

EUROPEAN PARLIAMENT

BUDGETARY PROVISIONS
OF THE TREATIES
OF THE EUROPEAN COMMUNITIES
(Derogation period)
ANNEXED DOCUMENTS AND
IMPLEMENTING PROCEDURE

(For internal use only)

DECEMBER 1972

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I
GENERAL PROVISIONS OF THE TREATIES
IN THE BUDGETARY FIELD

SINGLE BUDGET OF THE THREE COMMUNITIES
AND PORTION OF THE ECSC LEVY

Article 20¹

1. The administrative expenditure of the European Coal and Steel Community and the revenue relating thereto, the revenue and expenditure of the European Economic Community, and the revenue and expenditure of the European Atomic Energy Community, with the exception of that of the Supply Agency and the Joint Undertakings, shall be shown in the budget of the European Communities in accordance with the appropriate provisions of the Treaties establishing the three Communities. This budget, which shall be in balance as to revenue and expenditure, shall take the place of the administrative budget of the European Coal and Steel Community, the budget of the European Economic Community and the operating budget and research and investment budget of the European Atomic Energy Community.

2. The portion of the expenditure covered by the levies provided for in Article 49 of the Treaty establishing the European Coal and Steel Community shall be fixed at eighteen million units of account.

As from the financial year beginning 1 January 1967, the Commission shall submit annually to the Council a report on the basis of which the Council shall examine whether there is reason to adjust this figure to changes in the budget of the Communities. The Council shall act by the majority laid down in the first sentence of

¹ Treaty of 22 April 1970: Article 10 amending Article 20 (1) of the Treaty establishing a Single Council and a Single Commission of the European Communities.

the fourth paragraph of Article 28 of the Treaty establishing the European Coal and Steel Community. The adjustment shall be made on the basis of an assessment of developments in expenditure arising from the application of the Treaty establishing the European Coal and Steel Community.

3. The portion of the levies assigned to cover expenditure under the budget of the Communities shall be allocated by the Commission for the implementation of that budget in accordance with the timetable provided for in the financial regulations adopted pursuant to Article 209 (b) of the Treaty establishing the European Economic Community and Article 183 (b) of the Treaty establishing the European Atomic Energy Community relating to the methods and procedure whereby the contributions of the Member States shall be made available.

BALANCING THE BUDGET AND ANNUAL ACCOUNTING

Article 199 (EEC)¹

All items of revenue and expenditure of the Community, including those relating to the European Social Fund, shall be included in estimates to be drawn up for each financial year and shall be shown in the budget.

The revenue and expenditure shown in the budget shall be in balance.

Article 202 (EEC)²

The expenditure shown in the budget shall be authorized for one financial year, unless the regulations made pursuant to Article 209 provide otherwise.

¹ Corresponds to Article 171 (1) of the EAEC Treaty.

² Corresponds to Article 175 of the EAEC Treaty.

In accordance with conditions to be laid down pursuant to Article 209, any appropriations, other than those relating to staff expenditure, that are unexpended at the end of the financial year may be carried forward to the next financial year only.

Appropriations shall be classified under different chapters grouping items of expenditure according to their nature or purpose and subdivided, as far as may be necessary, in accordance with the regulations made pursuant to Article 209.

The expenditure of the Assembly, the Council, the Commission and the Court of Justice shall be set out in separate parts of the budget, without prejudice to special arrangements for certain common items of expenditure.

Article 176 (EAEC)¹

1. Subject to the limits resulting from programmes or decisions involving expenditure which, in pursuance of this Treaty, require the unanimous approval of the Council, allocations for research and investment expenditure shall include:

- (a) commitment appropriations, covering a series of items which constitute a separate unit and form a coherent whole;
- (b) payment appropriations which represent the maximum amount payable each year in respect of the commitments entered into under subparagraph (a);

2. The schedule of due dates for commitments and payments shall be annexed to the corresponding draft budget proposed by the Commission.

3. Appropriations for research and investment shall be classified under different chapters grouping items of expenditure according to their nature or purpose and subdivided, as far as may be necessary, in accordance with the regulations made pursuant to Article 183.

