



Council of the
European Union

**Brussels, 13 November 2018
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COVER NOTE

From:	Mr Günther OETTINGER, Member of the European Commission
date of receipt:	12 November 2018
To:	Mr Hartwig LÖGER, President of the Council of the European Union
Subject:	Proposal for transfer of appropriations No DEC 35/2018 within Section III - Commission - of the general budget for 2018

Delegations will find attached Commission document DEC 35/2018.

Encl.: DEC 35/2018



BRUSSELS, 12/11/2018

GENERAL BUDGET - 2018
SECTION III - COMMISSION TITLE: 05

TRANSFER OF APPROPRIATIONS N° DEC 35/2018

FROM

CHAPTER - 0504 Rural development

ITEM - 05 04 01 14 Completion of rural development financed by the EAGGF Guarantee Section -- Programming period 2000 to 2006	Non-Diff	-479 631,00
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**CHAPTER - 0507 Audit of agricultural expenditure financed by the European Agricultural
Guarantee Fund (EAGF)**

ITEM - 05 07 01 06 Expenditure for financial corrections in favour of Member States following decisions on accounting clearance of previous years-- accounts with regard to shared management declared under the EAGGF-Guarantee Section (previous measures) and under the EAGF	Non-Diff	-9 062 725,00
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ARTICLE - 05 07 02 Settlement of disputes	Non-Diff	-35 725 552,00
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TO

**CHAPTER - 0502 Improving the competitiveness of the agricultural sector through
interventions in agricultural markets**

ITEM - 05 02 12 02 Storage measures for skimmed-milk powder	Non-Diff	45 267 908,00
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I. DECREASE

I.1

a) Heading

05 04 01 14 - Completion of rural development financed by the EAGGF Guarantee Section -- Programming period 2000 to 2006

b) Figures at 07/11/2018

	Non-Diff
1 Appropriations in budget (Initial Budget + AB)	479 631,28
2 Transfers	0,00
3 Total appropriations for the year (1+2)	479 631,28
4 Appropriations already used	0,00
5 Appropriations available (3-4)	479 631,28
6 Decrease proposed	479 631,00
7 Total appropriations up to year end (5-6)	0,28
8 Decrease as percentage of appropriations in budget (6/1)	100,00 %
9 Decrease, as a percentage of the final appropriations for the year, in the sum of transfers referred to in Article 30(1)(b) of the Financial Regulation	n/a

c) Receipts arising from recovery (carried over from previous year)

	Non-Diff
1 Appropriations available at start of the year	0,00
2 Appropriations available on 07/11/2018	0,00
3 Implementation rate [(1-2)/1]	n/a

d) Detailed grounds for the decrease

Member States are still in the process of closing rural development measures previously financed by the European Agricultural Guidance and Guarantee Fund (EAGGF) - Guarantee section under the 2000-2006 programming period. Under the 2018 budget, they have declared recoveries of previously paid advances related to these measures for a total amount of EUR 0,5 million. As no fresh commitments are possible for 2000-2006 measures, this amount can be made available for financing other European Agricultural Guarantee Fund (EAGF) expenditure.

I.2

a) Heading

05 07 01 06 - Expenditure for financial corrections in favour of Member States following decisions on accounting clearance of previous years-- accounts with regard to shared management declared under the EAGGF-Guarantee Section (previous measures) and under the EAGF

b) Figures at 07/11/2018

	Non-Diff
1 Appropriations in budget (Initial Budget + AB)	21 407 585,81
2 Transfers	-108 755,00
3 Total appropriations for the year (1+2)	21 298 830,81
4 Appropriations already used	4 951 366,59
5 Appropriations available (3-4)	16 347 464,22
6 Decrease proposed	9 062 725,00
7 Total appropriations up to year end (5-6)	7 284 739,22
8 Decrease as percentage of appropriations in budget (6/1)	42,33 %
9 Decrease, as a percentage of the final appropriations for the year, in the sum of transfers referred to in Article 30(1)(b) of the Financial Regulation	n/a

c) Receipts arising from recovery (carried over from previous year)

	Non-Diff
1 Appropriations available at start of the year	0,00
2 Appropriations available on 07/11/2018	0,00
3 Implementation rate [(1-2)/1]	n/a

d) Detailed grounds for the decrease

Total appropriations available for covering accounting clearance corrections in favour of Member States with regard to previous years amounted to EUR 21,3 million. The Commission decisions taken in 2018 had a budgetary impact of EUR 12,2 million only. Therefore, an amount of EUR 9,1 million can be made available for financing other EAGF expenditure.

I.3

a) Heading

05 07 02 - Settlement of disputes

b) Figures at 07/11/2018

	Non-Diff
1 Appropriations in budget (Initial Budget + AB)	132 223 554,85
2 Transfers	0,00
3 Total appropriations for the year (1+2)	132 223 554,85
4 Appropriations already used	37 182 423,94
5 Appropriations available (3-4)	95 041 130,91
6 Decrease proposed	35 725 552,00
7 Total appropriations up to year end (5-6)	59 315 578,91
8 Decrease as percentage of appropriations in budget (6/1)	27,02 %
9 Decrease, as a percentage of the final appropriations for the year, in the sum of transfers referred to in Article 30(1)(b) of the Financial Regulation	n/a

c) Receipts arising from recovery (carried over from previous year)

	Non-Diff
1 Appropriations available at start of the year	0,00
2 Appropriations available on 07/11/2018	0,00
3 Implementation rate [(1-2)/1]	n/a

d) Detailed grounds for the decrease

Due to delays in the national court proceedings following the Court of Justice ruling on the former sugar production levies (C-585/15 concerning the marketing years 1999/2000 and 2000/2001), Member States declared less interest payments than expected. Therefore, an amount of EUR 35,7 million can be made available for financing other EAGF expenditure.

II. INCREASE

II.1

a) Heading

05 02 12 02 - Storage measures for skimmed-milk powder

b) Figures at 07/11/2018

	Non-Diff
1 Appropriations in budget (Initial Budget + AB)	12 034 531,39
2 Transfers	32 000 000,00
3 Total appropriations for the year (1+2)	44 034 531,39
4 Appropriations already used	44 034 531,39
5 Appropriations available (3-4)	0,00
6 Increase requested	45 267 908,00
7 Total appropriations up to year end (5+6)	45 267 908,00
8 Increase as percentage of appropriations in budget (6/1)	376,15 %
9 Increase, as a percentage of the final appropriations for the year, in the sum of transfers referred to in Article 30(1)(b) of the Financial Regulation	n/a

c) Receipts arising from recovery (carried over from previous year)

	Non-Diff
1 Appropriations available at start of the year	0,00
2 Appropriations available on 07/11/2018	0,00
3 Implementation rate $[(1-2)/1]$	n/a

d) Detailed grounds for the increase

Due to the loss caused by sales of public stocks of skimmed milk powder at prices lower than the intervention price and depreciation of quantities still in stock, the initial appropriations for budget item 05 02 12 02 are not sufficient. Therefore, it is proposed to transfer an amount of EUR 45,3 million as part of the overall reinforcement needed.