

EUROPEAN COMMUNITIES

ANALYSIS OF THE FINANCIAL MANAGEMENT

in respect of the revenue and expenditure
account of the European Communities
for the financial year 1975

MAY 1976

Summary of contents

This report has been drawn up pursuant to Article 81 of the Financial Regulation of 25 April 1973*. Its aim is to indicate the principal elements characterizing the implementation of the budget in the financial year 1975, by:

- 1) comparing the estimates of revenue entered in the initial budget and in supplementary budgets nos. 1, 2 and 3 with the outturn for that revenue;
- 2) comparing the appropriations entered in the initial budget and in supplementary budgets nos. 1, 2 and 3 with the rate of their utilization in the form of commitments and payments;
- 3) commenting as necessary on the implementation of the budget, by titles and chapters.

The detailed figures, by budgetary item, appear in the three volumes entitled «Comptes de gestion et bilans financiers afférents aux opérations du budget de l'exercice 1975».

* OJ L 116 of 1 May 1973

EUROPEAN COMMUNITIES

ANALYSIS OF THE FINANCIAL MANAGEMENT

in respect of the revenue and expenditure
account of the European Communities
for the financial year 1975

CONTENTS

	<u>Page</u>
1. Revenue	5
2. Expenditure	7
2.1. Total appropriations and actual expenditure in the budget of the Communities in 1975	7
2.2. The European Parliament	9
2.3. The Court of Justice	14
2.4. The Council	19
2.5. The Commission	38
A. Figures and statistics	39
1. The authorized expenditure of the Commission	39
2. Movements of appropriations within the total authorized expenditure of the Commission in 1975	41
3. Utilization of the authorized expenditure of the Commission during the financial year 1975	45
4. Utilization of appropriations carried over from 1974 to 1975	47
B. General assessment of and comments on the implementation of the expenditure of Section III.	50
1. General assessment	51
2. Title 1	55
3. Title 2	58
4. Title 3	67
5. Title 4	73

	<u>Page</u>
6. Title 5	78
7. Title 6 and 7	87
8. Title 8	94
9. Title 9	104
10. Transfers from Chapter 98	108
11. Transfers from Chapter 99	108
12. Implementation of the open transfer to the EAGGF, Guarantee Section	111
13. Implementation in 1975 of appropriations carried over from 1974 to 1975	113
 C. Annexes	 118
. Annex 1 - Own resources and other revenue	119
. Annex 2 - Utilization of appropriations during the financial year 1975	124
. Annex 3 - Additional figures relating to Chapter 33	131
. Annex 4 - Implementation in 1975 of automatic carry-overs from 1974 to 1975	135
. Annex 5 - Implementation of non-automatic carry-overs to 1975	142

1. OWN RESOURCES AND OTHER REVENUE - ESTIMATES AND ACTUAL YIELDS

The revenue of the general budget of the Communities for 1975 comprises :

- own resources and contributions made in accordance with the Decision of 21 April 1970;
- contributions to the supplementary research and investment programmes in accordance with a special scale, amounting to 12.6 m.u.a.;
- other revenue totalling 307.9 m.u.a., including 18 m.u.a. for the part of the ECSC levy paid into the budget.

1.1. CONTRIBUTIONS AND RESOURCES

- 1.1.1. In order to cover their monthly share of the Communities' needs, the Member States pay cash advances as laid down by the Financial Regulation, in addition to the own resources due; the level of contributions paid is thus not provided for in the budget but is in proportion to the utilization of appropriations (including carry-overs from the preceding financial year).

The amount of the contributions for the financial year, on the other hand, is calculated in accordance with Article 17 of Regulation 2/71, taking into account "expenditure incurred during the financial year in question, plus the appropriations carried over to the following financial year, less the appropriations carried over from preceding financial years and written off, and also revenues other than own resources and financial contributions from Member States". The sum determined in this way is charged to the Member States in accordance with their relative share for the financial year; each Member State pays its share, firstly from its own resources and, as to the balance, by financial contributions (apart from the exception referred to in point 1.1.2, paragraph two.)

- 1.1.2. The own resources recorded during the financial year 1975 represent 95.2% of the estimates; it must be emphasized, however, that in the case of customs duties (which represent 84.2% of the total own resources recorded, or 3151.0 m.u.a.), the overall recoveries are about 92.7% of the estimates.

It should also be noted that under the Treaty of Accession two new Member States, the United Kingdom and Ireland, are participating in the financing of the budget by paying only own resources, the value of which is calculated on the basis on the relative share of these two countries in the total expenditure financed under the Decision of 21 April 1970; it is evident that their level depends solely on expenditure and not on receipts.

As regards the sugar levies (2.1% of the total sums recorded, or 79.7 m.u.a.), the overall recoveries represent about 74.6% of the estimates.

The agricultural levies, on the other hand, amounted to 120.4% of the estimates, with appreciable divergencies between Member States.

In 1975 for the first time the Member States paid all the customs duties and agricultural levies which they had collected to the Communities; the new Member States were an exception to this rule, under the provisions of the Treaty of Accession (abatement factor).

