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AMENDING LETTER No 1
TO THE DRAFT GENERAL BUDGET 2015

STATEMENT OF EXPENDITURE BY SECTION
Section III – Commission
Section VIII – European Ombudsman

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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,

– the Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the Financial Regulation applicable to the general budget of the Union[1], and in particular Article 39 thereof,

– the draft general budget of the European Union for the financial year 2015 presented by the Commission on 24 June 2014[2],

the European Commission hereby presents to the budgetary authority the amending letter No 1 to the draft general budget of the European Union for the financial year 2015 for the reasons set out in the explanatory memorandum.

[1] OJ L 298, 26.10.2012, p. 1.
[2] COM(2014) 300.

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STATEMENT OF EXPENDITURE BY SECTION

The changes to the statement of revenue and expenditure by section are available on EUR-Lex (http://eur-lex.europa.eu/budget/www/index-en.htm). An English version of the changes to these statements by section is attached for information as a budgetary annex.

1 INTRODUCTION

The amending letter No 1 (AL 1) to the draft budget for 2015 (DB 2015) covers the following:

— The updating of the estimated needs and appropriations for agricultural expenditure. In addition to changing market factors, the AL 1/2015 also incorporates the impact of decisions in the agricultural sector since the DB 2015 was drawn up in June 2014, revised estimates of needs for some direct payments, as well as other proposals expected to have a significant effect during the budget year.

— An update of the situation for Sustainable Fisheries Partnership Agreements, to take account of the most recent information available.

— A redeployment of payment appropriations, which makes use of the reduced appropriations for agricultural expenditure in 2015 (amounting to EUR 448,0 million) to meet additional payment needs across headings 1a, 2, 3 and 4, so that obligations stemming from past and current commitments can be honoured and financial penalties avoided. The redeployment is made possible by the increased assigned revenues available for the European Agricultural Guarantee Fund (EAGF) in 2015, enabling a slightly higher level of EAGF expenditure to be financed with a reduced level of 'fresh' appropriations in the 2015 budget.

— The adjustment of human and financial resources in view of the foreseen delegation of the Fast Track to Innovation pilot scheme to the Executive Agency for Small and Medium-sized Enterprises (EASME) and the Agricultural promotion measures to the Consumers, Health and Food Executive Agency (CHAFEA).

— A transformation of posts in the establishment plans of the Commission, the European Ombudsman and the European Environment Agency (EEA). The requested conversion of Commission posts leads to a saving of administrative expenditure under heading 5 of EUR 0,47 million. The corresponding payment appropriations become available for redeployment.

The net budgetary impact of these changes is a reduction of EUR 448,5 million in commitment appropriations compared to the draft budget 2015. The overall level of payments remains unchanged.

2 AGRICULTURE AND FISHERIES

2.1 Main changes proposed

According to the present AL 1/2015, overall appropriations requested for heading 2 in 2015 are estimated at EUR 58 805,7 million. This leaves a margin of EUR 793,3 million in commitment appropriations below the corresponding MFF ceiling. The modifications proposed for the European Agricultural Guarantee Fund (EAGF) in AL 1/2015 compared to the DB 2015 increase the margin by EUR 448,0 million. EAGF payment appropriations in AL 1/2015 are revised by the same amount as the commitment appropriations, which allows redeployment of payment appropriations to certain other programmes in headings 1a, 2, 3 and heading 4 (see section 3 below). The modifications proposed for Sustainable Fisheries Partnership Agreements (SFPAs) are neutral, since the increase for budget article 11 03 01 (+ EUR 710 000, both in commitment and payment appropriations) is balanced by a corresponding reduction on the reserve line.

Appropriations for agricultural expenditure financed under the EAGF in AL 1/2015 are budgeted at EUR 43 455,8 million, which is below its 2015 net sub-ceiling of EUR 44 189,8 million[3]. The reduction of appropriations compared to DB 2015 is compensated by the additional revenue assigned to the EAGF, which provides higher availabilities to finance EAGF measures. Total needs for the EAGF (after financial discipline and before possible use of the agricultural crisis reserve) are increasing, mainly due to the financial consequences of the temporary emergency measures following the Russian embargo on imports of certain agricultural products from the EU, which are currently estimated at EUR 344,3 million. When excluding this extraordinary impact, the 'regular' needs for the EAGF are only slightly increasing compared to the DB 2015, by EUR 17 million.

The additional needs for the temporary emergency measures do not require additional appropriations compared to the 2015 DB, since the draft budget already included appropriations amounting to EUR 433 million for the reserve for crises in the agricultural sector for 2015 (budget article 05 03 10), which is intended to cover additional needs in crisis situations. Transfers from the crisis reserve article 05 03 10 to the operational lines in the budget chapter 05 02 will be proposed after the adoption of the 2015 budget, depending on the possibilities for redeployment of appropriations at that time, in accordance with the procedure laid down in point 22 of the Interinstitutional Agreement (IIA) of 2 December 2013[4].

The table below gives an overview of the updated needs and the budget appropriations according to the amending letter, taking into account the availability of assigned revenues and the crisis reserve.

EAGF	**Draft Budget 2015**	**Amending Letter No 1/2015**	**Draft Budget 2015 incl. AL 1/2015)**
Budget appropriations 2015	43 903,8	-448,0	43 455,8
Assigned revenue available in 2015	1 030,0	+465,0	1 495,0
Total financial means available for the EAGF	**44 933,8**	**+17,0**	**44 950,8**
Total needs (after financial discipline and without crisis reserve)	44 500,8	+361,3	44 862,1
-- of which covered by the crisis reserve under budget article 05 03 10	*0,0*	*+344,3*	*344,3*
Amount of the crisis reserve under budget article 05 03 10	433,0	0,0	433,0
-- of which still available	*433,0*	*-344,3*	*88,7*
Total requirements for the EAGF	**44 933,8**	**+17,0**	**44 950,8**

Following the Russian embargo on imports of certain agricultural products from the EU, the Commission adopted temporary emergency measures in the fruit/vegetables and the dairy sectors:

– Withdrawal of certain fruits and vegetables for free distribution or other destinations, green harvesting and non-harvesting, as well as reinforced promotion measures carried out by producer organisations[5], with an overall financial impact currently estimated at EUR 324,4 million, and

– Aid for private storage of butter, skimmed-milk powder and certain cheeses, as well as extending the period for possible buying-in into public intervention up to 31 December 2014[6], with an overall financial impact currently estimated at EUR 19,9 million.

