



**COUNCIL OF
THE EUROPEAN UNION**

**Brussels, 9 October 2013
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ADD 1**

BUDGET 51

EXPLANATORY MEMORANDUM

Subject: Draft amending budget No 7 to the general budget for 2013: Council position
of 7 October 2013
- Technical annex

VOLUME 3

SECTION III — COMMISSION

EXPENDITURE

Figures

Title	Heading	Budget 2013		DAB No 7/2013		New amount	
		Commitments	Payments	Commitments	Payments	Commitments	Payments
01	Economic and financial affairs	555 684 796	428 350 972	150 000 000		555 684 796	428 350 972
02	Enterprise	1 157 245 386	1 304 818 477			1 157 245 386	1 304 818 477
03	Competition	92 219 149	92 219 149			92 219 149	92 219 149
04	Employment and social affairs	12 064 158 933	12 593 728 861			12 214 158 933	12 593 728 861
05	Agriculture and rural development	58 851 894 643	56 734 357 629			58 851 894 643	56 734 357 629
06	Mobility and transport	1 740 800 530	983 961 494			1 740 800 530	983 961 494
07	Environment and climate action	498 383 275	397 680 274			498 383 275	397 680 274
08	Research	6 901 336 033	5 088 171 210			6 901 336 033	5 088 171 210
09	Communications networks, content and technology	1 810 829 637	1 466 740 211			1 810 829 637	1 466 740 211
	40 01 40, 40 02 41	391 985	391 985			391 985	391 985
		1 811 221 622	1 467 132 196			1 811 221 622	1 467 132 196
10	Direct research	424 319 156	416 522 703			424 319 156	416 522 703
11	Maritime affairs and fisheries	919 262 394	708 756 335			919 262 394	708 756 335
	40 01 40, 40 02 41	115 220 000	113 885 651			115 220 000	113 885 651
		1 034 482 394	822 641 986			1 034 482 394	822 641 986
12	Internal market	103 313 472	101 433 656			103 313 472	101 433 656
	40 02 41	3 000 000	3 000 000			3 000 000	3 000 000
		106 313 472	104 433 656			106 313 472	104 433 656
13	Regional policy	43 792 849 672	41 405 215 843			43 792 849 672	41 405 215 843
14	Taxation and customs union	144 620 394	121 807 617			144 620 394	121 807 617
15	Education and culture	2 829 575 587	2 497 061 739			2 829 575 587	2 497 061 739
16	Communication	265 992 159	252 703 941			265 992 159	252 703 941
17	Health and consumer protection	634 370 124	598 986 674			634 370 124	598 986 674
18	Home affairs	1 227 109 539	857 143 815			1 227 109 539	857 143 815
	40 01 40, 40 02 41	111 280 000	66 442 946			111 280 000	66 442 946
		1 338 389 539	923 586 761			1 338 389 539	923 586 761
19	External relations	5 001 226 243	3 231 193 639			5 001 226 243	3 231 193 639
20	Trade	107 473 453	103 477 972			107 473 453	103 477 972
21	Development and relations with African, Caribbean and Pacific (ACP) States	1 571 699 626	1 227 715 563			1 571 699 626	1 227 715 563
22	Enlargement	1 091 261 928	905 504 113			1 091 261 928	905 504 113
23	Humanitarian aid	917 322 828	858 578 994			917 322 828	858 578 994
24	Fight against fraud	75 427 800	69 443 664			75 427 800	69 443 664
	40 01 40	3 929 200	3 929 200			3 929 200	3 929 200
		79 357 000	73 372 864			79 357 000	73 372 864
25	Commission's policy coordination and legal advice	193 336 661	194 086 661			193 336 661	194 086 661
26	Commission's administration	1 030 021 548	1 019 808 608			1 030 021 548	1 019 808 608
27	Budget	142 450 570	142 450 570			142 450 570	142 450 570
28	Audit	11 879 141	11 879 141			11 879 141	11 879 141
29	Statistics	82 071 571	113 760 614			82 071 571	113 760 614
	40 01 40, 40 02 41	51 900 000	7 743 254			51 900 000	7 743 254
		133 971 571	121 503 868			133 971 571	121 503 868