4. Unused payment authorizations shall be carried forward to the next financial year by decision of the Commission, unless the Council decides otherwise.

¹ See also Articles 203a (7) (EEC), 177a (EAEC) and 78A (ECSC).

II

PROVISIONS OF THE TREATY OF 22 APRIL 1970 FOR THE DEROGATION PERIOD (BUDGETS FOR THE FINANCIAL YEARS PRECEDING THE FINANCIAL YEAR 1975)

ESTABLISHING THE BUDGET

Article 203a (EEC)¹

By way of derogation from the provisions of Article 203, the following provisions shall apply to budgets for financial years preceding the financial year 1975:

1. The financial year shall run from 1 January to 31 December.
2. Each institution of the Community shall, before 1 July, draw up estimates of its expenditure. The Commission shall consolidate these estimates in a preliminary draft budget. It shall attach thereto an opinion which may contain different estimates.

The preliminary draft budget shall contain an estimate of revenue and an estimate of expenditure.

3. The Commission shall place the preliminary draft budget before the Council not later than 1 September of the year preceding that in which the budget is to be implemented.

¹ Corresponds to Article 177a of the EAEC Treaty and also to Article 78A of the ECSC Treaty, which has an extra paragraph 8 reading:

8. Final adoption of the administrative budget shall have the effect of authorizing and requiring the High Authority to collect the corresponding revenue in accordance with the provisions of Article 49.

The Council shall consult the Commission and, where appropriate, the other institutions concerned whenever it intends to depart from the preliminary draft budget.

The Council shall, acting by a qualified majority, establish the draft budget and forward it to the Assembly.

4. The draft budget shall be placed before the Assembly not later than 5 October of the year preceding that in which the budget is to be implemented.

The Assembly shall have the right to propose to the Council modifications to the draft budget.

If, within forty-five days of the draft budget being placed before it, the Assembly has given its approval or has not proposed any modifications to the draft budget, the budget shall be deemed to be finally adopted.

If within this period the Assembly has proposed modifications, the draft budget together with the proposed modifications shall be forwarded to the Council.

5. The Council shall, after discussing the draft budget with the Commission and, where appropriate, with the other institutions concerned, adopt the budget, within thirty days of the draft budget being placed before it, under the following conditions.

Where a modification proposed by the Assembly does not have the effect of increasing the total amount of the expenditure of an institution, owing in particular to the fact that the increase in expenditure which it would involve would be expressly compensated by one or more proposed modifications correspondingly reducing expenditure, the Council may, acting by a qualified majority, reject the proposed modification. In the absence of a decision to reject it, the proposed modification shall stand as accepted.

Where a modification proposed by the Assembly has the effect of increasing the total amount of the expenditure of an institution, the Council must act by a qualified majority in accepting the proposed modification.

Where, in pursuance of the second or third subparagraph of this paragraph, the Council has rejected or has not accepted a proposed

modification, it may, acting by a qualified majority, either retain the amount shown in the draft budget or fix another amount.

6. When the procedure provided for in this Article has been completed, the President of the Council shall declare that the budget has been finally adopted.

7. Each institution shall exercise the powers conferred upon it by this Article, with due regard for the provisions of this Treaty and for acts adopted in accordance therewith, in particular those relating to the Communities' own resources and to the balance between revenue and expenditure.

AUDIT OF ACCOUNTS AND DISCHARGE

Article 206 (EEC)¹

The accounts of all revenue and expenditure shown in the budget shall be examined by an Audit Board consisting of auditors whose independence is beyond doubt, one of whom shall be chairman. The Council shall, acting unanimously, determine the number of the auditors. The auditors and the chairman of the Audit Board shall be appointed by the Council, acting unanimously, for a period of five years. Their remuneration shall be determined by the Council, acting by a qualified majority.

The purpose of the audit, which shall be based on records and, if necessary, performed on the spot, shall be to establish that all revenue has been received and all expenditure incurred in a lawful and regular manner and that the financial management has been sound. After the close of each financial year, the Audit Board shall draw up a report, which shall be adopted by a majority of its members.