3 Under the 2014-2020 MFF, the initial EAGF sub-ceiling for 2015 amounts to EUR 44 368 million. After taking into account a net amount of EUR 178,2 million to be transferred to Rural Development that had already been incorporated in the DB 2015, the net amount available for the EAGF ('net sub-ceiling') amounts to EUR 44 189,8 million. The EAGF needs for 2015 are assessed against this EAGF 'net sub-ceiling'.

4 OJ C 373, 20.12.2013.

5 Commission Delegated Regulation (EU) No 913/2014 of 21 August 2014, Commission Delegated Regulation (EU) No 932/2014 of 29 August 2014 and Commission Delegated Regulation (EU) No 1031/2014 of 29 September 2014.

The following table summarises the effect of AL 1/2015 on heading 2 as a whole:

(in million EUR, rounded figures at current prices)

	Draft Budget 2015		Amending Letter No 1/2015		Draft Budget 2015 (incl. AL1/2015)	
	Commitments	**Payments**	**Commitments**	**Payments**	**Commitments**	**Payments**
— European Agricultural Guarantee Fund (EAGF)	43 903,8	43 897,0	-448,0	-448,0	43 455,8	43 449,0
— European Agricultural Fund for Rural Development (EAFRD)	13 823,6	11 646,7			13 823,6	11 646,7
— European Maritime and Fisheries Fund (EMFF), Regional Fisheries Management Organisations (RFMOs) and Sustainable Fisheries Partnership Agreements (SFPAs), of which:	1 035,5	960,1		16,0	1 035,5	976,1
— — Sustainable Fisheries Partnership Agreements (SFPAs) — Operational line (11 03 01)	56,5	56,5	0,7	0,7	57,2	57,2
— — Sustainable Fisheries Partnership Agreements (SFPAs) — Reserve (40 02 41)	88,5	88,5	-0,7	-0,7	87,8	87,8
— Environment and climate action (Life)	435,1	330,1		35,0	435,1	365,1
— Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission	5,3	5,3			5,3	5,3
— Pilot projects and preparatory actions	p.m.	17,7			p.m.	17,7
— Decentralised agencies	50,4	50,4			50,4	50,4
Total	**59 253,7**	**59 907,3**	**-448,0**	**-397,0**	**58 805,7**	**56 510,3**
Ceiling	***59 599,0***				***59 599,0***	
Margin	***345,3***				***793,3***	
Of which EAGF	**43 903,8**	**43 897,0**			**43 455,8**	**43 449,0**
Sub-Ceiling	***44 313,0***				***44 313,0***	
Net transfer between EAGF and EAFRD	***123,2***				***123,2***	
Sub-Margin	***286,0***				***734,0***	

2.2 European Agricultural Guarantee Fund (EAGF) — Market related expenditure and direct payments

2.2.1 Overview

The purpose of AL 1/2015 is to ensure that the agricultural budget is based on the most up-to-date economic data and legislative framework. By the month of September, the Commission has at its disposal a first indication of the level of production for 2014 and perspectives for the agricultural markets, which is the basis for the updated estimates of the budgetary needs for 2015. Apart from taking into account market factors, this AL 1/2015 also incorporates the impact of other legislative decisions adopted in the agricultural sector since the DB 2015 was drawn up, in particular for a series of Commission Delegated and Implementing Acts on temporary emergency measures following the Russian embargo on imports of certain agricultural products from the EU.

Overall, **2015 EAGF needs** (after financial discipline and without crisis reserve) in AL 1/2015 are estimated at EUR 44 862,1 million, compared to EUR 44 500,8 million in DB 2015. When excluding the temporary emergency measures that could be covered by the existing crisis reserve, other needs in chapter 05 02 ‘Improving the competitiveness of the agricultural sector through interventions in agricultural markets’ (- EUR 3,7 million) slightly decrease. This also applies to the needs for chapter 05 03 ‘Direct aids aimed at contributing to farm incomes, limiting farm incomes variability and meeting environment and climate objectives’ (- EUR 4,8 million), while the needs for chapter

[6] Commission Implementing Regulations (EU) No 947/2014 of 4 September 2014 and No 948/2014 of 4 September 2014, Commission Delegated Regulations (EU) No 949/2014 of 4 September 2014 and No 950/2014 of 4 September 2014.

05 07 'Audit of agricultural expenditure financed by the European Agricultural Guarantee Fund (EAGF)' increase (+ EUR 25,4 million).

Regarding **assigned revenues**, the amount expected to be available in 2015 increases substantially, from EUR 1 030 million in DB 2015 to EUR 1 495 million in AL 1/2015 (+ EUR 465 million). This increase mostly results from the milk superlevy (+ EUR 295 million), and to a lesser extent from the estimates for amounts from clearance of accounts decisions (+ EUR 60 million) and irregularities (+ EUR 10 million). Furthermore, the AL 1/2015 incorporates a carry-over of assigned revenues from 2014 to 2015 (+ EUR 100 million). This was not included in the DB 2015, since at that time it was too early in the year to make an assumption for the execution of the EAGF in 2014. This carry-over of assigned revenue comes in addition to a carry-over of non-used appropriations of EUR 874,7 million[7], corresponding to the limit of 2 % fixed in Article 169 (3) of the Financial Regulation, which will be reimbursed in 2015 to farmers subject to the financial discipline.

As a result of these updates, commitment appropriations of EUR 43 455,8 million, which includes an amount of EUR 433 million for the 'Reserve for crises in the agricultural sector', would be required to cover EAGF needs for 2015. As was the case for the DB 2015, this overall amount remains below the EAGF net sub-ceiling of EUR 44 189,8 million. This means that the appropriations for direct aids only need to be reduced by applying the financial discipline mechanism to establish the agricultural crisis reserve 2015[8].

2.2.2 Detailed comments

05 02 — Interventions in agricultural markets ***(appropriations - EUR 3,7 million)***

(in million EUR, rounded figures at current prices)

Interventions in agricultural markets	Draft Budget 2015	Amending Letter No 1/2015	Draft Budget 2015 (incl. AL 1/2015)
Needs	2 654,4	+340,6	2 995,0
- of which covered by existing appropriations of the crisis reserve under Budget Article 05 03 10	0,0	+344,3	344,3
-Estimated assigned revenue available in 2015	250,0	0,0	250,0
Appropriations requested	**2 404,4**	**-3,7**	**2 400,7**

The modifications proposed by AL 1/2015, i.e. a reduction of the needs by EUR 3,7 million, are very minor for 'normal' market interventions. Nonetheless, they are much more substantial for temporary emergency measures adopted by the Commission following the Russian embargo on EU imports of certain agricultural products.