Title	Heading	Budget 2013		DAB No 7/2013		New amount	
		Commitments	Payments	Commitments	Payments	Commitments	Payments
30	Pensions and related expenditure	1 399 471 000	1 399 471 000			1 399 471 000	1 399 471 000
31	Language services	396 815 433	396 815 433			396 815 433	396 815 433
32	Energy	738 302 781	814 608 051			738 302 781	814 608 051
33	Justice	218 238 524	184 498 972			218 238 524	184 498 972
40	Reserves	1 049 836 185	275 393 036			1 049 836 185	275 393 036
Total		148 040 800 171	136 998 346 631	150 000 000		148 190 800 171	136 998 346 631
Of which Reserves: 40 01 40, 40 02 41		285 721 185	195 393 036			285 721 185	195 393 036

TITLE 04 — EMPLOYMENT AND SOCIAL AFFAIRS

Figures

Title Chapter	Heading	FF	Budget 2013		DAB No 7/2013		New amount	
			Commitments	Payments	Commitments	Payments	Commitments	Payments
04 01	Administrative expenditure of the 'Employment and social affairs' policy area		94 756 546	94 756 546			94 756 546	94 756 546
04 02	European Social Fund	1	11 654 862 310	12 221 049 142	150 000 000		11 804 862 310	12 221 049 142
04 03	Working in europe — Social dialogue and mobility	1	79 097 000	58 354 054			79 097 000	58 354 054
04 04	Employment, social solidarity and gender equality	1	122 286 000	108 376 020			122 286 000	108 376 020
04 05	European Globalisation Adjustment Fund (EGF)	1	p.m.	58 454 161			p.m.	58 454 161
04 06	Instrument for Pre-Accession Assistance (IPA) — Human resources development	4	113 157 077	52 738 938			113 157 077	52 738 938
Title 04 — Total			12 064 158 933	12 593 728 861	150 000 000		12 214 158 933	12 593 728 861

CHAPTER 04 02 — EUROPEAN SOCIAL FUND

Figures

Title Chapter Article Item	Heading	FF	Budget 2013		DAB No 7/2013		New amount	
			Commitments	Payments	Commitments	Payments	Commitments	Payments
04 02	European Social Fund							
04 02 01	Completion of the European Social Fund (ESF) — Objective 1 (2000 to 2006)	1.2	p.m.	799 461 133			p.m.	799 461 133
04 02 02	Completion of the special programme for peace and reconciliation in Northern Ireland and the border counties of Ireland (2000 to 2006)	1.2	p.m.	p.m.			p.m.	p.m.
04 02 03	Completion of the European Social Fund (ESF) — Objective 1 (prior to 2000)	1.2	p.m.	p.m.			p.m.	p.m.
04 02 04	Completion of the European Social Fund (ESF) — Objective 2 (2000 to 2006)	1.2	p.m.	p.m.			p.m.	p.m.
04 02 05	Completion of the European Social Fund (ESF) — Objective 2 (prior to 2000)	1.2	p.m.	p.m.			p.m.	p.m.
04 02 06	Completion of the European Social Fund (ESF) — Objective 3 (2000 to 2006)	1.2	p.m.	55 024 594			p.m.	55 024 594
04 02 07	Completion of the European Social Fund (ESF) — Objective 3 (prior to 2000)	1.2	p.m.	p.m.			p.m.	p.m.
04 02 08	Completion of EQUAL (2000 to 2006)	1.2	p.m.	7 000 000			p.m.	7 000 000
04 02 09	Completion of previous Community initiative programmes (prior to 2000)	1.2	p.m.	p.m.			p.m.	p.m.