Annex 1 on page 119 shows firstly the sums paid by the Member States in 1975 (see point 1.1.1. first para) and secondly the sums actually due from the Member States on the basis of the relative share in all the expenditure chargeable to the financial year in question (see point 1.1.1., second para).

1.2. OTHER REVENUE

This rose from 55.3 m.u.a. in 1974 to 307.9 m.u.a. in 1975, the increase being attributable mainly to accounting entries in respect of differences on exchange arising on transfers of funds from one Member State to another (244.5 m.u.a.).

It should be mentioned that these differences on exchange arise from the fact that movements of funds are effected on the basis of market rates of exchange whereas the accounting entries for these transactions are based on the IMF parities.

Other points to be noted under the "Other revenue" heading are :

- the increase in the Community tax and in staff contributions to the pension scheme, which reflects the increase in expenditure on salaries
- the increase in the interest paid by the financial agencies, which rose from 3.3. to 4.9 m.u.a.

2. EXPENDITURE

2.1. TOTAL APPROPRIATIONS AND ACTUAL EXPENDITURE IN THE BUDGET OF THE COMMUNITIES IN 1975

2.1.1. The expenditure authorized by the budget of the Community for the financial year 1975 amounted to (1) :

. initial budget	:	5825.28 m.u.a.
. supplementary budget no. 1	:	152.13 m.u.a.
. supplementary budget no. 2	:	84.18 m.u.a.
. supplementary budget no. 3	:	206.70 m.u.a.
<hr/>		
Total appropriations for the financial year 1975	:	6268.29 m.u.a.
<hr/>		

of which 6102 m.u.a. was committed (2), 141 m.u.a. was the subject of carry-over requests submitted to the budgetary authority (which had not yet reached a decision), and 25 m.u.a. was cancelled.

(1) Round figures

(2) This figure includes the commitments of the ERDF to the amount of the payment appropriations (150.0 m.u.a.). If the total commitments of the ERDF are included, the figure becomes 6239 m.u.a.

The authorized expenditure for the financial year 1975 for each of the institution was :

Section I	: European Parliament	41 597 229 u.a.
Section II	: Council	50 472 467 u.a.
Section III	: Commission	6 166 904 181 u.a.
Section IV	: Court of Justice	9 320 020 u.a.
		6 268 293 897 u.a.

2.1.2. The expenditure chargeable to the financial year 1975 (appropriations committed or carried over) finally amounted to :

		percentage of authorized expenditure
Section I	: European Parliament	39 688 436 u.a. 95.4%
Section II	: Council	45 761 010 u.a. 90.7%
Section III	: Commission	6 149 269 744 u.a. 99.7%
Section IV	: Court of Justice	8 126 983 u.a. 87.2%
		6 242 846 173 u.a. 99.6%

2.1.3. For the institutions as a whole, the expenditure chargeable to the financial year 1975, by budget titles, was :

in m.u.a.

Title	Final appropriations	Appropriations committed or carried over	% utilization
1. Expenditure relating to persons working with the institutions	249.70	245.51	98.32%
2. Buildings, equipment and operating expenditure, apart from point 10 below	94.98	90.61	95.40%
3.) Operational expenditure other than (chapter 33	53.58	52.21	97.44%
) Research and investment expenditure	CA 97.46	86.29	88.54%
	PA 101.23	99.87	98.66%
4. Aids, subsidies and financial contributions	20.22	17.42	86.15%
5.) Social Fund	366.14	361.95	98.86%
(European Regional Development Fund	CA 300.00	299.83	99.94%
)	PA 150.00	150.00	100.00%
6/7 EAGGF, Guarantee Section	4 336.33	4 336.33	100.00%
8. EAGGF, Guidance Section	262.50	262.23	99.90%
9. Food Aid and Expenditure on co-operation with the developing countries	252.81	252.54	99.89%
Provisional	2.06	-	-
Sub-total	CA 397.46	386.12	97.15%
	PA 5 889.55	5 868.67	99.65%
10. Repayment of 10% of own resources to the Member States	378.74	374.17	98.79%
Total	CA 397.46	386.12	97.15%
	PA 6 268.29	6 242.84	99.59%

CA = Commitment appropriations
PA = Payment appropriations

2.2. THE EUROPEAN PARLIAMENT

2.2.1. SUMMARY TABLE

STATEMENT OF ADMINISTRATIVE EXPENDITURE FOR THE FINANCIAL YEAR 1975

u.a.

I.	<u>Appropriations available</u>	
	The appropriations entered in the budget of the European Parliament for the financial year 1975 amounted to	41 597 229.00
II.	<u>Utilization of the appropriations</u>	
	The appropriations were committed to the extent of	39 688 435.78
	leaving to be cancelled an amount of	<u>1 908 793.22</u> =====
	Percentage utilized : 95%	
	Percentage cancelled : 5%	
III.	The appropriations carried over automatically (under Art. 6 (c) of the Fin. Reg.) from 1974 to 1975 amounted to	2 895 112.02
	whilst the payments effected with the help of these carry-covers amounted to	<u>2 404 387.26</u>
	leaving to be cancelled an amount of	<u>490 724.76</u> =====
	Percentage utilized : 83%	
	Percentage cancelled: 17%	

2.2.2. COMPARATIVE TABLE

The table below gives chapter-by-chapter breakdown of the principal increases or reductions in expenditure compared with the financial year 1974, including the amounts still remaining unpaid at 31 December 1975.

u.a.