Overall, the needs for intervention measures on agricultural markets increase by EUR 340,6 million compared to the DB 2015. However, the emergency measures (amounting to EUR 344,3 million) are covered by appropriations available under the agricultural crisis reserve. Thus far these amounts are estimates and the actual use of the crisis reserve will be assessed, after approval of the 2015 budget, at the moment when the transfers from the reserve article 05 03 10 to the operational lines in budget chapter 05 02 are envisaged in accordance with the procedure laid down in point 22 of the IIA. As

[7] The exact amount is EUR 874 651 513 and includes EUR 424,5 million from the agricultural crisis reserve 2014, which will eventually not be called on as the financial consequences of the temporary crisis measures taken in the second half of 2014 will exclusively impact on the 2015 budget. It will be carried over from the 2014 budget into the 2015 budget on budget article 05 03 09, which is proposed to be created for 2014 in DAB 4/2014, in line with the DB 2015 nomenclature. The reimbursement to farmers will take place at the very beginning of the year 2015, together with the first payments of direct aids under the 2015 budget.

[8] The rate of financial discipline is established in Commission Implementing Regulation (EU) No 879/2014 of 12 August 2014 fixing an adjustment rate to direct payments provided for in Regulation (EC) No 73/2009 in respect of calendar year 2014. AL 1/2015 slightly modifies this rate due to the impact of the amounts allocated to the different direct aid schemes.

the assigned revenues expected to be available for chapter 05 02 (amounting to EUR 250 million) remain unchanged compared to the DB 2015, the appropriations requested decrease slightly (- EUR 3,7 million) compared to the DB 2015, in line with the needs other than for emergency measures.

The most important modifications are set out below.

For **fruits and vegetables**, estimated needs for operational funds for producer organisations (budget item 05 02 08 03) are higher (+ EUR 161,5 million) than assumed for the DB 2015. However, only a limited share of this amount (EUR 9,5 million) results from an updated assessment of the actual uptake of the measures and sligthly revised figures for national plans 2013, 2014 and 2015, taking into account also the estimated financial impact of the possible partial reimbursement by the EU budget of national financial assistance granted by certain Member States according to Article 35 of Regulation (EU) 1308/2013.

The largest variation (+ EUR 151,5 million) corresponds to the financial impact of the temporary crisis measures (withdrawal for free distribution and other destinations, non harvesting and green harvesting measures as well as reinforced promotion for fruits and vegetables) carried out by producer organisations on top of their normal plans. A further amount of EUR 172,9 million is estimated to be required for the same crisis measures carried out by producers that are not members of such recognised producer groups, which will be financed from budget item 05 02 08 99. However, an estimated amount of EUR 324,4 million in appropriations stemming from the agricultural crisis reserve under budget article 05 03 10 could be available to finance the crisis measures in the fruits and vegetables sector. Consequently, the appropriations proposed in the AL 1/2015 are actually very similar to those in the 2015 DB, taking into account a minor downward revision (- EUR 10 million) for aid to producer groups for preliminary recognition (budget item 05 02 08 11) based on the latest information of provisional execution in 2014.

Appropriations for **promotion measures** in favour of agricultural products are increased by EUR 3 million on budget item 05 02 10 01, reflecting the estimated financial impact for 2015 of a specific call for proposals that the Commission launched to encourage the reorientation of exports after the closure of the Russian market. Finally, a minor modification (- EUR 99 000) is proposed for budget item 05 02 10 02, so as to ensure the budget neutrality of the proposed delegation of a part of the agricultural promotion measures to the CHAFEA, together with a reduction in appropriations under heading 5 (see section 4.3 below).

Modifications for **other plant products/measures** (budget article 05 02 11) concern the POSEI programmes (- EUR 16,0 million). The DB 2015 estimates on the use of the modified ceilings for the POSEI regions[9] have been updated, resulting in a minor additional increase of appropriations (+ EUR 2,8 million) for market support measures financed from budget item 05 02 11 04. This is more than compensated by a shift to POSEI direct aids schemes, of which EUR 1 million for POSEIMA to budget item 05 03 02 50 and EUR 17,8 million for the Aegean Islands to budget item 05 03 02 52.

For **milk and milk products**, the AL 1/2015 takes into account the additional needs of EUR 19,9 million. this corresponds to the estimated financial impact of the temporary emergency measures (private storage aid for butter, skimmed milk powder and certain cheeses) taken by the Commission in response of the Russian embargo on imports from the EU. As for fruits and vegetables, these measures are supposed to be covered by appropriations available under the agricultural crisis reserve, which could be proposed to be transferred after the adoption of the 2015 budget to the items in

[9] Regulation (EU) No 228/2013 of the European Parliament and of the Council of 13 March 2013 laying down specific measures for agriculture in the outermost regions of the Union and repealing Council Regulation (EC) No 247/2006.

budget article 05 02 12 according to the needs (budget item 05 02 12 02, 05 02 12 04 and 05 02 12 99). The appropriations requested for budget article 05 02 12 accordingly remain unchanged compared to DB 2015.

Appropriations for budget article 05 02 15 (**pigmeat, eggs and poultry, bee-keeping and other animal products**) are proposed to be increased by EUR 8,8 million, reflecting revised needs for exceptional support measures for the eggs and poultry sector in Italy linked to the avian influenza situation between September 2013 and June 2014[10].

05 03 — Direct Aids *(appropriations - EUR 469,8 million)*

(in million EUR, rounded figures at current prices)

Direct Aids	Draft Budget 2015	Amending Letter No 1/2015	Draft Budget 2015 (incl. AL 1/2015)
After financial discipline (including credits for the 'Reserve for crises in the agricultural sector')			
Needs	42 158,4	-4,8	42 153,6
- Estimated assigned revenue available in 2015	780,0	+465,0	1 245,0
Appropriations requested	**41 378,4**	**-469,8**	**40 908,6**

Compared to the DB 2015, appropriations requested for chapter 05 03 are revised downwards by EUR 469,8 million. This change is the combined effect of slightly lower needs (- EUR 4,8 million) and an increase in the amount of assigned revenue (+EUR 465 million). The most significant variations correspond to the transfers, in particular from the Single Payment Scheme (SPS) and the Single Area Payment Scheme (SAPS), to the Redistributive payment (05 03 01 07), an increase for POSEI direct aids following transfers from market support measures in these regions and a reduction for decoupled and coupled specific support under Article 68 of Regulation (EU) No 73/2009 reflecting updated assumptions on execution in 2015.

AL 1/2015 reduces the appropriations for the **SPS** (budget item 05 03 01 01) by EUR 810 million compared to the 2015 DB. The needs for this scheme (before financial discipline) have been reduced by EUR 345 million. This corresponds mainly to the transfer made by some Member States to the Redistributive payment (05 03 01 07). Furthermore, the revenue assigned to the SPS increases by EUR 465 million.