Title Chapter Article Item	Heading	FF	Budget 2013		DAB No 7/2013		New amount	
			Commitments	Payments	Commitments	Payments	Commitments	Payments
04 02 10	Completion of the European Social Fund (ESF) — Technical assistance and innovative measures (2000 to 2006)	1.2	—	p.m.			—	p.m.
04 02 11	Completion of the European Social Fund (ESF) — Technical assistance and innovative measures (prior to 2000)	1.2	—	—			—	—
04 02 17	European Social Fund (ESF) — Convergence	1.2	8 337 649 354	8 471 518 565	16 683 215		8 354 332 569	8 471 518 565
04 02 18	European Social Fund (ESF) — PEACE	1.2	p.m.	p.m.			p.m.	p.m.
04 02 19	European Social Fund (ESF) — Regional competitiveness and employment	1.2	3 307 212 956	2 881 544 850	133 316 785		3 440 529 741	2 881 544 850
04 02 20	European Social Fund (ESF) — Operational technical assistance (2007 to 2013)	1.2	10 000 000	6 500 000			10 000 000	6 500 000
Chapter 04 02 — Total			11 654 862 310	12 221 049 142	150 000 000		11 804 862 310	12 221 049 142

Remarks

Article 39 of Regulation (EC) No 1260/1999 provides for financial corrections for which any revenue is entered in Item 6 5 0 0 of the statement of revenue. This revenue may be used to provide additional appropriations in accordance with Article 21 of the Financial Regulation in specific cases where they are required to cover the risk of corrections adopted earlier being cancelled or reduced.

Regulation (EC) No 1083/2006 provides for financial corrections for the period 2007 to 2013.

Regulation (EC) No 1260/1999 lays down the conditions for the repayment of payments on account which does not have the effect of reducing the contribution from the Structural Funds to the operation concerned. Any revenue arising from the repayment of payments on account entered in Item 6 1 5 7 of the statement of revenue will be used to provide additional appropriations in accordance with Articles 21 and 178 of the Financial Regulation.

Regulation (EC) No 1083/2006 lays down the conditions for reimbursement of pre-financing for the period 2007 to 2013.

The special programme for peace and reconciliation is being continued, in accordance with the decisions of the Berlin European Council of 24 and 25 March 1999, to provide EUR 500 000 000 for the new period of validity of the programme. Additionality is to be fully observed. The Commission is to submit an annual report to the European Parliament on this measure.

Measures to combat fraud are funded under Article 24 02 01.

Legal basis

Treaty on the Functioning of the European Union, and in particular Articles 174, 175 and 177 thereof.

Council Regulation (EC) No 1260/1999 of 21 June 1999 laying down general provisions on the Structural Funds (OJ L 161, 26.6.1999, p. 1).

Regulation (EC) No 1081/2006 of the European Parliament and of the Council of 5 July 2006 on the European Social Fund (OJ L 210, 31.7.2006, p. 12).

Council Regulation (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund (OJ L 210, 31.7.2006, p. 25).

Reference acts

Conclusions of the Berlin European Council of 24 and 25 March 1999.

Conclusions of the Brussels European Council of 16 and 17 December 2005.

Article 04 02 17 — European Social Fund (ESF) — Convergence

Figures

Budget 2013		DAB No 7/2013		New amount	
Commitments	Payments	Commitments	Payments	Commitments	Payments
8 337 649 354	8 471 518 565	16 683 215		8 354 332 569	8 471 518 565

Remarks

The action taken by the Union pursuant to Article 174 of the Treaty on the Functioning of the European Union shall be designed to strengthen the economic and social cohesion of the enlarged Union in order to promote the harmonious, balanced and sustainable development of the Union. This action shall be taken with the aid of the cohesion policy funds, the European Investment Bank (EIB) and other existing financial instruments. It shall aim to reduce the economic, social and territorial disparities which have arisen, particularly in countries and regions whose development is lagging behind, in connection with the speeding-up of economic and social restructuring and population ageing.

The action taken under the cohesion policy funds shall incorporate, at national and regional level, the Union's priorities for sustainable development by strengthening growth, competitiveness, employment and social inclusion, as well as protecting and improving the quality of the environment.

The 'Convergence' objective shall be geared to speeding up the convergence of the least-developed Member States and regions by improving conditions for growth and employment through increasing and improving the quality of investment in physical and human capital, the development of innovation and of the knowledge society, adaptability to economic and social changes, protection and improvement of the environment, as well as administrative efficiency. This objective shall constitute the cohesion policy funds' priority. The actions taken under the cohesion policy funds will respect equal opportunities for women and men.