The Commission shall submit annually to the Council and to the Assembly the accounts of the preceding financial year relating to the implementation of the budget, together with the report of the Audit

¹ Corresponds to Article 180 of the EAEC Treaty and to Article 78d of the ECSC Treaty.

Board. The Commission shall also forward to them a financial statement of the assets and liabilities of the Community.

The Council and the Assembly shall give a discharge to the Commission in respect of the implementation of the budget. To this end, the report of the Audit Board shall be examined in turn by the Council, which shall act by a qualified majority, and by the Assembly. The Commission shall stand discharged only after the Council and the Assembly have acted.

Article 78e (ECSC)

The Council shall appoint an auditor to serve for three years; he shall draw up an annual report stating whether the accounting and the financial management of the High Authority have been effected in a regular manner; this report shall not cover entries relating to the administrative expenditure referred to in Article 78 (2), to administrative revenue or to revenue derived from the tax for the benefit of the Community levied on the salaries, wages and emoluments of its officials and other servants. He shall draw up this report within six months of the close of the financial year to which the accounts refer and shall submit it to the High Authority and the Council. The High Authority shall forward it to the Assembly.

The auditor shall be completely independent in the performance of his duties. The office of auditor shall be incompatible with any other office in an institution or department of the Communities other than that of member of the Audit Board provided for in Article 78d. His term of office shall be renewable.

III

DOCUMENTS ANNEXED TO THE TREATY OF 22 APRIL 1970 (ENTERED IN THE MINUTES OF THE COUNCIL)

Resolutions

1. *Resolution on the section of the budget concerning the Assembly for the period referred to in Article 78A of the ECSC Treaty, Article 203a of the EEC Treaty and Article 177a of the EAEC Treaty.*

The Council undertakes not to modify the Assembly's estimates of expenditure in so far as these estimates do not conflict with Community provisions, including those relating to the staff regulations, the conditions of employment of other servants and the seat of the institutions.

2. *Resolution on Community acts having a financial effect and on cooperation between the Council and the Assembly*

In order to provide the Assembly with all the information it requires to give its opinion on Community acts having a financial effect, the Council requests the Commission to attach estimates of the financial effects of such acts to the proposals which it forwards to the Assembly.

The Council undertakes to maintain the closest possible cooperation with the Assembly during examination of such acts and to explain to the Assembly the reasons which may have led it to depart from the Assembly's opinion.

3. *Resolution on cooperation between the Council and the Assembly on budgetary procedure*

All necessary measures shall be taken, by agreement between the Council and the Assembly, to ensure close cooperation at all levels

between the two institutions in respect of the budgetary procedure, notably through the presence of the President-in-Office or another member of the Council at the Assembly during discussion of the draft budget.

Declarations

Re paragraph 7 of Article 78A of the ECSC Treaty, of Article 203a of the EEC Treaty and of Article 177a of the EAEC Treaty.

Council declaration

- (a) At the signing of the Treaty amending certain budgetary provisions of the Treaties establishing the European Communities and of the Treaty establishing a Single Council and a Single Commission of the European Communities, the Council took careful note of the Assembly's views as expressed in its resolutions of 10 December 1969, 3 February and 11 March 1970 and in its memorandum of 19 April 1970.
- (b) The Commission has accordingly informed the Council of its intention of submitting proposals on this subject subsequent to, and within two years of, ratification by all the Member States of the Treaty signed on 22 April.
- (c) The Council will examine those proposals, in accordance with the procedure laid down in Article 236 of the EEC Treaty, in the light of debates held in Member States' parliaments, the development of the European situation and the institutional problems raised by the enlargement of the Community.