Chapter	H E A D I N G	1975 u.a.	1974 u.a.	% +/-
10	Members of the institution	3 690 743	2 636 873	+ 40
11	Staff	23 373 954	18 307 769	+ 28
12	Allowances and expenses on entering and on leaving the service and on transfer	867 415	1 184 624	- 27
13	Expenditure relating to missions and duty travel	1 322 522	1 249 820	+ 6
14	Expenditure on social welfare and on further vocational training of staff	253 622	188 247	+ 35
15	Cost of organizing internal training courses	42 805	48 000	- 11
	<u>TITLE I</u>	<u>29 551 061</u>	<u>23 615 333</u>	<u>+ 25</u>
20	Immovable property investments	-	-	-
21	Rental of buildings and associated expenditure	3 806 478	3 756 484	+ 1
22	Movable property and associated expenditure	918 376	1 062 778	- 14
23	Current administrative expenditure	1 063 194	1 061 540	+ 0.16
24	Entertainment and representation expenses	121 109	81 674	+ 48
25	Expenditure for formal and informal meetings	4 747	2 512	+ 89
26	Expenditure on studies, surveys and consultations	-	200	-
27	Expenditure on publishing and information	1 638 766	801 911	+ 104
	<u>TITLE II</u>	<u>7 552 670</u>	<u>6 767 099</u>	<u>+ 12</u>
37	Expenditure relating to certain institutions - other expenditure	1 733 803	1 256 778	+ 38
38	Loan of services between institutions	427 000	190 000	+ 125
	<u>TITLE III</u>	<u>2 160 803</u>	<u>1 446 778</u>	<u>+ 49</u>
41	Subsidies and financial contributions	423 901	381 083	+ 11
	<u>TITLE IV</u>	<u>423 901</u>	<u>381 083</u>	<u>+ 11</u>
	<u>TOTAL GENERAL</u>	<u>39 688 435</u>	<u>32 210 293</u>	<u>+ 23</u>

2.2.3. COMMENTS ON THE PRINCIPAL VARIATIONS IN EXPENDITURE BY COMPARISON WITH THE PREVIOUS FINANCIAL YEAR

The increase in expenditure in 1974 by comparison with the preceding years was due largely to the increasing activity of the European Parliament and was therefore spread over all chapters of the budget. In 1975 there was little change in the level of Parliament's activity and the increase arises principally in Title I, "Expenditure relating to persons working with the institution". A more precise explanation is given below.

Chapter 10 - Members of the institution

The increase in the expenditure charged to this chapter is due principally to :

- the increase in the number of delegates,
- the increase in the secretarial allowance,
- subscription to a life insurance policy for the members.

Chapter 11 - Staff

Increase : 5 066 185 u.a.

This is a 28% increase over the expenditure for 1974 but is 12% lower than the increase recorded at the end of the previous financial year.

It is due principally to :

- the strengthening of the staff complement during 1975 (+ 34 officials),
- the implementation of a policy which led to the filling of newly created posts from the beginning of the year,
- a considerable increase in overtime costs,
- the adjustment of pay scales sanctioned during the year for permanent, auxiliary and local staff, together with the normal financial effects of automatic advancement and of promotion,
- expenditure on fees, days worked and travel expenses of freelance interpreters which continued to grow, although less spectacularly than in the previous year,
- an increase in premiums for insurance cover for the staff against sickness, accident and occupational diseases.

Chapter 13 - Expenditure relating to missions and duty travel

Increase : 72 702 u.a.

This small increase of about 6% over 1974 is due to the rise in the cost of travel and the new rate of mission allowance sanctioned in 1975.

Chapter 14 - Expenditure on social welfare and on further vocational training of staff

Increase : 65 375 u.a.

This increase, which is lower than that of the previous year, arises principally from an expansion, during the year, in the use of the canteen-cafeteria, in the language and technical training courses for staff in the welfare expenditure of all the European institutions in Luxembourg financed from a common fund.

Chapter 21 - Rental of buildings and associated expenditure

In 1975 our move to the Robert Schuman building was completed. The lease for the buildings was signed; the lease for the tower building is on the point of being signed.

In Brussels we leased a building which doubles the area of our accommodation in that city. In Luxembourg we leased a building in order to expand our day-nursery.

The increase of 1% in the 1975 appropriations in relation to those for 1974 does not give a clear picture of the situation. If one considers the single article "Rent" which accounts for three-fifths of the expenditure under this chapter, one finds that the 1974 figure includes an appropriation of 243 249 u.a. brought forward which was not used.