For the **SAPS** (budget item 05 03 01 02) AL 1/2015 proposes to decrease the budget appropriations by EUR 92 million, which corresponds mainly to the transfer to the Redistributive payment (05 03 01 07). Appropriations for this budget item increase by EUR 440 million compared to the DB 2015, which contained a token entry (p.m.), as notifications from Member States for this new regime were not available.

(in million EUR, rounded figures at current prices)

(Selected) Decoupled direct aids[11]	Draft Budget 2015	Amending Letter No 1/2015	Draft Budget 2015 (incl. AL 1/2015)
05 03 01 01 — SPS (Single Payment Scheme)	29 152,0	-810,0	28 342,0
05 03 01 02 — SAPS (Single Area Payment Scheme)	7 898,0	-92,0	7 806,0
05 03 01 07 — Redistributive payment	p.m.	+440,0	440,0
Total	**37 050,0**	**-462,0**	**36 588,0**

AL 1/2015 proposes to decrease budget appropriations for the **specific support under Article 68** of Regulation (EC) No 73/2009 by EUR 4 million for decoupled support (budget item 05 03 01 05) and by EUR 17 million for coupled support (budget item 05 03 02 44). These modifications mostly correspond to adjustments in the expected execution rate on the basis of most recent figures for 2014.

10 Commission Implementing Regulation (EU) No 1071/2014 of 10 October 2014.

11 Appropriations after financial discipline.

(in million EUR, rounded figures at current prices)

Direct Aids[12]	Draft Budget 2015	Amending Letter No 1/2015	Draft Budget 2015 (incl. AL 1/2015)
05 03 01 05 — Decoupled support	511,0	-4,0	507,0
05 03 02 44 — Coupled support	1 447,0	-17,0	1 430,0
Total	**1 958,0**	**-21,0**	**1 937,0**

There are some further changes for budget lines within chapter 05 03, but the variations are comparatively small. The most significant change relates to the transfer from market measures to direct aids in the POSEI regions, in particular for the Aegean Islands (budget item 05 03 02 52).

(in million EUR, rounded figures at current prices)

Direct Aids[13]	Draft Budget 2015	Amending Letter No 1/2015	Draft Budget 2015 (incl. AL 1/2015)
05 03 01 03 — Separate sugar payment	282,0	-4,0	278,0
05 03 02 50 — POSEI – European Union support programmes	420,0	+1,0	421,0
05 03 02 52 — POSEI – Aegean Islands	0,2	+17,8	18,0
05 03 02 99 — Other (direct aids)	7,8	-1,6	6,2
Total	**710,0**	**+13,2**	**723,2**

05 07 Audit of agricultural expenditure *(appropriations + EUR 25,4 million)*

(in million EUR, rounded figures at current prices)

Audit of agricultural expenditure	Draft Budget 2015	Amending Letter No 1/2015	Draft Budget 2015 (incl. AL 1/2015)
05 07 02 — Settlement of disputes	61,9	+25,4	87,3
Total	**61,9**	**+25,4**	**87,3**

Appropriations for budget article 05 07 02 (Settlement of disputes) need to be increased by EUR 25,4 million to cover the potential reimbursement of compensatory interests under national law of the Member State following the Court of Justice judgement in case C-113/10 Jülich et al. invalidating the Commission Regulations fixing sugar production levies for marketing years 2002/03 to 2005/06.

2.3 Sustainable Fisheries Partnership Agreements

As foreseen in point C of Part II of the Interinstitutional Agreement (IIA), the Commission has examined the most recent information available concerning Sustainable Fisheries Partnership Agreements. To reflect the latest situation, i.e. the recent conclusion of the agreement with São Tomé and Príncipe, the Commission proposes to shift commitment and payment appropriations from the reserve article 40 02 41 to budget article 11 03 01 Establishing a governance framework for fishing activities carried out by Union fishing vessels in third country waters (SFPAs), for an amount of EUR 0,7 million.

(in million EUR, rounded figures at current prices)

Sustainable fisheries partnership agreements	Draft Budget 2015		Amending Letter No 1/2015		Draft Budget 2015 (incl. AL1/2015)	
	Commitments	Payments	Commitments	Payments	Commitments	Payments
Operational line (11 03 01)	56,5	56,5	+0,7	+0,7	57,2	57,2
Reserve (40 02 41)	88,5	88,5	-0,7	-0,7	87,8	87,8
Total	**145,0**	**145,0**	**0,0**	**0,0**	**145,0**	**145,0**

12 Appropriations after financial discipline.

13 After financial discipline.

2.4 Changes to the budgetary remarks

The budgetary remarks for the following chapters, articles and items have been updated:

Heading		Explanation
Expenditure		
05 02	Interventions in agricultural markets	Figures for assigned revenues
05 03	Direct aids	Figures for assigned revenues
11 03 01	Sustainable Fisheries Partnership Agreements	Change in budgetary remarks: table
Revenue		
6 7 0 1	Clearance of EAGF accounts – Assigned revenue	Figures for assigned revenue
6 7 0 2	EAGF irregularities – Assigned revenue	Figures for assigned revenue
6 7 0 3	Superlevy from milk producers – Assigned revenue	Figures for assigned revenue

3 REDEPLOYMENT OF PAYMENT APPROPRIATIONS

3.1 Introduction: tight situation of payments

When presenting the 2015 draft budget, the Commission underlined the general tight situation for payment appropriations, at a time when the level of outstanding commitments for the 2007-2013 programmes has to be brought to an orderly level and sufficient payment appropriations must be available for the launch of the 2014-2020 programmes. In the DB 2015 the Commission requested payment appropriations up to the 2015 MFF ceiling for payments, which is EUR 2 billion below the level of the implemented budget in 2013. The Commission stated that it will continue to monitor the payments situation closely, and that it would propose correcting measures as necessary to ensure the delivery and full implementation of the policies it has been entrusted with.

The sustained high level of payment implementation in 2014 across all policy areas and the expected outstanding payment needs at the end of 2014, mean that even after the adoption of DAB 3/2014 as proposed by the Commission, the estimated payment needs in 2015 go beyond the Commission's DB 2015 request for a number of programmes. That is why the Commission proposes to redeploy EUR 448,0 million in payment appropriations that have become available following the revision of needs for agricultural expenditure, as set out in section 2 above. In addition, an amount of EUR 0,47 million is available following the conversion of AST posts into AST/SC posts in Commission establishment plans, as set out in section 5 below.

