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COVER NOTE

from: Secretary-General of the European Commission,
signed by Mr Jordi AYET PUIGARNAU, Director

date of receipt: 4 November 2009

to: Mr Javier SOLANA, Secretary-General/High Representative

Subject: Communication from the Commission - European Development Fund (EDF) -
Estimate of commitments and payments and of contributions to be paid by the
Member States for 2009 to 2013

Delegations will find attached Commission document COM(2009) 616 final.

Encl.: COM(2009) 616 final



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 4.11.2009
COM(2009)616 final

COMMUNICATION FROM THE COMMISSION

EUROPEAN DEVELOPMENT FUND (EDF)

Estimate of commitments and payments and of contributions to be paid by the Member States for 2009 to 2013

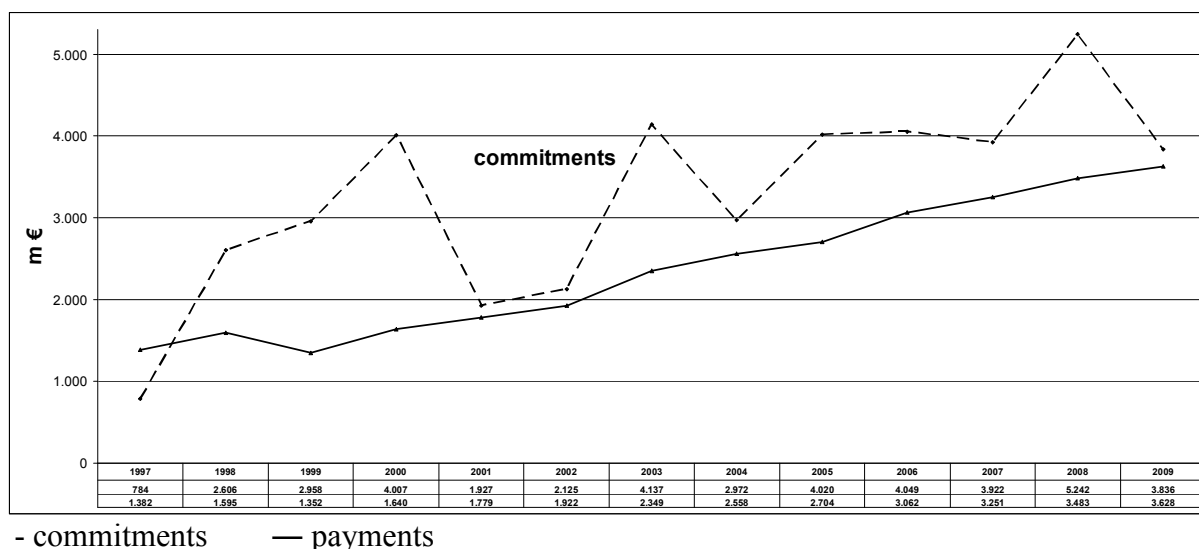
INTRODUCTION

In accordance with Article 7(1) and (5) of the Internal Agreement,¹ the Commission presents in this document estimates of commitments, payments and contributions for the period 2009 to 2013, taking into account the forecasts of the European Investment Bank (EIB) concerning the Investment Facility.

Since the entry into force of the 9th European Development Fund (EDF) in 2003, the Member States have made direct contributions to the EIB for the instruments it manages (the Investment Facility and interest-rate subsidies). This communication therefore draws a clear distinction between funds managed by the EIB under the 9th and 10th EDFs and those managed by the Commission.

As in previous years, this document consists mainly of tables accompanied by a few explanations to help interpretation.

The graph below gives an overview of the trend in commitments and payments (Commission² and EIB). It clearly shows the structural upward trend of payments since 2000.



¹ Internal Agreement between the Representatives of the Governments of the Member States, meeting within the Council, on the financing of Community aid under the multiannual financial framework for the period 2008 to 2013 in accordance with the ACP-EC Partnership Agreement and on the allocation of financial assistance for the Overseas Countries and Territories to which Part Four of the EC Treaty applies (OJ L 247, 9.9.2006, p. 32).

² The commitments and payments for the Commission are “gross” figures, i.e. without the deduction of decommitments and recoveries.

1. FINANCIAL IMPLEMENTATION FORECASTS FOR 2009 AND 2010

The Commission and the EIB have updated their commitment and payment forecasts for 2009 and 2010 for each of the ACP³ countries and the OCTs⁴. The result and the amount of contributions necessary to finance the EDF are set out in Annexes 1 to 3 where they are compared with the figures given in the June 2009 communication⁵.

At the beginning of 2009 the Commission has replaced the EDF computer accounting system with a new one, modelled on the programme used for the general budget.

The EIB notes that the estimated 2009 year-end balance is mainly based on a forecast of the capital and interest repayments, a large part of which is due in mid-December. These repayments are unpredictable and may be early or late.

In accordance with Article 57(4) of the Financial Regulation applicable to the 10th EDF⁶, the forecasts will be revised in the June 2010 communication.

