



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 17 October 2012

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COVER NOTE

from: Mr Janusz LEWANDOWSKI, Member of the European Commission
date of receipt: 16 October 2012
to: Mr Vassos S HIARLY, President of the Council of the European Union

Subject: Transfer of appropriations No DEC 36/2012 within Section III - Commission -
of the general budget for 2012

Delegations will find attached Commission document DEC 36/2012.

Encl.: DEC 36/2012



BRUSSELS, 11/10/2012

GENERAL BUDGET - 2012
SECTION III - COMMISSION TITLES 05, 21

TRANSFER OF APPROPRIATIONS N° **DEC 36/2012**

EUR

FROM

CHAPTER - 0506 International aspects of the 'Agriculture and rural development' policy area

ARTICLE - 05 06 01 International agricultural agreements

Commitments - 591 770

TO

CHAPTER - 2107 Development cooperation actions and ad-hoc programmes

ARTICLE - 21 07 03 Agreement with the Food and Agriculture Organisation (FAO) and other United Nations bodies

Commitments 15 208

ARTICLE - 21 07 04 Commodities agreements

Commitments 576 562

I. INCREASE

I.A

a) Heading

21 07 03 - Agreement with the Food and Agriculture Organisation (FAO) and other United Nations bodies

b) Figures at 21/09/2012

	Commitments
1A. Appropriation in budget (initial budget + AB)	310 000
1B. Appropriation in budget (EFTA)	0
2. Transfers	0
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3. Final appropriation for the year (1A+1B+2)	310 000
4. Utilisation of final appropriation	0
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5. Amount not used/available (3-4)	310 000
6. Requirements up to year-end	325 208
7. Increase proposed	15 208
8. Increase as percentage of appropriation in budget (7/1A)	4.91%
9. Increase, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 23(1)(b) and (c) of the Financial Regulation, calculated in accordance with Article 17a of the implementing rules	n/a

c) Receipts arising from recovery (carried over) (C5)

	Commitments
1. Appropriation available at start of year	0
2. Appropriation available on the 21/09/2012	0
3. Rate of utilisation [(1-2)/1]	n/a

d) Detailed grounds for the increase

Considering the accession of the EU to the Food and Agriculture Organisation (FAO) and the conclusion and subsequent ratification of the International Treaty on Plant Genetic Resources (ITPGR), both the annual contribution to FAO (EUR 275 208 in 2012) and the annual contribution to ITPGR (EUR 50 000 in 2012) are expected to amount to a total of EUR 325 208 to be committed and paid in 2012. Due to the very nature of expenses covered by the 21 07 03 budget line (i.e. payment of annual contribution to an international body), the amount committed during year N should be fully disbursed during the same budgetary year. As it stands, it would thus only be possible to pay the EUR 275 208 annual contribution to FAO but not the EUR 50 000 to the ITPGR. Hence this request to reinforce commitment credits by EUR 15 208 (DEC 30/2012).

I.B

a) Heading

21 07 04 - Commodities agreements

b) Figures at 21/09/2012

	Commitments
1A. Appropriation in budget (initial budget + AB)	3 358 000
1B. Appropriation in budget (EFTA)	0
2. Transfers	0
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3. Final appropriation for the year (1A+1B+2)	3 358 000
4. Utilisation of final appropriation	839 122
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5. Amount not used/available (3-4)	2 518 878
6. Requirements up to year-end	3 095 440
7. Increase proposed	576 562
8. Increase as percentage of appropriation in budget (7/1A)	17.17%
9. Increase, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 23(1)(b) and (c) of the Financial Regulation, calculated in accordance with Article 17a of the implementing rules	n/a

c) Receipts arising from recovery (carried over) (C5)

	Commitments
1. Appropriation available at start of year	0
2. Appropriation available on the 21/09/2012	0
3. Rate of utilisation [(1-2)/1]	n/a

d) Detailed grounds for the increase

The budget line 21 07 04 covers the annual membership fees which the Union must pay for its participation on the grounds of its exclusive competence in the field.

More specifically, this appropriation covers the payment of the annual fees for membership of the International Tropical Timber Agreement, the International Jute Organisation, the International Coffee Organisation and the International Cocoa Organisation.

Since the voted appropriations in 2012 were lower than the initial requests of the Commission and also due to fluctuations in the EUR/USD exchange rate, a reinforcement of commitments on this budget line by EUR 576 562 is necessary. Payment appropriations have been requested in the framework of the global transfer.

II. DECREASE

a) Heading

05 06 01 - International agricultural agreements

b) Figures at 21/09/2012

	Commitments
1A. Appropriation in budget (initial budget + AB)	6 360 000
1B. Appropriation in budget (EFTA)	0
2. Transfers	0
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3. Final appropriation for the year (1A+1B+2)	6 360 000
4. Utilisation of final appropriation	3 665 357
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5. Amount not used/available (3-4)	2 694 643
6. Requirements up to year-end	2 102 873
7. Proposed decrease	591 770
8. Decrease as percentage of appropriation in budget (7/1A)	9.30%
9. Decrease, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 23(1)(b) and (c) of the Financial Regulation, calculated in accordance with Article 17a of the implementing rules	n/a

c) Receipts arising from recovery (carried over) (C5)

	Commitments
1. Appropriation available at start of year	0
2. Appropriation available on the 21/09/2012	0
3. Rate of utilisation [(1-2)/1]	n/a

d) Detail grounds for the transfer

This budget item covers the EU's contribution to the International Grains Council (IGC), the International Sugar Organisation (ISO) and to the International Olive Oil Council (IOOC). The EU's overall contribution was exceptionally reduced in 2012, mainly due to a substantial reduction in the contribution to the IOOC because a part of the IOOC 2012 budget was covered by budget surpluses carried over from previous budget years to 2012. In addition, ISO and IGC contributions are paid in GBP. Changes in the level of the exchange rate of GBP against the EUR and in the number of votes eventually attributed to the EU in these organisations resulted in a reduction in the Union's contribution in euro to these organisations. For these reasons the above amount can be made available.