



**Brussels, 3 November 2016  
(OR. en)**

**13333/1/16  
REV 1**

**FIN 665  
PE-L 61**

**'I/A' ITEM NOTE**

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From:	Budget Committee
To:	Permanent Representatives Committee/Council
No. Cion doc.:	13015/16 FIN 631 (COM(2016) 660 final)
Subject:	Draft amending budget No 5 to the general budget for 2016: Implementation of the Own Resources Decision No 2014/335/EU further to the closing of the ratification process and its entry into force on 1 October 2016

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1. On 7 October 2016, the Commission submitted to the Council draft amending budget (DAB) No 5/2016. The aim of this DAB is to implement the new Own Resources Decision 2014/335/EU, Euratom (ORD 2014) following the completion of the ratification process and the entry into force of this Decision on 1 October 2016.

DAB No 5/2016 takes into account the retroactive effect of the ORD 2014 from 1 January 2014 onwards and includes the necessary adjustments to the amounts made available by Member States in the years 2014, 2015 and 2016.

The global impact of this DAB on the 2016 budget is a result of new elements included in the ORD 2014 that were not part of the "old" Own Resources Decision of 2007. These are: a new rate of collection costs for traditional own resources, a reduced VAT call rate for Germany, the Netherlands and Sweden, the use of ESA 2010 data for GNI, and a gross reduction in the annual GNI-based contributions for Denmark, the Netherlands, Austria and Sweden. The financing of the 2014 and 2015 UK correction had to be adjusted accordingly.

The net impact of this DAB is zero, notably as additional corrections granted to some Member States in the ORD 2014 have to be financed by the others.

2. On 10 and 13 October 2016, the Budget Committee examined the Commission proposal and was able to accept it without any changes.
3. At the close of its examination, the Budget Committee agreed to suggest that the Permanent Representatives Committee advise the Council to:
  - adopt, by a qualified majority<sup>1</sup>, the Council's position on DAB No 5/2016 as set out in point 2;
  - instruct the Presidency to prepare the budgetary documents to be sent to the European Parliament and to approve the draft letter in Annex 2 to that effect;
  - have the Council's position published in the Official Journal of the European Union as set out in Annex 1.

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<sup>1</sup> The UK abstaining.

**COUNCIL DECISION**

**adopting the Council's position on draft amending budget No 5 of the European Union for the financial year 2016**

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 1605/2002<sup>1</sup> and in particular Article 41 thereof,

Whereas:

- the Union's budget for the financial year 2016 was definitively adopted on 25 November 2015<sup>2</sup>,
- on 7 October 2016, the Commission submitted a proposal containing draft amending budget No 5 to the general budget for the financial year 2016,
- for needs related to national Treasury management, draft amending budget No 5 to the general budget for 2016 needs to be adopted without delay. Therefore, it is justified to shorten, in accordance with Article 3(3) of the Council's Rules of Procedure, the eight-week period for the information of national Parliaments laid down in Article 4 of Protocol No 1,

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<sup>1</sup> OJ L 298, 26.10.2012, p. 1.

<sup>2</sup> OJ L 48, 24.2.2016, p. 1.

HAS DECIDED AS FOLLOWS:

*Sole Article*

The Council's position on draft amending budget No 5 of the European Union for the financial year 2016 was adopted on 8 November 2016.

The full text can be accessed for consultation or downloading on the Council's website:

<http://www.consilium.europa.eu/>.

Done at Brussels, on 8 November 2016.

*For the Council  
The President*

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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 5 for the financial year 2016<sup>1</sup>, adopted by the Council on 8 November 2016.

(Complimentary close).

  

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<sup>1</sup> Doc. 13584/16 BUDGET 30.