2. Financial years 2009 to 2013

It should be remembered that the margin of error in medium-term estimates is high.

Following the entry into force of the 10th EDF, the Commission is obliged to propose a ceiling on the annual amount of the contributions for year n+2, i.e. 2011⁷. A figure of €220 million is proposed for the EIB and €3.950 million for the Commission.

The table below sets out the result of the forecasts for 2009-2013. The relatively high gap between payments and contributions for the EIB is due to the fact that, since 2007, some of the payments have been financed by loan repayments.

³ African, Caribbean and Pacific States.

⁴ Overseas Countries and Territories.

⁵ COM(2009) 310 final of 29.06.2009. The figures for the Investment Facility are as given by the EIB and are contained in the same Communication.

⁶ OJ L 78, 19.3.2008, p. 1.

⁷ Article 7 of the Internal Agreement (see paragraphs 1-4).

Forecast of commitments, payments and contributions 2009-2013 (EUR million)

	2009	2010	2011	2012	2013
Commitments					
Commission	3351	3704	3750	3750	3200
EIB	485	500	500	550	470
Payments					
Commission	3298	3601	4000	4100	4200
EIB	330	410	430	430	370
Contributions					
Commission	3300	3500	3950	4000	4100
EIB	145	240	220	210	200

ANNEX 1 – Forecast commitments for 2009, 2010 and 2011 (EUR million)

	2009		2010		2011
	June 09 Comm	Revised Oct 09	June 09 Comm	Revised Oct 09	Oct 09 Comm
Regions					
East Africa	751	890		518	
West Africa	737	655		897	
Central Africa	569	555		377	
Caribbean	262	115		319	
Pacific	73	85		178	
Southern Africa	275	340		633	
Sub-total	2667	2.640		2.922	
Horizontal issues					
Peace Facility	0	0		0	
Infrastructure Fund	100	200		0	
Vulnerability FLEX	100	230		270	
Water and Energy Facility	0	100		300	
<i>Other*</i>	<i>180</i>	<i>181</i>		<i>212</i>	
Sub-total	380	711		782	
Total European Commission	3.047	3.351	3.750	3.704	3.750
Investment Facility	450	450		450	450
Interest rate subsidies	80	35		50	50
Total EIB	530	485	550	500	500
TOTAL	3.577	3.836	4.300	4.204	4.250

(*): Includes certain support expenditures, e.g. to support joint institutions and the ACP Secretariat

ANNEX 2 – Forecast payments for 2009 and 2010 (EUR million)

	2009		2010		2011
	June 09 Comm	Revised Oct 09	June 09 Comm	Revised Oct 09	Oct 09 Comm
Regions					
East Africa	743	490		649	
West Africa	778	720		808	
Central Africa	407	335		359	
Caribbean	296	261		360	
Pacific	65	77		65	
Southern Africa	400	459		445	
Sub-total	2.689	2.342		2.686	
Horizontal issues					
Peace Facility	88	89		80	
Infrastructure Fund	1	0		47	
Vulnerability FLEX		200		250	
Water and Energy Facility	108	116		98	
Risk capital*	37	37		20	
HIPC debt relief	100	100		86	
Global Fund Tuberculosis and Malaria	100	100		50	
Others	181	297		264	
Sub-total	615	939		895	
Stabex	17	17		20	
Total European Commission	3.321	3.298	3.600	3.601	4.000
Investment Facility	349	295	340	360	380
Interest rate subsidies	80	35	100	50	50
Total EIB	429	330	440	410	430
TOTAL EC+EIB	3.750	3.628	4.040	4.011	4.430

Gross payments, i.e. without recoveries being deducted.

*Including interest rates subsidies under the previous EDFs

ANNEX 3 - Financial situation estimated for 2009, 2010 and 2011⁸ (EUR million)

		June 2009 Communication*			October 2009 Revision		
		EC	EIB	TOTAL	EC	EIB	TOTAL
Balance at 31/12/2008		186	138	324	186	138	324
2009	Contributions 2009, of which	3300	165	3465	3300	145	3445
	<i>1st instalment</i>	1750	55	1805	1750	55	1805
	<i>2nd instalment</i>	1100	90	1190	1100	90	1190
	<i>3rd instalment</i>	450	20	470	450	0	450
	Contributions 2009 advance payments	-233		-233	-233		-233
	Reflows		134	134		100	100
	Recoveries, interest and other	65		65	55		55
	Total payments	-3321	-429	-3750	-3298	-330	-3628
Payments Stabex (already financed)	17		17	17		17	
Balance at 31/12/2009		14	8	22	27	53	80
2010	Contributions 2010, of which	3500	240	3740	3500	240	3740
	<i>1st instalment</i>				1800	100	1900
	<i>2nd instalment</i>				1200	120	1320
	<i>3rd instalment</i>				500	20	520
	Reflows		188	188		150	150
	Recoveries, interest and other	65		65	55		55
	Total payments	-3600	-440	-4040	-3601	-410	-4011
	Payments Stabex (already financed)	30		30	20		20
Balance at 31/12/2010		9	-4	5	1	33	34
2011	Contributions 2011, of which				3950	220	4170
	Reflows					190	190
	Recoveries, interest and other				55		55
	Total payments	-3650	-450	-4100	-4000	-430	-4430
	Payments Stabex (already financed)				20		20
Balance at 31/12/2011					26	13	39

