



Council of the
European Union

Brussels, 10 July 2014
(OR. en)

11717/14

FIN 474

COVER NOTE

From: Mr Andris PIEBALGS, Member of the European Commission
date of receipt: 9 July 2014
To: Mr Enrico ZANETTI, President of the Council of the European Union

Subject: Transfer of appropriations No DEC 20/2014 within Section III - Commission
- of the general budget for 2014

Delegations will find attached Commission document DEC 20/2014.

Encl.: DEC 20/2014



BRUSSELS, 08/07/2014

GENERAL BUDGET - 2014
SECTION III - COMMISSION TITLES 05, 22

TRANSFER OF APPROPRIATIONS N° **DEC 20/2014**

EUR

FROM

CHAPTER - 0505 Instrument for Pre-Accession Assistance - Agriculture and Rural Development

ARTICLE - 05 05 03 Support to Albania, Bosnia and Herzegovina, Kosovo, Montenegro, Serbia and the former Yugoslav Republic of Macedonia

ITEM - 05 05 03 02 Support for economic, social and territorial development Commitments - 15 000 000

ARTICLE - 05 05 04 Support to Turkey

ITEM - 05 05 04 02 Support for economic, social and territorial development Commitments - 1 000 000

TO

CHAPTER - 2202 Enlargement process and strategy

ARTICLE - 22 02 01 Support to Albania, Bosnia and Herzegovina, Kosovo, Montenegro, Serbia and the former Yugoslav Republic of Macedonia

ITEM - 22 02 01 02 Support for economic, social and territorial development Commitments 16 000 000

I. INCREASE

a) Heading

22 02 01 02 - Support for economic, social and territorial development (Western Balkans)

b) Figures at 13/06/2014

	Commitments
1A. Appropriation in budget (initial budget + AB)	249 800 347
1B. Appropriation in budget (EFTA)	0
2. Transfers	0
<hr/>	
3. Final appropriation for the year (1A+1B+2)	249 800 347
4. Utilisation of final appropriation	0
<hr/>	
5. Amount not used/available (3-4)	249 800 347
6. Requirements up to year-end	265 800 347
7. Increase proposed	16 000 000
8. Increase as percentage of appropriation in budget (7/1A)	6.41%
9. Increase, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 26(1)(b) and (c) of the Financial Regulation, calculated in accordance with Article 14 of the Rules of Application	n/a

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

	Commitments
1. Appropriation available at start of year	0
2. Appropriation available on the 13/06/2014	0
3. Rate of utilisation [(1-2)/1]	n/a

d) Detailed grounds for the increase

The proposed transfer of commitment appropriations from budget lines 05 05 03 02 and 05 05 04 02 to budget line 22 02 01 02 is the result of a more precise assessment of the implementation possibilities and needs under IPA II (Instrument for Pre-Accession II) and will allow for an optimal use of the commitment appropriations available, as it is expected that Serbia and Montenegro will receive conferral of management for the programmes in Title 22 sooner than for the IPARD II (Instrument for Pre-Accession Assistance II for Rural Development) programmes in Title 05, where conferral of management is a more lengthy process. The appropriations transferred will be used mainly for the purpose of capacity-building and *acquis* approximation in the area of agriculture and rural development, as well as to complement the financing of priority measures in the sectors 'Rule of law and fundamental rights' and 'Democracy and governance'.

The appropriations transferred will be implemented under indirect management with ex-post control (former decentralised management).

II. DECREASE

II.A

a) Heading

05 05 03 02 - Support for economic, social and territorial development (Western Balkans)

b) Figures at 13/06/2014

	Commitments
1A. Appropriation in budget (initial budget + AB)	20 000 000
1B. Appropriation in budget (EFTA)	0
2. Transfers	0
<hr/>	
3. Final appropriation for the year (1A+1B+2)	20 000 000
4. Utilisation of final appropriation	0
<hr/>	
5. Amount not used/available (3-4)	20 000 000
6. Requirements up to year-end	5 000 000
7. Proposed decrease	15 000 000
8. Decrease as percentage of appropriation in budget (7/1A)	75.00%
9. Decrease, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 26(1)(b) and (c) of the Financial Regulation, calculated in accordance with Article 14 of the Rules of Application	n/a

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

	Commitments
1. Appropriation available at start of year	0
2. Appropriation available on the 13/06/2014	0
3. Rate of utilisation [(1-2)/1]	n/a

d) Detailed grounds for the transfer

The distribution of commitment appropriations between different IPA II budgetary lines entered in the 2014 budget was preliminary as the global programming for 2014-2020 covering all pre-accession policy areas was still at an early stage when the 2014 budget was adopted at end 2013.

The allocations for IPARD II (Instrument for Pre-Accession II - Rural Development) programmes can only be spent under indirect management without ex-ante control, and it is now not expected that Serbia and Montenegro will be ready to receive conferral of management for their programmes in 2014. Thus, it is proposed to transfer the 2014 allocations of Serbia and Montenegro (EUR 10 million and EUR 5 million respectively) from item 05 05 03 02 to item 22 02 01 02, where conferral of management is expected for this year.

II.B

a) Heading

05 05 04 02 - Support for economic, social and territorial development (Turkey)

b) Figures at 13/06/2014

	Commitments
1A. Appropriation in budget (initial budget + AB)	70 000 000
1B. Appropriation in budget (EFTA)	0
2. Transfers	0
<hr/>	
3. Final appropriation for the year (1A+1B+2)	70 000 000
4. Utilisation of final appropriation	0
<hr/>	
5. Amount not used/available (3-4)	70 000 000
6. Requirements up to year-end	69 000 000
7. Proposed decrease	1 000 000
8. Decrease as percentage of appropriation in budget (7/1A)	1.43%
9. Decrease, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 26(1)(b) and (c) of the Financial Regulation, calculated in accordance with Article 14 of the Rules of Application	n/a

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

	Commitments
1. Appropriation available at start of year	0
2. Appropriation available on the 13/06/2014	0
3. Rate of utilisation [(1-2)/1]	n/a

d) Detail grounds for the transfer

The distribution of commitment appropriations between different IPA II budgetary lines entered in the 2014 budget was preliminary as the global programming 2014-2020 covering all pre-accession policy areas was still at an early stage when the 2014 budget was adopted at end 2013. Following a more precise assessment of the needs and in order to ensure optimal use of the commitment appropriations available, it is necessary to adjust the 2014 allocation for Turkey, by means of a transfer of EUR 1 million in commitment appropriations from item 05 05 04 02 to item 22 02 01 02.