The percentage increase for the article "Rent" alone is, in fact, about 10%, and this is mainly the result of increases in the index.

Chapter 22 - Movable property and associated expenditure

The year 1975 saw the continuation of the effort to modernize the pool of office machines, principally through the purchase of electric typewriters (necessary for the baryta paper system of reproduction).

But the pace of renewal was much slower in 1975 than it was in 1974 (1974 : 97 electric typewriters purchased; 1975 : 70 electric typewriters purchased, of which 38 were replacements). With regard to furniture, the major investment effort occurred in 1973 and 1974, as a result of the enlargement of the Communities. In 1975 the only expenditure was current expenditure. Again, with regard to renewal, the main effort was made in 1974.

Under Article 223 (Transport equipment) the appropriations remained markedly stable between 1974 and 1975.

Chapter 23 - Current administrative expenditure

Under Item 2300 (Stationery and office supplies) the expenditure in 1975 was slightly down on that of 1974. The stocks built up in earlier years made it possible to slow down the rate of paper purchase (particularly offset paper) and in this way to compensate for the considerable rise in prices.

Under Items 2310 and 2311 (Postal charges and telecommunications) the moderate increase in expenditure in 1975 compared with 1974 was the result mainly of increases in the level of charges.

With regard to the remaining items of Chapter 23, the expenditure continued relatively stable in 1975 by comparison with 1974 except for the item "Departmental removals" in respect of which expenditure fell by almost a half as a result of greater utilization of our own facilities and a better result from invitations to tender.

Chapter 24 - Entertainment and representation expenses

The difference between the expenditure of 1974 and that of 1975 is explained by :

- 1) the 20 to 25% rise in prices,
- 2) the development of foreign relations accompanied by the corresponding representation expenses (in particular Portugal, the Knesset, Latin America, etc.).

Chapter 25 - Expenditure for formal and informal meetings

The general rise in prices and the extension of our activities explain the difference in expenditure between the two years in question.

Chapter 26 - Expenditure on studies, surveys and consultations

There was no expenditure under this chapter in 1975. In 1974 the only expenditure was an item of B.F. 10 000.

Chapter 27 - Expenditure on publishing, etc.

The increase of 836 855 u.a. (104%) relates mainly to the Official Journal.

For the first time Parliament itself was required to publish the whole of the budget of the Communities; in addition, the number of pages covering minutes of the sessions increased.

Chapter 37 - Expenditure to certain institutions and bodies

The difference in expenditure between 1974 and 1975 is due to :

- the general rise in prices (particularly of air travel),
- the resumption of relations with Greece,
- a greater number of meetings with the Turks,
- the increase in the number of participants at the EEC/AASMM meetings including many ACP representatives,
- acceptance of the total cost of the preparatory ACP/EEC meeting in November 1975.

Chapter 38 - Service of the Office for Official Publications - 125% increase

Parliament's share of the operating expenditure of the Office increased as a result of the additional work mentioned above (Chapter 27).

2.3. THE COURT OF JUSTICE

2.3.1. SUMMARY

u.a.

a) Implementation of appropriations for 1975

The appropriations entered in the budget of the Court of Justice for the financial year 1975 amounted to 9 320 020.00

The expenditure committed during the financial year under review amounted in total to 8 126 982.86

The expenditure breaks down as follows :

- payments made up to the close of the financial year 1975 7 721 071.92

- commitments remaining to be cleared at 31 December 1975 for which the corresponding appropriations have been carried forward automatically to the financial year 1976 405 910.94

The rate of utilization of the appropriations was 87.2%

By comparison with the previous financial year the expenditure committed against the appropriations for 1975 shows an increase of 1 184 027 u.a., or about 17%.

The total amount of appropriations cancelled was 1 193 037.14 which represented 12.8% of the appropriations opened for 1975.

b) Implementation of the appropriations brought forward from the financial year 1974

At the end of the financial year 1974 the Court of Justice brought forward, for expenditure committed but not yet paid, a total appropriation of 491 114.70

The payments made from these carry-overs reached the sum of 413 879.38 which represents a rate of utilization of appropriations brought forward of 84.3%

The unused carry-overs of appropriations, falling to be cancelled at the end of the financial year 1975, amounted to 77 235.32

2.3.2. MOVEMENT IN THE COURT'S OWN REVENUE IN RELATION TO THE FINANCIAL YEAR 1974

The Court of Justice's own revenue increased from 713 050 u.a. in 1974 to 916 437 u.a. in 1975. This increase, which amounts to 203 387 u.a. or 28.5% derives mainly from:

- Community tax on the remuneration of Members and officials (+ 94 469 u.a.);
- interest received on our bank deposits (+ 55 540 u.a.). As a result of new terms negotiated with our banks the average annual yield became 6%, as against the low rate of 2% obtained in earlier years;
- the net proceeds from sales of publications by the Office for Official Publications (+ 42 800 u.a.).