IV

APPLICATION OF COUNCIL RESOLUTION No 3 ANNEXED TO THE TREATY OF 22 APRIL 1970 ON COOPERATION BETWEEN THE COUNCIL AND THE ASSEMBLY ON BUDGETARY PROCEDURE

Council note

1. Cooperation between the Assembly and the Council during the first stage

(Establishment of the draft budget by the Council)

- (a) As soon as it receives the preliminary draft budget from the Commission, the Council will forward it officially to the Assembly, so as to enable it to subject that document to initial examination from the political point of view.
- (b) The Council will thus be able to take note of the Assembly's initial observations concerning the general lines of the preliminary draft budget when it is being established.
- (c) The Assembly's observations will be brought to the Council's attention during an exchange of views between the President-in-Office of the Council, accompanied by any other members of the Council who desire to attend, and a delegation from the Assembly. The Commission will take part in this exchange of views.

The President of the Council will inform the Council of the Assembly's observations before the Council commences its discussions on the preliminary draft budget.

It is to be understood that this procedure must not hold up the Council's work in establishing the draft budget.

II. Cooperation between the Assembly and the Council during the second stage

(Examination of the draft budget by the Assembly)

The Council accepts the Assembly's proposal. The procedure for cooperation during this stage will therefore be as follows:

- (a) The President-in-Office of the Council will submit the draft budget to the Assembly during the latter's October sitting.
- (b) The President-in-Office or other members of the Council will be present at meetings of the Committee for Finance and Budgets devoted to examination of the draft budget.
- (c) The President-in-Office of the Council will be present when the draft budget is debated and voted in plenary sitting.

III. Cooperation between the Assembly and the Council during the third stage

(Examination by the Council of modifications adopted by the Assembly and adoption of the budget)

- (a) When the Council itself examines the modified draft budget, a delegation from the Assembly may, at the start of the Council's work, explain the reasons which led the Assembly to propose modifications. After an exchange of views with this delegation the Council, as normally constituted, will resume its work and adopt the budget.
- (b) The Council will inform the Assembly of its decisions, giving the reasons why it may not have followed the Assembly's opinions. This may be done by letter, as in the past, or by direct contact between a representative of the Council and the Assembly.

The Council would point out that the procedure set out above will have to be revised in 1975, when the provisions laid down for the definitive stage by the Treaty of 22 April 1970 enter into force.

In agreeing with this text, the enlarged Bureau considered that to ensure that the contacts provided for, between the Council and a delegation from the European Parliament, in Section I of the Council note are as fruitful as possible, they should be prepared by the Secretaries-General and their staffs.

(Sitting of 18 November 1971)

**Letter from the President of the Council
to the President of the European Parliament**

Brussels, 28 April 1972

Mr. Walter BEHRENDT
President of the European Parliament

Centre Européen
Plateau du Kirchberg

LUXEMBOURG

Dear Mr. President,

In your letter of 23 November 1971 you informed me that the European Parliament, at its sitting of 18 November 1971, had approved the Council proposal concerning cooperation between our two institutions regarding budgetary procedure. I take this opportunity to express to you the Council's satisfaction at the conclusion of this agreement.

In your letter you also informed me of the way in which the Bureau of the European Parliament interprets Section I (c) of this procedure.

As at this stage in the procedure the aim is to sum up the first political positions adopted by the European Parliament regarding the broad lines of the preliminary draft budget, the Council is unable to concur in the interpretation of the enlarged Bureau; it would once again like to emphasize, however, that both in a general way and in this particular instance, the usual working relations between our two secretariats must be maintained.

.....

(signed) Gaston THORN

V

PROVISIONS OF THE RULES OF PROCEDURE OF THE EUROPEAN PARLIAMENT CONCERNING BUDGETARY QUESTIONS

BUDGET AND ACCOUNTS OF THE COMMUNITIES

Rule 23

1. The following documents shall be printed and distributed:
 - the draft budget of the European Communities;
 - the documents drawn up by the Commission in pursuance of Articles 49 and 50 of the ECSC Treaty, and in particular the report of the Commission to the Council on the basis of which the latter adapts the portion of expenditure covered by the ECSC levies to the budget of the Communities;
 - any request for advice made by the Council before the draft budget is finally adopted;
 - the report of the board of auditors of the Communities;
 - the report of the ECSC auditor.
2. These documents shall be referred to the appropriate committee, which shall report to Parliament.
3. Where other committees have been asked for their opinions, the President shall fix the time-limit within which these shall be communicated to the appropriate committee.