3.2 Proposed redeployment of payment appropriations

The redeployment proposed in this amending letter aims at reinforcing payment appropriations for a number of programmes/actions for which payment implementation in 2014 points to higher payment requirements than requested in the DB 2015, even after taking into account the previously proposed reinforcements of payment appropriations in DAB 3/2014 and the Global Transfer (DEC 31/2014).

The table below gives an overview of the proposed redeployment of payment appropriations by heading and budget line.

In EUR million, rounded figures

Budget line	Name	Redeployment of payment appropriations in AL 1/2015
Heading 1a		
Financial operations and instruments		**5,5**
01 04 51	Completion of programmes in the field of small and medium-sized enterprises (SME's) prior to 2014	5,5
Horizon 2020		**75,0**

09 04 51	Completion of the Seventh Framework programme (2007 to 2013)	57,0
15 03 01 01	Marie Sklodowska-Curie actions – generating, developing and transferring new skills, knowledge and innovation	18,0
Customs and Fiscalis		**9,0**
14 02 51	Completion of former programmes in customs	6,5
14 03 51	Completion of former programmes on taxation	2,5
Fight against fraud		**1,5**
24 02 01	Preventing and combating fraud, corruption and any other illegal activities affecting the Union's financial interests	1,5
Interoperability Solutions for European Public Administrations (ISA)		**4,0**
26 03 01 01	Interoperability Solutions for European Public Administrations	4,0
European Energy Programme for Recovery (EEPR)		**145,0**
32 02 52	Completion of energy projects to aid economic recovery	145,0
Sub-total heading 1a		**240,0**
Heading 2		
Life+		**35,0**
07 02 51	Completion of previous environmental programmes	35,0
European Fisheries Fund		**16,0**
11 06 12	Completion of European Fisheries Fund (EFF) – Convergence objective (2007-2013)	16,0
Sub-total heading 2		**51,0**
Heading 3		
Creative Europe		**5,5**
15 04 03	MEDIA sub-programme – operating transnationally and internationally and promoting transnational circulation and mobility	5,5
Sub-total heading 3		**5,5**
Heading 4		
European Neighbourhood Instrument (ENI)		**50,0**
21 03 51	Completion of actions in the area of European Neighbourhood Policy and relations with Russia (prior to 2014)	50,0
Development Cooperation Instrument (DCI)		**87,0**
21 02 51 01	Cooperation with third countries in the areas of migration and asylum	7,0
21 02 51 02	Cooperation with developing countries in Latin America	13,0
21 02 51 03	Cooperation with developing countries in Asia, including Central Asia and the Middle East	20,0
21 02 51 04	Food security	12,0
21 02 51 05	Non-State actors in development	5,0
21 02 51 06	Environment and sustainable management of natural resources, including energy	5,0
21 02 51 07	Human and social development	5,0
21 02 51 08	Geographical cooperation with Africa, Caribbean and Pacific States	20,0
European Instrument for Democracy and Human Rights (EIDHR)		**5,0**
21 04 51	Completion of the European Instrument for Democracy and Human Rights (prior to 2014)	5,0
Instrument contributing to Stability and Peace (IcSP)		**10,0**
19 02 01	Response to crisis and emerging crisis	10,0
Sub-total heading 4		**152,0**
Total		**448,5**

The section below provides justifications for the proposed reinforcements of payment appropriations for 2015, by programme and in descending order of magnitude:

European Energy Programme for Recovery (EEPR): EUR 145 million

The completion of the European Energy Programme for Recovery (EEPR) is progressing faster than expected and a significant backlog of payments, which was not factored in into the Commission's DB 2015 proposal, will be carried over from 2014 to 2015. For 2014, the Commission has already requested a reinforcement of EUR 55 million through DAB 3/2014, and a further EUR 10 million in the Global Transfer. In addition, all options for internal transfers within the energy policy area as well as for reusing assigned revenue stemming from recoveries have been fully exploited. Still, the payments due by the end of the year exceed by some EUR 145 million the potential availabilities and these unpaid bills of 2014 will add an unforeseen additional burden onto the 2015 budget. It should be noted that some of the pending payments are already accumulating late interest charges and others are approaching the deadline to pay. It is estimated that the late interest due by the end of 2014 may reach EUR 1,2 million.

Development Cooperation Instrument (DCI): EUR 87 million

Reinforcement of payment appropriations is necessary across the budget lines for the completion of the 2007-2013 thematic and regional programmes under the DCI to avoid jeopardising the implementation of projects in 2015. Implementation at end-September 2014 (Completion of DCI prior to 2014, budget article 21 02 51) stood at 92 %, whereas implementation to date in 2013 stood at 64 %. Many payment requests arriving towards the end of 2014 will only be paid in 2015, which creates an additional burden on the 2015 budget. The detailed justifications are as follows:

— Cooperation with third countries in the areas of migration and asylum: the worsening situation in the context of the continuing tragic losses of lives in the Mediterranean and the increasing migration flows to the EU originating in the North of Africa and the Horn of Africa, has intensified pressure on the EU to honour signed contracts for the Regional Protection Programmes with the UN Refugee Agency (UNHCR). All 2014 payment appropriations were already used by early September 2014. The estimated backlog to be carried forward to 2015, after the proposed reinforcement in the Global Transfer, amounts to EUR 14,3 million.

— Non-state actors in development: civil society organisations depend heavily on EU-cofinancing. Any funding gap would jeopardise support to the needy in the poorest of countries. The backlog by the end of 2014, after the proposed reinforcement in the Global Transfer, is estimated at EUR 11,9 million.

— Environment and sustainable management of natural resources, including energy: the requested reinforcement would allow to pay pre-financing under 2014 contracts which will be due during the last four months of 2014 but for which payment appropriations in 2014 are lacking. The backlog by the end of 2014, after the proposed reinforcement in the Global Transfer, is estimated at EUR 31,7 million.

— Human and social development: the amount is intended to secure the payment of the EU contribution to global vaccination and education initiatives, such as the Global Fund to Fight AIDS, Tuberculosis and Malaria, the Global Alliance for Vaccines and Immunisation and the Global Partnership for Education. Payments to some of these funds (e.g. Global Fund to Fight AIDS, Tuberculosis and Malaria) will be delayed to 2015. The backlog by the end of 2014, after the proposed reinforcement in the Global Transfer, is estimated at EUR 6,2 million.

— Food security: reinforcement is needed to pay for contracted food security projects for example in Myanmar and Nepal, as well as to international agricultural research projects. All 2014 payment appropriations were already used by early September 2014. The backlog by the end of 2014, after the proposed reinforcement in the Global Transfer, is estimated at EUR 67,6 million.