2.3.3. MOVEMENT OF APPROPRIATIONS FOR THE FINANCIAL YEAR 1975 u.a.

Some budgetary articles and items have had their appropriations increased by transfers; the transfers break down as follows :

a) Transfers from one chapter to another

- a transfer from Chapter 98 "Non-allocated provisional appropriations", to an amount of 102 000.00
- a transfer of appropriation from Title III to Title II of to cover the expenses of publication of the Report of Cases and the Official Journal. 20 000.00

b) Transfers within chapters

Transfers of appropriations from one article to another and from one item to another were confined to the following :

- within Title I, "Expenditure relating to persons working with the institution", eight initial appropriations were adjusted by transfers of 328 260.00
in order to cover changes in staff wages and salaries;
- within Title II five initial appropriations were increased by transfers amounting to 23 600.00

The total transfers of appropriations thus amount to 473 860.00
and equal 5% of the total appropriations for 1975. =====

2.3.4. MOVEMENT OF EXPENDITURE FOR THE FINANCIAL YEAR 1975 IN RELATION TO THE FINANCIAL YEAR 1974

Chapter 10 - Members of the institution

Expenditure under Chapter 10 increased by 172 694 u.a., or 15.9%, in relation to 1974. This increase relates principally to the application of the weighting factor.

It will be recalled that the weighting factor, introduced into the system of remuneration for Members in 1973, is charged to the new Article 104 (Item 1000 in 1974).

The increase in temporary allowances (Article 102) is due to the fact that these allowances were paid to two former Members in 1975 as against one Member in 1974.

Chapter 11 - Staff

The expenditure of Chapter 11 shows an increase of 651 178 u.a., or 17.6%. This increase is due principally to the two adjustments to the weighting factor (+ 7% on 1 January 1975 and + 5% on 1 July 1975) and to normal advancement.

The expenditure relating to auxiliary staff (Item 1110) fell by about 40%.

The increase in Item 1112, "Local staff", relates firstly to the increase in the Luxembourg index and secondly to the charging of expenditure in respect of a local staff member recruited for the Commission's staff supermarket.

Chapter 12 - Allowances and expenses on entering and on leaving the service and on transfer

The expenditure recorded under this chapter shows a diminution of 61 281 u.a. or nearly 35%. The principal reason for this diminution is that the officials of new Member States recruited in 1973 continued to receive certain allowances in 1974.

On the other hand, the appropriation entered under Article 120, "Miscellaneous expenditure on staff recruitment", was increased by transfer in order to cover the expenses of convoking candidates and the expenses of newspaper announcements.

Chapter 13 - Expenditure relating to missions and duty travel

This expenditure shows a slight fall, of 811 u.a., or 2%.

The chapter does not call for any special comment.

Chapter 14 - Expenditure on social welfare and on further vocational training of staff

The expenditure has increased by 9994 u.a., or about 32%.

The increase is due to the increase in the Court's share in the expenditure administered by the Committee for Social Activities (Articles 140 and 149) and by the expansion of language and vocational training courses.

Chapter 15 - Cost of organizing internal training courses

The expenditure shows an increase of 1343 u.a., or 6.4%

As in past years, the Court organized a one-week training course for members of the national judiciaries in 1975. The 72 persons attending the course had their travelling and subsistence expenses reimbursed.

The average expense was 308.50 u.a. as against 282 u.a. in 1974 (+10%).

Chapter 21 - Rental of buildings and associated expenditure

By comparison with 1974 the expenditure shows an increase of 134 472 u.a., or 12,6%.

The bulk of the increase (+ 118 462 u.a.) derives from the rise in the annual rent which is linked to the cost-of-living index.

By contrast, Article 214, "Fitting out of premises", shows a substantial reduction, of 19 547 u.a.

Chapter 22 - Movable property and associated expenditure

The total expenditure charged to Chapter 22 shows an increase of 40 744 u.a., or 21,5%.

The expenditure relating to the replacement of technical equipment and installations amounted to 14 787 u.a. No replacements were made in 1974.

The cost of maintenance and use of office machinery and of equipment (Items 2203, 2223 and 2233) shows an increase of 19 209 u.a., or 31%, which is a result of the considerable rise in prices and of the larger number of items of equipment held.

In the opposite direction, a substantial reduction, of 11 271 u.a., or 36%, occurred in initial purchases of equipment (Items 2200, "Office machinery" and 2210, "Furniture").

Chapter 23 - Current administrative expenditure

The expenditure shows a diminution of 9 697 u.a., or 5%. The expenditure relates mainly to stationery and office supplies (Article 230). In 1974 these expenses had increased by almost 32% as a result of restocking with paper at a favourable price. It was possible, thanks to economy measures, to close the financial year under review with a reduction of 6 342 u.a. by comparison with 1974.

In addition, a saving of 1 543 u.a. was achieved under Item 2391, "Uniforms and working clothes".

Chapter 24 - Entertainment and representation expenses

The expenditure under this chapter shows a small increase, of 7% (815 u.a.).