Rule 23A

1. Subject to the conditions set out below, any Representative may table and speak in support of proposed modifications to the draft budget of the Communities.

2. Such proposals shall be admissible only if they are presented in writing, bear the signatures of at least five Representatives, and specify the budget heading to which they refer.
3. The President shall fix a time-limit for the tabling of such proposed modifications.
4. The appropriate committee shall deliver its opinion on the proposed modifications before they are discussed in plenary sitting.
5. Proposed modifications to the section of the draft budget relating to Parliament which are similar to those already rejected by Parliament at the time the estimates were drawn up shall be discussed only where the appropriate committee has delivered a favourable opinion.
6. Notwithstanding the provisions of Rule 26 (1), Parliament shall take separate and successive votes on:
 - each proposed modification,
 - each section of the draft budget,
 - the draft budget as a whole,
 - any motion for a resolution concerning the draft budget.
7. If Parliament adopts the draft budget as submitted to it by the Council, the President shall declare it to have been finally adopted.
8. The President shall forward to the Council and Commission the minutes of proceedings of the sitting at which Parliament reached a decision on the draft budget.
9. Where Parliament has adopted modifications, the draft budget, modified accordingly, shall be annexed to the minutes of proceedings and printed. The President shall forward it to the Council and notify the Commission.
10. The procedure laid down in Rules 23 and 23A shall also apply to draft supplementary budgets.

ESTIMATES OF THE EUROPEAN PARLIAMENT

Rule 49

1. Parliament shall be assisted by a Secretary-General appointed by the Bureau.

The Secretary-General shall give a solemn undertaking before the Bureau to perform his duties conscientiously and with absolute impartiality.

2. The Secretary-General shall head a Secretariat the composition and organization of which shall be determined by the Bureau.

3. The Bureau, after consulting the appropriate committee of Parliament, shall decide the number of staff and lay down regulations relating to their administrative and financial situation.

The Bureau shall also decide to what categories of officials and servants Articles 12 to 14 of the Protocol on the Privileges and Immunities of the European Communities shall apply in whole or in part.

The President of Parliament shall inform the appropriate institutions of the European Communities accordingly.

Rule 50¹

1. The Bureau shall draw up a first preliminary draft of the estimates of Parliament on the basis of a report prepared by the Secretary-General, and shall consult the appropriate committee on the subject.

2. After receiving the opinion of that committee, the enlarged Bureau shall adopt the preliminary draft estimates.

¹ See also Rule 23A (5).

3. The President shall forward the preliminary draft estimates to the appropriate committee, which shall draw up the draft estimates and report to Parliament.

4. The President shall fix a time-limit for the tabling of amendments to the draft estimates.

The appropriate committee shall give its opinion on these amendments.

5. Parliament shall adopt the estimates.

6. The President shall forward the estimates to the Commission and Council.

7. The foregoing provisions shall also apply to supplementary estimates.

Rule 50A

1. The President shall incur and settle, or cause to be incurred and settled, the expenditure covered by the internal financial regulations issued by the Bureau after consulting the appropriate committee.

2. The President shall forward the draft annual accounts to the appropriate committee.

3. On the basis of a report by its appropriate committee, Parliament shall pass its accounts and decide on the giving of a discharge.

VI

INTERNAL IMPLEMENTING PROCEDURE

BUDGETARY TIMETABLE

During the October part-session, there shall be a first general debate attended by the Presidents of the Council and Commission.

At the close of this debate, the President shall fix the time-limit within which committees are to communicate their opinions to the appropriate committee, in pursuance of Rule 23 (3) of the Rules of Procedure, and the time-limit for the tabling of proposed modifications, in compliance with Rule 23A (3), which shall be approximately ten days.

During the November part-session, the debate shall be organized as follows:

Tuesday:

- Presentation and discussion of the report of the appropriate committee and statements by the Commission and the Council;
- Fixing of the time-limit for tabling proposed modifications, arising particularly out of the debate, for Tuesday evening or Wednesday morning at the latest.