— Cooperation with developing countries in Latin America: all 2014 payment appropriations were already used by early September 2014. The estimated backlog to be carried forward to 2015, after the proposed reinforcement in the Global Transfer, amounts to EUR 68,8 million. The programmes concerned are in particular aimed at poverty reduction and socially sensitive policies, notably anti-drugs.

— Cooperation with developing countries in Asia, including Central Asia and the Middle East: developing countries in Asia like Cambodia, Pakistan, Philippines, Nepal, Vietnam and Tajikistan receive EU assistance by direct budget support, whose predictability is a key factor. Not paying or delaying payments would place NGOs and international organisations in financial difficulties, as well has having political consequences for the EU's reputation. All 2014 payment appropriations were already used by early September 2014. The backlog by the end of 2014, after the proposed reinforcement in the Global Transfer, is estimated at EUR 158,3 million.

— Geographical cooperation with Africa, Caribbean and Pacific States: the reinforcement is needed in the EU Sugar support programme to avoid interruption to ongoing contracts for road rehabilitation, research activities on new varieties, and for final payment of supplies. All 2014 payment appropriations were already used by early September 2014. The backlog by the end of 2014, after the proposed reinforcement in the Global Transfer, is estimated at EUR 162,4 million.

Horizon 2020: EUR 75 million

The requested reinforcement for the new Marie Curie actions will cover EUR 18 million of payment appropriations related to the signature of grants resulting from 2014 calls, which had to be postponed to 2015 due to lack of available payment appropriations in 2014, thus creating an additional burden on the 2015 budget. The pre-financed projects will focus on mobility, training and the career development of researchers, including doctoral fellows.

As regards the completion of the Seventh Framework Programme for Research (budget article 09 04 51), invoices amounting to EUR 36 million are currently incurring penalty interests for late payment. Due to lack of payment appropriations outstanding invoices are paid selectively, with priority given to the projects with financially more vulnerable participants (in particular SMEs). This situation causes reputational damage to the European Institutions and a continuation of this situation in 2015 should be avoided.

European Neighbourhood Instrument (ENI): EUR 50 million

The level of outstanding commitments of the ENI as a whole currently amounts to EUR 6,8 billion. The estimated backlog of payments to be carried forward to 2015, after the reinforcements proposed in the DAB 3/2014 and the Global Transfer, amounts to EUR 268 million. Reinforcement of payment appropriations for 2015 is essential to maintain the political commitments made by the EU, such as support to the Syrian refugees, the EU commitments to Palestine, and the politically highly important support programmes to Georgia, Moldova and Ukraine in the context of these countries' Association Agreements with the EU. For Ukraine in particular, any lack of EU support to the transition and stabilisation process would endanger the implementation of key reform strategies that are of paramount importance for the inclusive development of the country.

Life+: EUR 35 million

Despite reinforcements of payment appropriations in 2014, some 170 payments related to the completion of the Life+ programme are expected to remain pending in the following months, many of which will carry the risk of late payment interest, and will have to be paid at the beginning of 2015. All redeployment opportunities within the chapter have been exhausted. The additional appropriations requested for 2015 are intended to address the backlog at the end of 2014 and would allow covering the most urgent legal obligations.

European Fisheries Fund: EUR 16 million

The available appropriations for 2014 (including the reinforcement requested in DAB 3/2014) only allow covering the payment claims received until mid-September 2014. Consequently, the payment claims received in the last quarter of 2014 will have to be covered by the 2015 budget. However, historical analysis shows that around 90 % of the 2014 payment claims are expected to arrive during the final quarter of the year. The proposed reinforcement for 2015 is meant to address the expected large backlog at the end of 2014, which is proportionally higher than for other European Structural and Investment Funds.

Instrument Contributing to Stability and Peace (IcSP): EUR 10 million

With an initial budget of EUR 204 million in commitment appropriations and only EUR 18 million in payment appropriations, the budget article *Response to crisis and emerging crisis* is experiencing a severe shortfall of payment appropriations in 2014. Due to the lack of payments, the Commission is delaying the launching of new actions except for the most urgent and critical ones (Ukraine, Central African Republic). A reinforcement of payment appropriations for 2015 is critical to enable the Commission to implement the commitment appropriations requested in the DB 2015 (EUR 222,6 million). Otherwise, interventions would have to be scaled down, reducing the EU's ability to intervene quickly in crisis situations around the globe.

Customs and Fiscalis: EUR 9 million

A higher level of payment appropriations than initially requested in the DB 2015 is required to honour already signed contracts and to avoid having to pay late interests for the completion of the Customs and Fiscalis programmes. Payment implementation in 2014 was higher than expected and a shortage of payments in 2015 seems unavoidable. Any lack of payments could jeopardise the running of these crucial businesses (mainly IT contracts) and time-critical operations for economic operators and national administrations. The Commission runs some 45 customs and taxation IT systems through major outsourcing to IT companies who have around 450 staff working to keep operations running smoothly and ensuring high availability rates.

Creative Europe: EUR 5,5 million

The requested increase is necessary to provide the pre-financing for the Media operators, without which their operational capacity would be seriously affected.

Financial operations and instruments: EUR 5,5 million

The reinforcement requested for the completion of the COSME programme (budget article 01 04 51) would be targeted towards the High Growth and Innovation Facility for SMEs (venture capital instruments and the SME Guarantee Facility) managed by the European Investment Fund (EIF). The Commission is liable for the obligations signed by the EIF with the financial intermediaries on its behalf and has the obligation to keep sufficient liquidity in the trust account opened at the EIF. The reinforcement for 2015 is based on the significant decrease of the cash balance in the trust account due to drawdowns paid by the EIF towards financial intermediaries between January and July 2014 and on the upwards revised forecast recently received from the EIF of EUR 48 million. The payment

appropriations requested in the DB 2015 are not sufficient to cover the upcoming cash flows from the trust accounts, combined with the necessity to maintain minimum balances.

European Instrument for Democracy and Human Rights (EIDHR): EUR 5 million

All 2014 payment appropriations are forecast to be exhausted by October 2014, and the estimated backlog to be carried forward to 2015, after the proposed reinforcement in the Global Transfer, amounts to EUR 10,3 million. Over 1 500 ongoing contracts are currently being financed by the EIDHR, of which the vast majority are grant agreements managed locally by EU delegations, and where the beneficiaries are NGOs and individuals, mostly working under repressive regimes and with limited access to any other sources of funding. In order to avoid a situation in which the Commission would have to hold back on commitments under the EIDHR because of the shortage of payments, a reinforcement in 2015 is necessary.

