



Council of the  
European Union

**Brussels, 13 November 2019  
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**FIN 732**

**COVER NOTE**

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From:	Mr Günther OETTINGER, Member of the European Commission
date of receipt:	12 November 2019
To:	Mr Kimmo TIILIKAINEN, President of the Council of the European Union
Subject:	Proposal for transfer of appropriations No DEC 26/2019 within Section III - Commission - of the general budget for 2019

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Delegations will find attached Commission document DEC 26/2019.

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Encl.: DEC 26/2019



BRUSSELS, 12/11/2019

GENERAL BUDGET - 2019  
SECTION III - COMMISSION TITLE: 05

## TRANSFER OF APPROPRIATIONS N° DEC 26/2019

**FROM****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 -66 512 100,00

**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 -451 200,00

**CHAPTER - 0508** Policy strategy and coordination of the `Agriculture and rural development` policy area

ARTICLE - 05 08 09 European Agricultural Guarantee Fund (EAGF) -- Operational technical assistance Non-Diff -500 000,00

**TO****CHAPTER - 0503** Direct payments aimed at contributing to farm incomes, limiting farm income variability and meeting environment and climate objectives

ITEM - 05 03 01 11 Payment for agricultural practices beneficial for the climate and the environment Non-Diff 67 463 300,00

## I. DECREASE

### I.1

#### a) Heading

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

#### b) Figures at 07/11/2019

	<b>Non-Diff</b>
1 Appropriations in budget (Initial Budget + AB)	79 179 312,65
2 Transfers	-430 000,00
3 Total appropriations for the year (1+2)	78 749 312,65
4 Appropriations already used	12 237 115,03
<b>5 Appropriations available (3-4)</b>	<b>66 512 197,62</b>
<b>6 Decrease proposed</b>	<b>66 512 100,00</b>
<b>7 Total appropriations up to year end (5-6)</b>	<b>97,62</b>
8 Decrease as percentage of appropriations in budget (6/1)	84,00 %
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)

	<b>Non-Diff</b>
1 Appropriations available at start of the year	0,00
2 Appropriations available on 07/11/2019	0,00
3 Implementation rate [(1-2)/1]	n/a

#### d) Detailed grounds for the decrease

All quantities of skimmed-milk powder still available in public intervention stocks at the beginning of the exercise have been sold during 2019. As the selling prices achieved in the individual tenders were higher than the booking value, the selling operation resulted in savings for the European Agricultural Guarantee Fund (EAGF). After deduction of the storage costs, an amount of EUR 66,5 million can be made available for financing other EAGF expenditure.

## I.2

### a) Heading

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

### b) Figures at 07/11/2019

	<b>Non-Diff</b>
1 Appropriations in budget (Initial Budget + AB)	451 254,41
2 Transfers	0,00
3 Total appropriations for the year (1+2)	451 254,41
4 Appropriations already used	0,00
<b>5 Appropriations available (3-4)</b>	<b>451 254,41</b>
<b>6 Decrease proposed</b>	<b>451 200,00</b>
<b>7 Total appropriations up to year end (5-6)</b>	<b>54,41</b>
8 Decrease as percentage of appropriations in budget (6/1)	99,99 %
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)

	<b>Non-Diff</b>
1 Appropriations available at start of the year	0,00
2 Appropriations available on 07/11/2019	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 - Guarantee section under the 2000-2006 programming period. Under the 2019 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 EAGF expenditure.

### **I.3**

#### **a) Heading**

**05 08 09 - European Agricultural Guarantee Fund (EAGF) -- Operational technical assistance**

#### **b) Figures at 07/11/2019**

	<b>Non-Diff</b>
1 Appropriations in budget (Initial Budget + AB)	4 800 000,00
2 Transfers	-6 812,00
3 Total appropriations for the year (1+2)	4 793 188,00
4 Appropriations already used	3 180 470,33
<b>5 Appropriations available (3-4)</b>	<b>1 612 717,67</b>
<b>6 Decrease proposed</b>	<b>500 000,00</b>
<b>7 Total appropriations up to year end (5-6)</b>	<b>1 112 717,67</b>
8 Decrease as percentage of appropriations in budget (6/1)	10,42 %
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)**

	<b>Non-Diff</b>
1 Appropriations available at start of the year	0,00
2 Appropriations available on 07/11/2019	0,00
3 Implementation rate [(1-2)/1]	n/a

#### **d) Detailed grounds for the decrease**

The actual expenditure related to some IT applications is lower than initially foreseen and there are some delays in acquiring and replacing service providers. In addition, fewer than initially planned audit contracts will be signed during 2019. Therefore, an amount of EUR 0,5 million can be made available for financing other EAGF expenditure.

## **II. INCREASE**

### **II.1**

#### **a) Heading**

**05 03 01 11 - Payment for agricultural practices beneficial for the climate and the environment**

#### **b) Figures at 07/11/2019**

	<b>Non-Diff</b>
1 Appropriations in budget (Initial Budget + AB)	13 035 631 853,64
2 Transfers	-93 100 000,00
3 Total appropriations for the year (1+2)	12 942 531 853,64
4 Appropriations already used	12 942 531 853,64
<b>5 Appropriations available (3-4)</b>	<b>0,00</b>
<b>6 Increase requested</b>	<b>67 463 300,00</b>
<b>7 Total appropriations up to year end (5+6)</b>	<b>67 463 300,00</b>
8 Increase as percentage of appropriations in budget (6/1)	0,52 %
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)**

	<b>Non-Diff</b>
1 Appropriations available at start of the year	0,00
2 Appropriations available on 07/11/2019	0,00
3 Implementation rate [(1-2)/1]	n/a

#### **d) Detailed grounds for the increase**

Based on the latest expenditure declarations received from Member States on 27/10/2019, the needs for this budget item are higher than previously expected. Therefore, it is proposed to transfer an amount of EUR 67,5 million to cover these additional needs.