Wednesday afternoon:

Meeting of the appropriate committee to examine the proposed modifications and draw up a supplementary report.

Thursday:

Vote on the draft budget in accordance with the procedure laid down in Rule 23A (6) of the Rules of Procedure.

(Sitting of 21 September 1971)

**PROPOSED MODIFICATIONS TO THE DRAFT BUDGET
AMENDMENTS TO THE MOTION FOR A RESOLUTION
VOTING**

1. Articles 199 and 203a of the EEC Treaty lay down that the budget shall be in balance down to the level of the institutions.

Any proposed modification involving expenditure by an institution shall therefore provide for:

- either compensation through a corresponding reduction in that institution's expenditure,
- or a corresponding increase in revenue.

2. The principle of the balanced budget may not prejudice the right of Representatives or Parliament to take initiatives that disregard this principle, for example in proposing expenditure without making provision for a corresponding increase in revenue.

Such initiatives shall not be considered as proposed modifications to the draft budget but as *amendments to the motion for a resolution* and shall therefore be presented in that form.

3. In accordance with Rule 23A (2) of the Rules of Procedure, the *operative provisions* of the proposed modification shall indicate the section, title, chapter and article of the draft budget, as regards both new expenditure and new revenue: Where, however, the new revenue stems from an increase in the contributions of the Member States, the words 'consequently the amount of the contributions shall be increased by . . . u.a.' shall suffice.

In the justification of their proposed modification, the authors shall be asked to indicate the budgetary *heading* involved as well as the article.

4. All proposed modifications tabled within the fixed time-limit shall be printed and distributed to all the members of Parliament and, whether they are adopted by the Committee for Finance and Budgets or not, shall be shown in an annex to the report.

5. Moreover, in accordance with the procedure laid down in Rule 23A (6) of the Rules of Procedure, the text submitted to the vote of Parliament shall be the text of the draft budget as forwarded to it by the Council.

Consequently, all proposed modifications shall be called in plenary sitting and put to the vote unless they have been withdrawn by their authors.

6. Respect for the principle of the balanced budget precludes voting item by item on any proposed modification, so as to avoid the risk of expenditure being adopted and the corresponding revenue being rejected or vice versa. For the same reason, amendments to a proposed modification shall also be excluded. They shall be submitted in the form of proposals for modifications.

Proposed modifications shall be put to the vote as follows:

- in the normal way, in the order of nomenclature of the draft budget;
- if two or more proposed modifications are tabled to the same article of the draft budget, the one that departs furthest from the text of the draft shall be called first, in compliance with Rule 29 (4) of the Rules of Procedure;
- if two or more proposed modifications to the same article depart in an identical way from the draft budget, the proposed modifications that compensate one item of expenditure by correspondingly reducing another shall be put to the vote before those compensating that item of expenditure by an increase in revenue;
- lastly, if two or more proposed modifications to the same article depart in an identical way from the draft budget without it being possible to make the distinction referred to above, they shall be called and put to the vote in the order in which they have been tabled.

(Sitting of 20 October 1971)

TABLING AND DISTRIBUTION OF PROPOSED
MODIFICATIONS
TO THE DRAFT BUDGET OF THE COMMUNITIES

1. Rule 23A (2) of the Rules of Procedure lays down that proposals for modifications shall be admissible only if they are presented in writing, bear the signatures of at least five Representatives and specify the budget heading to which they refer.

Rule 23A (4) lays down that the appropriate committee shall deliver its opinion on the proposed modifications before they are discussed in plenary sitting.

Rule 23 (3) lays down that the President shall fix the time-limit within which other committees asked for their opinions must communicate them to the appropriate committee.