Interoperability Solutions for European Public Administrations (ISA): EUR 4 million

The requested reinforcement for 2015 would allow the Commission to fulfil its legal commitments and to avoid paying late interest. The payment needs for the ISA programme in 2015 are currently estimated at around EUR 25 million, taking into account already signed contracts. The level of payment appropriations should therefore be reinforced, while maintaining a prudent approach: the reinforced level of payments in 2015 would still be below the 2014 level.

Fight against fraud: EUR 1,5 million

The implementation of the 'Hercule III' programme is accelerating following the successful call for proposals, and a reinforcement of payment appropriations for 2015 is needed. This small programme has limited possibilities of internal redeployment and it already faces payment shortages in 2014.

4 DELEGATION OF IMPLEMENTING TASKS TO EXECUTIVE AGENCIES

4.1 Introduction: delegation package Autumn 2013

In the amending letter 2/2014[14], the Commission set out its proposals for making more use of the existing six executive agencies to implement certain parts of 2014-2020 spending programmes. These proposals were based on a thorough cost-benefit analysis, which was further refined by the Commission to ensure overall budgetary neutrality of the proposed delegation of tasks to the executive agencies. Agreement on the Commission's proposed delegation package, including on the corresponding budgetary and human resources impact, was reached in November 2013.

Two specific proposals for delegation had been intended to be included in the delegation package as proposed in October 2013. However, at that time the new legal basis for the Agricultural promotion measures was not yet adopted, whereas the agreement reached in July 2013 on the new legal basis for Horizon 2020, to include a new pilot scheme for Fast track to Innovation, came at too late a stage to be included in the delegation package.

The Commission now proposes to include the budgetary and human resources impact of the foreseen delegation of these two actions in the amending letter to the 2015 DB, as set out below.

[14] COM(2013) 719, 16.10.2013.

4.2 Fast Track to Innovation pilot scheme

When adopting the new mandates for the executive agencies in December 2013, the Commission already indicated its intention to delegate the implementation of the pilot scheme for Fast Track to Innovation (FTI) to the Executive Agency for Small and Medium-sized Enterprises (EASME). The two-year pilot scheme is foreseen to be delegated as from 2015, with an operational budget of EUR 200 million, evenly spread over 2015 and 2016. The contribution to FTI will be redeployed from operational appropriations programmed for Leadership in enabling and industrial technologies (LEIT) and the seven Societal Challenges under Horizon 2020, which were initially foreseen to be implemented both in the Commission and in the executive agencies.

As required by Council Regulation 58/2003[15], a cost-benefit analysis has been carried out, in order to compare the delegation scenario (i.e. implementation by EASME) with in-house management (i.e. within the Commission). The implementation of FTI involves additional evaluation support from the Research Executive Agency (REA), which is equal for both scenarios. According to the analysis the delegation to the EASME brings better results, both in qualitative and in quantitative terms, as compared to in-house management[16].

The human and financial resources impact of the proposed delegation of the Fast Track to Innovation pilot scheme to the EASME is foreseen to be met by redeployment. This entails:

— In terms of human resources: a modification of EASME's establishment plan, reflecting a request for 1 additional establishment plan post (AD 7) for a seconded Commission official, which is offset from a budgetary point of view by 1 frozen post in the Commission's establishment plan, as well as a net transfer of contract agents (4 FTE) from the Commission and the Innovation and Networks Executive Agency (INEA) to the EASME.

— In terms of financial resources: an overall increase in the EU contribution to the running costs of the EASME, amounting to EUR 410 813, which is proposed to be financed by a corresponding reduction of appropriations for staff and administrative support expenditure in the Commission and the INEA.

— In terms of operational appropriations: finally, a minor net saving resulting from the proposed delegation of the FTI pilot scheme, amounting to EUR 1 291, is proposed to be added to the operational expenditure of Horizon 2020, on budget item 08 02 03 01 'Improving lifelong health and wellbeing'.

4.3 Agricultural promotion measures

The delegation as from 2015 of the Agricultural promotion measures to the Consumers, Health and Food Executive Agency (CHAFEA) was already announced in the delegation package for the 2014-2020 programmes to executive agencies, and it was included in the cost-benefit analysis carried out in 2013. However, due to the late adoption of the legal basis, the budgetary impact could not be included in the DB 2015. It is now proposed to create a new budget item (05 01 06 01 'Consumers, Health and Food Executive Agency — Contribution from Agricultural promotion programme') and to adjust the establishment plan of the agency.

As previously foreseen, in order to be fully operational as from the beginning of 2016 when the delegation of operational appropriations is scheduled, a Commission official will be seconded to

[15] Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes (OJ L 11, 16.1.2003, p. 1).

[16] Full details on the methodology and the underlying assumptions are provided in the cost-benefit analysis.

CHAFEA in the course of 2015, in order to prepare the sound implementation of the new programme by the agency (preparation of procedures, structures, the first call for proposals, oversee the setting up of the IT systems etc.). This secondment is proposed to be incorporated in the 2015 budget by adding 1 establishment plan post (AD 11) for a seconded Commission official to CHAFEA's establishment plan, which is offset from a budgetary point of view by 1 frozen post in the Commission's establishment plan. The salary related expenditure has been calculated on a six months basis, since the post will be occupied in the course of 2015. The budget neutrality is further ensured by adjusting the operational appropriations of the Agricultural promotion programme by an amount of EUR 99 000, to ensure its proper implementation.

4.4 Overall budgetary and human resources impact

Full details of the impact of the proposed mandate extensions on appropriations of an administrative nature and on staff of the Commission, the INEA, the EASME and the CHAFEA are given in the budgetary annex.

The overall budgetary and human resources impact of the supplementary delegation of implementing tasks to executive agencies as proposed in this amending letter to the 2015 DB, notably the two additional frozen posts in the Commission's establishment plan, should also be seen in connection with the DB 2015 itself, in which the Commission proposed to reduce its own number of establishment plan posts beyond the reference reduction target of 1 % per year, by 13 additional posts, thus accelerating the achievement of the 5 % staff reduction target over five years.

5 TRANSFORMATION OF POSTS IN ESTABLISHMENT PLANS

5.1 Commission

Further to the review of the Staff Regulations of Officials and the Conditions of Employment of Other Servants of the European Union (hereinafter 'Staff Regulations')[17], which entered into force on 1 January 2014, a new function group for Secretaries and Clerks (AST/SC) was created and reflected in the establishment plans in the 2014 budget, in addition to the existing function groups for Administrators (AD) and Assistants (AST).

