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'I' ITEM NOTE

From:	Budget Committee
To:	Permanent Representatives Committee
No. Cion doc.:	11673/20 (COM(2020) 962 final) + REV 1 (en) (COM(2020) 962 final/2)
Subject:	Council position on draft amending budget No 10 to the general budget for 2020: Increase of payment appropriations in line with updated forecasts of expenditure and other adjustments to expenditure and revenue

1. On 9 October 2020¹, the Commission submitted to the Council draft amending budget (DAB) No 10 to the general budget for 2020.

The purpose of DAB No 10/2020 is threefold:

- to increase the level of payment appropriations in line with the updated forecast and after having taken into account the redeployments proposed in the "Global transfer" (DEC 16/2020 submitted to Parliament and Council early October);
- to adjust the revenue side to incorporate the impact of exchange rate differences and additional fines collected; and
- to budget further more limited expenditure adjustments. They concern the level of appropriations of the European Agriculture Guarantee Fund (EAGF) and some decentralised agencies (ESMA, EIOPA, EBA and ELA).

¹ All language versions became available on 20 October 2020.

The overall increase in payment appropriations (+EUR 1 569.3 million) concerns (sub-)headings 1a (*Competitiveness for Growth and Jobs*), 1b (*Economic, Social and Territorial Cohesion*), 2 (*Sustainable Growth – Natural Resources*) and 4 (*Global Europe*).

The increase in commitment appropriations in heading 2 is slightly rebalanced by savings in sub-heading 1a agencies resulting in an overall increase in commitments of +EUR 36.4 million.

The overall impact on the revenue side is a decrease of other revenue by -EUR 588 million rebalanced by a corresponding increase in the GNI contributions.

2. In order to allow the Council to adopt a position on DAB No 10/2020 without delay, the Council has to decide, considering the urgency of the matter, to shorten, in accordance with Article 3(3) of its Rules of Procedure, the eight-week period laid down in Article 4 of Protocol No 1 on the role of national Parliaments in the European Union.
3. The Budget Committee examined DAB No 10/2020 at its meetings on 12 October and 23 November and was able to accept it without any changes.
4. In view of the above, the Permanent Representatives Committee is invited to:
 - confirm its agreement on:
 - DAB No 10/2020 as set out in document 11673/20 + REV 1(en),
 - instructing the Presidency to prepare the budgetary documents to be sent to the European Parliament and to approve the draft letter in the Annex to that effect, and
 - having the Council Decision adopting the Council's position on draft amending budget No 10 of the European Union for the financial year 2020, as set out in document 13642/20, published in the *Official Journal of the European Union*;

- decide, in accordance with the first subparagraph of Article 12(1) of the Council's Rules of Procedure and Article 1 of Council Decision 2020/430, that the Council uses the written procedure for its adoption; and
- confirm its agreement that, in view of the urgency of the matter, the Council decides to derogate, on the basis of the second subparagraph of Article 3(3) of the Council's Rules of Procedure, from the eight-week period referred to in the first subparagraph of that Article.

DRAFT LETTER

from : Chair of the Permanent Representatives Committee

to : President of the European Parliament

Sir,

I am forwarding under separate cover the Council's position on draft amending budget No 10 for the financial year 2020, adopted by the Council on 8 December 2020.

(Complimentary close).