Part of this appropriation is intended to support improvements in child care to enable children to live in a family-type setting. This support includes:

- cooperation between and technical assistance to non-governmental organisations and local authorities, including assisting them in finding out which projects are eligible for Union funding,
- identification and exchange of best practices as well as the broader application of these practices, including thorough monitoring at child level.

Part of this appropriation is intended for financing sustainable and environmentally friendly actions (Green New Deal) that provide for reconciling economic, social and environmental development requirements and for recovery of European regions after the economic and financial crisis.

Part of this appropriation is intended to be used to address the problem of intra-regional disparities and provide specific assistance to people who live in disadvantaged territorial units that constitute pockets of poverty in European regions. This assistance should focus mainly on:

- integrating communities living in pockets of poverty into the mainstream regional population via civic education, promoting tolerance and cultural understanding,
- strengthening local authorities with regard to needs assessment, project planning and project implementation,
- reducing intra-regional economic and social disparities via a temporary set of affirmative actions, focusing on employment and education.

In accordance with article 105a, 1 of Council Regulation (EC) N° 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) N° 1260/1999 (OJ L 210, 31.7.2006, p. 25), as modified by Annex 3, point 7 of the Treaty concerning the Accession of the Republic of Croatia to the European Union (OJ L 112, 24.4.2012), programmes and major projects which, on the date of accession of Croatia, have been approved under Regulation (EC) N° 1085/2006 and the implementation of which has not been completed by that date, shall be considered to have been approved by the Commission under Regulation (EC) N° 1083/2006, with the exception of the programmes approved under the components referred to in points (a) and (e) of Article 3 (1) of Regulation (EC) N° 1085/2006.

Legal basis

Regulation (EC) No 1081/2006 of the European Parliament and of the Council of 5 July 2006 on the European Social Fund (OJ L 210, 31.7.2006, p. 12).

Council Regulation (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund (OJ L 210, 31.7.2006, p. 25).

Article 04 02 19 — European Social Fund (ESF) — Regional competitiveness and employment

Figures

Budget 2013		DAB No 7/2013		New amount	
Commitments	Payments	Commitments	Payments	Commitments	Payments
3 307 212 956	2 881 544 850	133 316 785		3 440 529 741	2 881 544 850

Remarks

The action taken by the Union pursuant to Article 174 of the Treaty on the Functioning of the European Union shall be designed to strengthen the economic and social cohesion of the enlarged Union in order to promote the harmonious, balanced and sustainable development of the Union. This action shall be taken with the aid of the cohesion policy funds, the European Investment Bank (EIB) and other existing financial instruments. It shall aim to reduce the economic, social and territorial disparities which have arisen, particularly in countries and regions whose development is lagging behind, in connection with the speeding-up of economic and social restructuring and population ageing.

The action taken under the cohesion policy funds shall incorporate, at national and regional level, the Union's priorities for sustainable development by strengthening growth, competitiveness and employment, social inclusion, as well as protecting and improving the quality of the environment.

The 'Regional competitiveness and employment' objective shall, outside the least-developed regions, be geared to strengthening regions' competitiveness and attractiveness as well as employment by anticipating economic and social changes, including those linked to the opening up of trade, through increasing and improving the quality of investment in human capital, innovation and the promotion of the knowledge society, entrepreneurship, the protection and improvement of the environment, and the improvement of accessibility, the adaptability of workers and businesses as well as the development of inclusive job markets. The actions taken under the cohesion policy funds shall respect equal opportunities for women and men.

Part of this appropriation is intended for financing sustainable and environmentally friendly actions (Green New Deal) that provide for reconciling economic, social and environmental development requirements and for recovery of European regions after the economic and financial crisis.

Legal basis

Regulation (EC) No 1081/2006 of the European Parliament and of the Council of 5 July 2006 on the European Social Fund (OJ L 210, 31.7.2006, p. 12).

Council Regulation (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund (OJ L 210, 31.7.2006, p. 25).
