development	35 500 000	23 086 364
13 05 02	Instrument for Pre-Accession Assistance (IPA) — Regional development component	127 000 000	82 590 653
13 05 03 02	Cross-border cooperation (CBC) and participation of candidate and potential candidate countries in Structural Funds' transnational and interregional cooperation programmes — Contribution from Heading 4	7 000 000	4 552 241
19 04 01	European Instrument for Democracy and Human Rights (EIDHR)	20 000 000	13 006 402
19 06 01 01	Crisis response and preparedness (Instrument for Stability)	42 000 000	27 313 444
19 06 02 01	Actions in the area of risk mitigation and preparedness relating to chemical, nuclear and biological materials or agents (Instrument for Stability)	6 000 000	3 901 921
19 06 03	Trans-regional actions in the areas of organised crime, trafficking, protection of critical infrastructure, threats to public health and the fight against terrorism (Instrument for Stability)	5 000 000	3 251 601
19 08 01 01	European Neighbourhood and Partnership financial cooperation with Mediterranean countries	10 000 000	6 503 201
19 08 01 02	European Neighbourhood and Partnership financial assistance to Palestine, the peace process and UNRWA	70 000 000	45 522 406
19 08 01 03	European Neighbourhood and Partnership financial cooperation with eastern Europe	35 000 000	22 761 204
19 09 01	Cooperation with developing countries in Latin America	20 000 000	13 006 402
19 10 01 01	Cooperation with developing countries in Asia	10 000 000	6 503 201
20 02 03	Aid for trade — Multilateral initiatives	2 000 000	1 300 640
21 03 01	Non-State actors in development	10 000 000	6 503 201
21 03 02	Local authorities in development	7 000 000	4 552 241
21 05 02	Global Fund to Fight Aids, Tuberculosis and Malaria (GFATM)	5 000 000	3 251 601
21 06 02	Relations with South Africa	10 000 000	6 503 201
22 02 07 01	Regional and horizontal programmes	22 000 000	14 307 042
23 02 01	Humanitarian aid	43 000 000	27 963 764
23 02 02	Food aid	3 000 000	1 950 960