Chapter 25 - Expenditure for formal and informal meetings

Expenditure appearing under Article 255 shows an increase of 5923 u.a., or about 25%. The expenditure covered travelling and subsistence expenses for members of the national judiciaries taking part in two visits organized by the Court of Justice. The average expense (of 152 participants) amounted to 200 u.a., as against 160 u.a. in 1974.

Chapter 27 - Expenditure on publishing and information

The expenditure on publishing and information shows a substantial rise, of 144 647 u.a., or 63%

In connexion with Article 270, "Official Journal", the increase of 58% is attributable to the marked rise in printing cost : the cost per page of printing rose from 23.6 u.a. in 1974 to 38 u.a. in 1975.

For publishing the Reports of Cases and other publications (Article 271), the increase is 122 246 u.a., or 66%. However, this increase was not caused solely by the rise in publishing costs; there was also a considerable increase in the number of pages published in 1975, as a result of the publication of the earlier Reports of Cases in English.

Chapter 38 - Loan of services between institutions

The expenditure laid out under Article 381, "Joint interpreting service", increased by 97 060 u.a., or 142%, by comparison with 1974.

The increase is the result of the following factors :

- the number of days of interpreting invoiced rose from 644 in 1974 to 898 in 1975 (+ 39%);
- the sum charged per day of interpretation rose from 122.66 u.a. to 152.06 u.a. (+ 24%);
- the expenditure for 1975 included an amount of 18 117 u.a. representing services rendered in the previous financial year.

2.4. THE COUNCIL

2.4.1. ECONOMIC AND SOCIAL COMMITTEE

2.4.2. AUDIT BOARD

2.4.3. ECSC AUDITOR

2.4. THE COUNCIL

Summary table

Expenditure for the financial year 1975

I.	<u>Appropriations available</u>	<u>u.a.</u>
	The total appropriations of Section II - THE COUNCIL - for the financial year 1975 amounted to	50 472 467.00
II.	<u>Utilization of the appropriations</u>	
	These appropriations were committed to the extent of	45 741 009.96
	Percentage utilized : 90.63%	
	Percentage cancelled : 9.33%	
III.	The appropriations carried over from the financial year 1974 to the financial year 1975 amounted to	3 382 380.36
	the payments made against these carried-over appropriations amounted to	3 224 794.06
	Percentage utilized : 95.34%	
	Percentage cancelled : 4.66%	

The table that follows summarizes the operations of financial management
for the financial year 1975

FINANCIAL YEAR 1975 : Section II - THE COUNCIL

	Carry-overs 1974 to 1975	Payments against appropriations carried over	Cancellations	Total appropriations for the financial year 1975	Commitments charged against 1975	Payments effected at 15.1.76	Carry-overs 1975 to 1976	Cancellations
	1	2	3	4	5	6	7	8
Title I	333 847.30	319 363.20	14 484.10	25 350 860.00	22 386 480.12	22 112 663.16	273 816.96	2 964 379.88
Title II	1 062 712.16	1 017 174.02	45 538.14	12 146 740.00	11 972 178.22	10 278 619.10	1 693 559.12	174 561.78
Title III	1 985 820.90	1 888 256.86	97 564.04	11 805 867.00	11 382 351.62	9 633 090.42	1 769 261.20	403 515.38
Title IX	-	-	-	1 169 000.00	-	-	-	1 169 000.00
Total	3 382 380.36	3 224 794.08	157 586.28	50 472 467.00	45 741 009.96	42 024 372.68	3,736 637.28	4 711 457.04
Percentage	100.00%	95.34%	4.66%	100.00%	90.63%	83.26%	7.41%	9.33%

COMPARATIVE TABLE : THE COUNCIL

The table below gives a chapter-by-chapter breakdown of the principal increases or reductions in expenditure compared with the financial year 1974, including the amounts still remaining unpaid at the close of the financial year 1975.

Chapter	H E A D I N G	1975 u.a.	1974 u.a.	u.a. ±	% ±
11	Staff	20 529 935	16 470 298	+ 4 059 637	+ 25
12	Allowances and expenses on entering and on leaving the service and on transfer	996 947	1 158 697	- 161 750	- 14
13	Expenditure relating to missions and duty travel	491 037	489 641	+ 1 396	-
14	Expenditure on social welfare and on further vocational training of staff	368 561	330 007	+ 38 554	+ 12
	<u>TITLE I</u>	22 386 480	18 448 643	+ 3 937 837	+ 21
20	Immovable property investments	254 962	236 267	+ 18 695	+ 8
21	Rental of buildings and associated expenditure	5 044 347	3 521 608	+ 1 522 739	+ 43
22	Movable property and associated expenditure	842 965	529 371	+ 313 594	+ 59
23	Current administrative expenditure	1 469 306	1 306 457	+ 162 849	+ 13
24	Entertainment and representation expenses	136 210	62 877	+ 73 333	+ 117
25	Expenditure for formal and informal meetings	2 897 619	2 301 524	+ 596 095	+ 26
26	Expenditure on studies, surveys and consultation	128 000	76 887	+ 51 113	+ 67
27	Expenditure on publishing and information	1 198 769	931 004	+ 267 765	+ 29
	<u>TITLE II</u>	11 972 178	8 965 995	+ 3 006 183	+ 34
37	Expenditure relating to certain institutions and bodies	7 708 794	6 633 254	+ 1 075 540	+ 16
38	Loan of services between institutions	3 673 558	2 706 815	+ 966 743	+ 36
	<u>TITLE III</u>	11 382 352	9 340 069	+ 2 042 283	+ 22
	<u>GRAND TOTAL</u>	45 741 010	36 754 707	+ 8 986 303	+ 24