2. On 21 September 1971, on a proposal from the President, Parliament adopted various implementing provisions on budgetary matters. As regards proposed modifications, it is to be noted:

(a) that at the close of the first budgetary discussion, planned for around 15 October, the time-limit for tabling proposed modifications will be fixed at approximately ten days;

(modification proposed *prior* to submission of report);

(b) that after the discussion of the report, planned for the Tuesday of the November part-session, the time-limit for tabling proposed modifications will be fixed for Tuesday evening or Wednesday morning;

(modification proposed *after* submission of report, arising out of the debates held in November — such proposed modifications shall be the subject of a written or oral *supplementary* report).

3. As the proposed modifications concern the draft budget and not the report and because of the importance of the budgetary discussion, the President has decided that *all* proposed modifications, whether tabled before or after submission of the report, shall be distributed to all the members of Parliament.

Those *tabled* within the first time-limit of ten days shall be distributed forthwith. Those submitted after the expiry of this time-limit shall be distributed at the beginning of the second tabling period (November). Their authors shall be informed of this.

The Secretariat shall, through its various departments, render assistance to Representatives to enable them to exercise their mandates fully and without difficulty.

All proposed modifications shall be addressed to the Secretary-General, in Strasbourg during part-sessions, or otherwise in Luxembourg.

4. During discussions at meetings of committees to which a matter has been referred, suggestions or ideas which have an effect on appropriations or revenue may be put forward:

- if they have been adopted by the committee, they shall be distributed with the report of the committee in the form of proposed modifications made on behalf of the committee;
- if they are not adopted by the committee, there shall be no proposed modification. The author may table with the sessions office a proposed modification fulfilling the conditions laid down in the Rules of Procedure (five signatures). It shall then be distributed in the name of the five signatories at the beginning of the second tabling period (November).

5. The reasons for forwarding proposed modifications to the sessions office as quickly as possible are:

- (a) the relatively short period for tabling them;
- (b) the fact that under certain circumstances they may be voted on in the order in which they were tabled.

They shall therefore be forwarded, where appropriate, by telephone or telex.

6. Modifications proposed *after* the expiry of the first time-limit:
- by a parliamentary committee, shall be appended to the opinion of that committee which shall be annexed to the report of the Committee for Finance and Budgets;
 - by at least five Representatives, shall be retained by the sessions office and then distributed at the beginning of the second tabling period (November).
7. In accordance with Rule 23A (6), the text put to the vote shall be the one proposed by the Council in the draft budget;

This procedure has the following consequences:

- (a) proposed modifications shall bear the number of the draft budget;
- (b) they shall be numbered consecutively, whether they are tabled before or after the report;
- (c) modifications proposed in the name of the Committee for Finance and Budgets shall not be given priority;
- (d) proposed modifications on which the Committee for Finance and Budgets has not delivered a favourable opinion shall be called when the vote is taken in plenary sitting without the authors' having to table them anew.

(Instructions of the President and Secretary-General of the European Parliament — 7 October 1971)

VII

EXAMPLES OF PROPOSED MODIFICATIONS

Draft budget of the European Communities for the financial year

Doc.

Proposed modification No 1

Section III: Commission

(A) Expenditure

Title 2 — Chapter 27 — Publication and information expenses
Article 270: 'Official Journal'

Increase appropriation by 70 000 u.a.

(B) Compensation

Title 2 — Chapter 27 — Publication and information expenses
Article 271: 'Publications'

Reduce appropriation by 70 000 u.a.

Justification

.....
The reduction proposed in Article 271 should be divided as follows:

Heading 2710: publication of a general nature
reduction of 50 000 u.a.

Heading 2719: other publications and expenditure incurred in
disseminating information
reduction of 20 000 u.a.

Draft budget of the European Communities
for the financial year

Doc.

Proposed modification No 2

Section III: Commission

(A) Expenditure

Title 2 — Chapter 22 — Movables and ancillary expenses

Article 220 — Office machines

Increase appropriation by 10 000 u.a.

(B) Revenue

Title 5 — Contributions

Increase the amount of contributions by 10 000 u.a.

Justification

.....

The increase proposed should be divided as follows:

Heading 2200: initial outlay: increase of 7 500 u.a.

Heading 2201: renewals: increase of 1 500 u.a.

Heading 2203: maintenance, use and repairs: increase of 1 000 u.a.

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