At the time of its creation in amending letter 2/2014[18], the Commission indicated that the new structure would be filled progressively as from 2014, awaiting a reliable estimate of the number of AST/SC posts required. Subsequently, in DAB 3/2014[19] the Commission proposed to adjust the establishment plans of the Commission, the Offices, the Committee of the Regions and the European Data Protection Supervisor, in order to allow for the transformation of a total of 94 AST posts into AST/SC posts.

In addition, in early October 2014 the Commission informed the European Parliament and the Council of its intention to modify its establishment plan for the year 2014, in accordance with the procedure laid down in Article 50 of the Financial Regulation[20], in order to allow for the creation of the new Commission's Cabinets, which is planned for November 2014. Through this amending letter, the Commission requests to modify its 2015 establishment plan accordingly, as follows:

17 OJ L 287, 29.10.2013.
18 COM(2013) 719, 16.10.2013.
19 COM(2014) 329, 28.5.2014.
20 OJ L 298, 26.10.2012, p. 1.

Establishment plan	Number of posts	Grade of origin	Grade of destination
Commission administration – temporary posts	26	AST 5	AST/SC 4
Commission administration – temporary posts	10	AST 4	AST/SC 4
Commission administration – temporary posts	9	AST 3	AST/SC 4
Commission administration – permanent posts	45	AST 3	AST/SC 4
Total Commission	**90**	**AST**	**AST/SC**

The overall savings generated by the requested conversions are estimated at EUR 0,47 million, which reduces the related administrative expenditure under heading 5 accordingly. The corresponding payment appropriations become available for redeployment, whereas the related commitment appropriations are reduced from the Commission Section in the budget.

5.2 European Environment Agency

A technical revision of the establishment plan of the European Environment Agency (EEA) for 2015 is requested, in order to align the breakdown between AD and AST posts in the establishment plan with the staff actually in place in the Agency. The total number of establishment plan posts as requested in the draft budget 2015 remains unchanged, and this has no budgetary implications in terms of the requested appropriations for 2015.

5.3 European Ombudsman

In the DB 2015 the European Ombudsman requested a transformation of a temporary post into a permanent post, at the level of AD 10. However, now that the Ombudsman has more clarity as to the actual staff recruitment, it is proposed to carry out the previously foreseen conversion of a temporary post into a permanent post at the level of AD 7, instead of AD 10. The total number of establishment plan posts as requested in the draft budget 2015 remains unchanged, and this has no budgetary implications in terms of the requested appropriations for 2015.

6 CONCLUSION

This amending letter No 1/2015 constitutes the Commission's update of the 2015 draft budget, prior to the start of the Conciliation. On this basis, the European Parliament and the Council are expected to take the revised estimates into account in view of their deliberations on the 2015 budget, within the deadlines foreseen by the Treaty.

7 SUMMARY TABLE BY HEADING OF THE MULTIANNUAL FINANCIAL FRAMEWORK

Heading	Draft Budget 2015		Amending Letter 1/2015		Draft Budget 2015 (incl. AL1/2015)	
	CA	PA	CA	PA	CA	PA
1. Smart and inclusive growth	**66 674 151 686**	**67 184 519 713**	**0**	**240 008 427**	**66 674 151 686**	**67 424 528 140**
Of which under Flexibility Instrument	*79 785 595*				*79 785 595*	
Ceiling	*66 813 000 000*				*66 813 000 000*	
Margin	*218 633 909*				*218 633 909*	
1a Competitiveness for growth and jobs	17 447 366 091	15 582 589 555	0	240 008 427	17 447 366 091	15 822 597 982
Ceiling	*17 666 000 000*				*17 666 000 000*	
Margin	*218 633 909*				*218 633 909*	
1b Economic, social and territorial cohesion	49 226 785 595	51 601 930 158	0	0	49 226 785 595	51 601 930 158
Of which under Flexibility Instrument	*79 785 595*				*79 785 595*	
Ceiling	*49 147 000 000*				*49 147 000 000*	
Margin	*0*				*0*	
2. Sustainable growth: natural resources	**59 253 722 357**	**56 907 254 933**	**-447 972 427**	**-396 972 427**	**58 805 749 930**	**56 510 282 506**
Ceiling	*59 599 000 000*				*59 599 000 000*	
Margin	*345 277 643*				*793 250 070*	
Of which: European Agricultural Guarantee Fund (EAGF) — Market related expenditure and direct payments	43 903 753 189	43 896 984 216	-447 972 427	-447 972 427	43 455 780 762	43 449 011 789
Sub-ceiling	*44 313 000 000*				*44 313 000 000*	
Net transfer between EAGF and EAFRD	*123 215 000*				*123 215 000*	
Margin	*286 031 811*				*734 004 238*	
3. Security and citizenship	**2 130 721 538**	**1 881 169 907**	**0**	**5 500 000**	**2 130 721 538**	**1 886 669 907**
Ceiling	*2 246 000 000*				*2 246 000 000*	
Margin	*115 278 462*				*115 278 462*	
4. Global Europe	**8 413 097 321**	**7 326 986 134**	**0**	**152 000 000**	**8 413 097 321**	**7 478 986 134**
Ceiling	*8 749 000 000*				*8 749 000 000*	
Margin	*335 902 679*				*335 902 679*	
5. Administration	**8 612 224 908**	**8 612 384 908**	**-536 000**	**-536 000**	**8 611 688 908**	**8 611 848 908**
Ceiling	*9 076 000 000*				*9 076 000 000*	
Margin	*463 775 092*				*464 311 092*	
Of which: Administrative expenditure of the institutions	6 893 144 508	6 893 304 508	**0**	**0**	6 893 399 508	6 893 559 508
Sub-ceiling	*7 351 000 000*				*7 351 000 000*	
Margin	*457 855 492*				*457 600 492*	
6. Compensations	**p.m.**	**p.m.**	**0**	**0**	**p.m.**	**p.m.**
Ceiling	0				0	
Margin	0				0	
Total	**145 083 917 810**	**141 912 315 595**	**-448 508 427**	**0**	**144 635 409 383**	**141 912 315 595**
Of which under Flexibility Instrument	***79 785 595***	***11 315 595***			***79 785 595***	***11 315 595***
Ceiling	***146 483 000 000***	***141 901 000 000***			***146 483 000 000***	***141 901 000 000***
Margin	***1 478 867 785***	***0***			***1 927 376 212***	***0***
Special Instruments	**515 365 000**	**225 000 000**	**0**	**0**	**515 365 000**	**225 000 000**
Grand Total	**145 599 282 810**	**142 137 315 595**	**-448 508 427**	**0**	**145 150 774 383**	**142 137 315 595**