Comments on the principal variations in expenditure in 1975 by comparison with 1974

By comparison with 1974, expenditure in 1975 underwent an average increase of the order of 24%. This increase was the result of the movement in staff pay scales in 1975 and also, to a great extent, to the fact that in 1975 the Council rented additional premises, the restaurant was enlarged and the setting up of the comprehensive language service was continued.

Chapter 11 - Staff

The 1975 budget provided for a staff complement of 1481 posts, 151 posts (11.35%) more than in 1974.

The staff actually employed rose from 1189 to 1341 officials; 80 officials left the Secretariat in 1975 and 232 officials were recruited.

The financial result of this situation is that in Chapter 11 10.84% of the appropriation provided fell to be cancelled.

Chapter 12 - Allowances and expenses on entering and on leaving the service and on transfer

The rather low rate of utilization of the appropriations to this chapter is due to the fact that there is a time-lag between the entry of new officials into the service and the expenditure arising in connexion with that entry. However, the appropriations to this chapter were increased by a transfer of 132 000 u.a. to Article 120 (Recruitment expenditure) as a result, firstly, of the rise in the cost of competitions and, secondly, of the necessity to hold again competitions which had not had a sufficient number of candidates meeting the conditions of the notice of competition.

Chapter 13 - Expenditure relating to missions and duty travel

The appropriations to this chapter had to be increased by 80 000 u.a. as a result principally of meetings taking place outside the normal working centres of the Communities.

Chapter 14 - Expenditure on social welfare and further vocational training

The Council made a contribution to the Commission towards the running expenses of the all-purpose sports ground and towards the expenses of the Centre de la Petite Enfance. These contributions, of 6 050 and 100 000 u.a. respectively, were charged against the appropriations to this chapter.

Chapters 21 and 22 - Rental of buildings; movable property and associated expenditure

The increase in expenditure under these chapters is due principally to :

- the renting of additional offices in the rue Joseph II,
- the enlargement of the restaurant in the Charlemagne building,
- continuation of the setting up the comprehensive language service (fitting out of meeting rooms).

Chapter 25 - Expenditure for formal and informal meetings

Article 250 - Travel and subsistence expenses for formal and informal Council meetings

The increase in expenditure charged under this article (581 849 u.a., = 22.80%) is due to three factors :

- the rise in transport charges,
- the increase in the number of meetings,
- the increase in individual attendances at meetings.

The increase in these individual attendances at meetings was of the order of 12.30%

The expenditure for 1975 amounted to	2 850 115 u.a.	} 2 964 752 u.a.
To this must be added the expenditure charged against the appropriations carried over from 1974 to 1975 of	114 637 u.a.	

This expenditure breaks down as follows :

- cash payments	1 951 432 u.a.	} 2 964 752 u.a.
- bank transfers	936 682 u.a.	
- imprests		
relating to the following meetings :	76 638 u.a. ⁽¹⁾	
- Luxembourg Council meetings (April-June-Oct.)		
- S.A.C. Berlin - Dublin - Venice		}
- Assembly, Strasbourg		

The travel expenses for meetings in Brussels represent 87.63% of total expenditure, as is shown by the following table :

<u>Meetings in</u>	Individual attendances	Amount paid u.a.	Percentage of total
Brussels	4 802	2 598 017	87.63
Luxembourg	943	159 640	5.38
Elsewhere in Europe	527	149 728	5.05
Overseas	45	57 367	1.94
	6 317	2 964 752	100.00

1) This includes 10 950 u.a. for travel and subsistence expenses reimbursed in connexion with the tripartite meeting with the "social partners" on 18 November 1975.

Chapter 27 - Expenditure on publishing and information

Article	Heading	Expenditure 1975 (u.a.)	Expenditure 1974 (u.a.)	% \pm
270	Official Journal	1 000 000	900 000	+ 11
271	Publications	198 769	31 004	+541

The sharp increase in expenditure charged to Article 271 in 1975 (541% of the 1974 expenditure) is due to the fact that the appropriations entered in 1975 were 10% up on 1974 (from 190 000 to 210 000 u.a.) and that only 16% of the amount entered for 1974 was used (31 004 out of 190 000 u.a.)

That non-utilization of appropriations in 1974, it may be remarked, was due to the fact that in that year the major part of the publishing programme could not be implemented because the Council was unable to carry out certain projects (Collected Agreements and Conventions, Collected Acts on Associations, Patents, etc.)

