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from: Secretary-General of the European Commission,
signed by Mr Jordi AYET PUIGARNAU, Director

date of receipt: 27 January 2012

to: Mr Uwe CORSEPIUS, Secretary-General of the Council of the European
Union

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Subject: Draft amending budget No. 1 to the general budget 2012 - Statement of
expenditure by Section - Section III - Commission

Delegations will find attached Commission document COM(2012) 31 final.

Encl.: COM(2012) 31 final



EUROPEAN COMMISSION

Brussels, 27.1.2012
COM(2012) 31 final

**DRAFT AMENDING BUDGET N° 1
TO THE GENERAL BUDGET 2012**

**STATEMENT OF EXPENDITURE BY SECTION
Section III – Commission**

**DRAFT AMENDING BUDGET N° 1
TO THE GENERAL BUDGET 2012**

**STATEMENT OF EXPENDITURE BY SECTION
Section III – Commission**

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,
- the Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities¹, and in particular Article 37 thereof,
- the general budget of the European Union for the financial year 2012 adopted on 1 December 2011,

The European Commission hereby presents to the budgetary authority the Draft Amending Budget No 1 to the 2012 budget.

CHANGES TO THE STATEMENT OF REVENUE AND EXPENDITURE BY SECTION

The changes to the statement of revenue and expenditure by section are available on EUR-Lex (<http://eur-lex.europa.eu/budget/www/index-en.htm>). An English version of the changes to this statement is attached for information as a budgetary annex.

¹ OJ L 248, 16.9.2002, p. 1.

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1. INTRODUCTION

Draft Amending Budget (DAB) No 1 for the year 2012 concerns the financing of ITER, and incorporates into the 2012 Budget, the amount of EUR 650 million in commitment appropriations, onto budget article 08 20 02 Euratom – European Joint Undertaking for ITER – Fusion for Energy (F4E), in accordance with the agreement reached between the European Parliament and the Council in December 2011.

2. ITER

On 1 December 2011, agreement was reached in trilogue on the financing of the EUR 1 300 million additional cost of the ITER project in 2012-2013 as follows:

- EUR 100 million already included in the 2012 budget on the ITER budget lines;
- EUR 360 million in commitment appropriations will be made available in the 2013 budget procedure within the MFF commitment appropriations ceilings making full use of the provisions laid down in the Financial Regulation and in the IIA of 17 May 2006, excluding any further ITER-related revision of the MFF;
- The ceilings for commitment appropriations of Heading 1a for the years 2012 and 2013 will be increased by an amount of EUR 840 million, of which EUR 650 million in 2012 and EUR 190 million in 2013. This increase will be offset by a corresponding decrease of the ceilings for commitment appropriations of Heading 2 (EUR 450 million for the year 2011) and Heading 5 (EUR 243 million for the year 2011 and EUR 147 million for the year 2012);
- The 2013 ceiling for total payment appropriations will be increased by EUR 580 million offset by a corresponding decrease in the 2011 ceiling.

This political agreement was subsequently adopted by the European Parliament and the Council in December 2011, by a decision of 13 December 2011², according to their respective internal procedures.

Now that the ceiling of Heading 1a has been increased for 2012, it is possible to enter the relevant commitment appropriations of EUR 650 million onto the budget article 08 20 02 Euratom – European Joint Undertaking for ITER – Fusion for Energy (F4E).

² OJ, L4, 7.1.2012, p. 14.

3. SUMMARY TABLE BY HEADING OF THE FINANCIAL FRAMEWORK

Financial framework Heading/subheading	2012 Financial framework		Budget 2012 ³		DAB 1/2012		Budget 2012 (incl. DAB 1/2012)	
	CA	PA	CA	PA	CA	PA	CA	PA
1. SUSTAINABLE GROWTH								
1a. Competitiveness for growth and employment <i>Margin</i>	14.853.000.000		14.753.000.000	11.500.977.788	650.000.000		15.403.000.000	11.500.977.788
			<i>600.000.000</i>				<i>-50.000.000</i>	
1b. Cohesion for growth and employment <i>Margin</i>	52.761.000.000		52.752.576.141	43.835.746.321			52.752.576.141	43.835.746.321
			<i>8.423.859</i>				<i>8.423.859</i>	
Total Margin⁴	67.614.000.000		67.505.576.141	55.336.724.109	650.000.000		68.155.576.141	55.336.724.109
			<i>608.423.859</i>				<i>-41.576.141</i>	
2. PRESERVATION AND MANAGEMENT OF NATURAL RESOURCES								
Of which market related expenditure and direct payments	48.093.000.000		43.969.637.305	43.875.978.049			43.969.637.305	43.875.978.049
Total Margin	60.810.000.000		59.975.774.185	57.034.220.262			59.975.774.185	57.034.220.262
			<i>834.225.815</i>				<i>834.225.815</i>	
3. CITIZENSHIP, FREEDOM, SECURITY AND JUSTICE								
3a. Freedom, Security and Justice <i>Margin</i>	1.406.000.000		1.367.806.560	835.577.878			1.367.806.560	835.577.878
			<i>38.193.440</i>				<i>38.193.440</i>	
3b. Citizenship <i>Margin</i>	699.000.000		697.436.780	648.700.180			697.436.780	648.700.180
			<i>1.563.220</i>				<i>1.563.220</i>	
Total Margin⁵	2.105.000.000		2.065.243.340	1.484.278.058			2.065.243.340	1.484.278.058
			<i>39.756.660</i>				<i>39.756.660</i>	
4. EU AS A GLOBAL PLAYER								
<i>Margin⁶</i>	8.997.000.000		9.405.937.000	6.955.083.523			9.405.937.000	6.955.083.523
			<i>-150.000.000</i>				<i>-150.000.000</i>	
<i>Margin⁷</i>	8523.000.000		8.279.641.996	8.277.736.996			8.279.641.996	8.277.736.996
			<i>327.358.004</i>				<i>327.358.004</i>	
TOTAL Margin	148.049.000.000	141.360.000.000	147.232.172.662	129.088.042.948	650.000.000		147.882.172.662	129.088.042.948
			<i>1.809.764.338</i>	<i>12.445.957.052</i>			<i>1.209.764.338</i>	<i>12.445.957.052</i>

³ 2012 margins take into account the decision of the European Parliament and of the Council of 13/12/2011 to amend the IIA of 17 May 2006 (OJ C 139 of 14.6.2006) to address additional financing needs of the ITER project (OJ L 4, 7.1.2012)

⁴ The European Globalisation adjustment Fund (EGF) is not included in the calculation of the margin under Heading 1a (EUR 500 million). EUR 50 million above the ceiling is financed by the mobilisation of the Flexibility Instrument.

⁵ The European Union Solidarity Fund (EUSF) amount is entered over and above the relevant headings as foreseen by the IIA of 17 May 2006 (OJ C 139 of 14.6.2006)

⁶ The 2012 margin for heading 4 does not take into account the appropriations related to the Emergency Aid Reserve (EUR 258,9 million). EUR 150 million above the ceiling is financed by the mobilisation of the Flexibility Instrument.

⁷ For calculating the margin under the ceiling for heading 5, account is taken of the footnote (1) of the financial framework 2007-2013 for an amount of EUR 84 million for the staff contributions to the pension scheme.