*COM(2009) 310 final dated 29.6.2009

⁸ Funds available for operations

ANNEX 4 - 2009 EDF Contributions by Member State (EUR)

Member State	Scale %	1st instalment		2nd instalment		3rd instalment		TOTAL instalments
		paid to EIB	paid to Commission	paid to EIB	paid to Commission	payable to EIB	payable to Commission	
GERMANY	23,36	12.848.000	408.800.000	21.024.000	256.960.000	0	105.120.000	804.752.000
BELGIUM	3,92	2.156.000	68.600.000	3.528.000	43.120.000	0	17.640.000	135.044.000
DENMARK	2,14	1.177.000	37.450.000	1.926.000	23.540.000	0	9.630.000	73.723.000
SPAIN	5,84	3.212.000	102.200.000	5.256.000	64.240.000	0	26.280.000	201.188.000
FRANCE	24,30	13.365.000	425.250.000	21.870.000	267.300.000	0	109.350.000	837.135.000
GREECE	1,25	687.500	21.875.000	1.125.000	13.750.000	0	5.625.000	43.062.500
IRELAND	0,62	341.000	10.850.000	558.000	6.820.000	0	2.790.000	21.359.000
ITALY	12,54	6.897.000	219.450.000	11.286.000	137.940.000	0	56.430.000	432.003.000
LUXEMBOURG	0,29	159.500	5.075.000	261.000	3.190.000	0	1.305.000	9.990.500
NETHERLANDS	5,22	2.871.000	91.350.000	4.698.000	57.420.000	0	23.490.000	179.829.000
PORTUGAL	0,97	533.500	16.975.000	873.000	10.670.000	0	4.365.000	33.416.500
UNITED KINGDOM	12,69	6.979.500	222.075.000	11.421.000	139.590.000	0	57.105.000	437.170.500
AUSTRIA	2,65	1.457.500	46.375.000	2.385.000	29.150.000	0	11.925.000	91.292.500
FINLAND	1,48	814.000	25.900.000	1.332.000	16.280.000	0	6.660.000	50.986.000
SWEDEN	2,73	1.501.500	47.775.000	2.457.000	30.030.000	0	12.285.000	94.048.500
TOTAL	100,00	55.000.000	1.750.000.000	90.000.000	1.100.000.000	0	450.000.000	3.445.000.000

ANNEX 5 - 2010 EDF Contributions by Member State (EUR)

Member State	Scale %	1st instalment		2nd instalment		3rd instalment		TOTAL instalments
		paid to EIB	paid to Commission	paid to EIB	paid to Commission	payable to EIB	payable to Commission	
GERMANY	23,36	23.360.000	420.480.000	28.032.000	280.320.000	4.672.000	116.800.000	873.664.000
BELGIUM	3,92	3.920.000	70.560.000	4.704.000	47.040.000	784.000	19.600.000	146.608.000
DENMARK	2,14	2.140.000	38.520.000	2.568.000	25.680.000	428.000	10.700.000	80.036.000
SPAIN	5,84	5.840.000	105.120.000	7.008.000	70.080.000	1.168.000	29.200.000	218.416.000
FRANCE	24,30	24.300.000	437.400.000	29.160.000	291.600.000	4.860.000	121.500.000	908.820.000
GREECE	1,25	1.250.000	22.500.000	1.500.000	15.000.000	250.000	6.250.000	46.750.000
IRELAND	0,62	620.000	11.160.000	744.000	7.440.000	124.000	3.100.000	23.188.000
ITALY	12,54	12.540.000	225.720.000	15.048.000	150.480.000	2.508.000	56.430.000	462.726.000
LUXEMBOURG	0,29	290.000	5.220.000	348.000	3.480.000	58.000	1.305.000	10.701.000
NETHERLANDS	5,22	5.220.000	93.960.000	6.264.000	62.640.000	1.044.000	26.100.000	195.228.000
PORTUGAL	0,97	970.000	17.460.000	1.164.000	11.640.000	194.000	4.850.000	36.278.000
UNITED KINGDOM	12,69	12.690.000	228.420.000	15.228.000	152.280.000	2.538.000	63.450.000	474.606.000
AUSTRIA	2,65	2.650.000	47.700.000	3.180.000	31.800.000	530.000	13.250.000	99.110.000
FINLAND	1,48	1.480.000	26.640.000	1.776.000	17.760.000	296.000	7.400.000	55.352.000
SWEDEN	2,73	2.730.000	49.140.000	3.276.000	32.760.000	546.000	13.650.000	102.102.000
TOTAL	100,00	100.000.000	1.800.000.000	120.000.000	1.200.000.000	20.000.000	500.000.000	3.740.000.000