Chapter 37 - Expenditure relating to certain institutions and bodies

An analysis of the expenditure of the Economic and Social Committee, the Audit Board and the ECSC Auditor is given in paragraphs 2.4.1., 2.4.2. and 2.4.3.

2.4.1.

Economic and Social Committee
 =====

	<u>u.a.</u>	
Appropriations granted, 1975	7 159 000.00	100.00%
Administrative expenditure, 1975	7 010 856,46	97.93%
Appropriations carried forward automatically to 1976	67 744.60	0.95%
Appropriations available for carry-forward to 1976	20 000,00	0.28%
Appropriations to be cancelled	60 398.94	0.84%
1974 appropriations brought forward to 1975	209 400.40	100.00%
Expenditure	196 585.74	93.88%
Appropriations brought forward to be cancelled	12 814.66	6.12%

Chapters & Titles	Appropriation granted (1)	Expenditure		Appropriations to be carried forward to 1976		Available appropria- tions to be cancelled	
	u.a.	u.a.	%	u.a.	%	u.a.	%
Chap. 10	11 000	9 249.50	84.09	-	-	1 750.10	15.91
Chap. 11	4 549 000	4 536 994.06	99.74	-	-	12 005.94	0.26
Chap. 12	116 000	106 354.24	91.68	-	-	9 645.76	8.32
Chap. 13	44 000	39 395.92	89.54	-	-	4 604.08	10.46
Chap. 14	69 000	44 542.76	64.55	2 362.20	3.42	22 095.04	32.02
Chap. 15	6 000	5 916.34	98.61	-	-	83.66	1.39
Title 1	4 795 000	4 742 453.32	98.90	2 362.20	0.05	50 184.58	1.05
Chap. 21	588 000	569 451.16	96.85	17 907.22	3.04	641.62	0.11
Chap. 22	120 000	85 031.64	70.86	30 494.30	25.41	4 474.06	3.73
Chap. 23	205 000	193 518.68	94.40	7 436.72	3.63	4 044.60	1.97
Chap. 24	11 000	10 457.76	95.07	-	-	542.24	4.93
Chap. 25	1 019 000	1 018 801.40	99.98	-	-	198.60	0.02
Chap. 26	3 000	142	4.73	2 840	94.67	18.-	0.60
Chap. 27	127 000	105 174.64	82.81	21 612.16	17.02	213.20	0.17
Title 2	2 073 000	1 982 577.28	95.64	80 290.40	3.87	10 132.32	0.49
Title 3	291 000	285 825.96	98.22	5 092.-	1.75	82.04	0.03
Chap. 98	-	-	-	-	-	-	-
Chap. 99	-	-	-	-	-	-	-
Title 9	-	-	-	-	-	-	-
	7 159 000.00	7 010 856.46	97.93	87 744.60	1.23	60 398.94	0.84

(1) Including transfers of appropriations effected during 1975 but excluding the appropriations brought forward from 1974 which are accounted for separately.

IMPLEMENTATION OF THE BUDGET

Utilization of appropriations for certain items :

Chapter 10 - Article 101 - Accident insurance for members

Appropriations granted	6000.-- u.a.
Expenditure	4249.90 u.a.
Available appropriations to be cancelled	1750.10 u.a.

These appropriations relate to the insurance premium covering members of the Council against all accidents which might happen to them during their stay at the location of a meeting and during the days spent travelling to and from the meeting. The total number of these days represents the number of "insurance days".

In 1975, 15 113 insurance days were paid for under the budget, compared with :

- 14 291 in 1974
- 14 035 in 1973
- 10 792 in 1972
- 10 439 in 1971
- 7 103 in 1970

Chapter 11 - Article 110 - Item 1100 - Basic salaries

Appropriations granted	2 382 000	u.a.
Expenditure	2 381 304.64	u.a.
Available appropriations to be cancelled	695.36	u.a.

This item is the largest in the Committee's entire budget and the expenditure shown under it represents :

- 52.49% of the expenditure of Chapter 11
- 50.21% of the expenditure of Title I
- 33.97% of all expenditure

The movement of expenditure under this item should be noted :

- 1972	1 217 647.30 u.a.	
- 1973	1 522 632.52 u.a.	
- 1974	2 143 825.14 u.a.	
- 1975	2 381 304.64 u.a.,	an increase of 237 479.50 u.a., or 11.08% over 1974.

Item 1101 - Family allowances

This expenditure breaks down as follows :

- household allowances	73 181.62 u.a.	37.07%
- dependent child allowances	80 283.66 u.a.	40.66%
- education allowances	43 970.52 u.a.	22.27%
	<hr/>	<hr/>
	197 435.80 u.a.	100.--%

Article 111 - Other staff

Item 1110 - Auxiliary staff

Item 1112 - Local staff

The expenditure effected under these two budgetary lines amounted to 149 163.96 u.a., an increase of 6.46% over the preceding year.

Chapter 21 - Buildings

Article 210 - Rent

Appropriations granted 381 500.-- u.a.

Expenditure

Palais des Congrès (payment on account)	114 000.- u.a.	
Rent	187 100.- u.a.	
Parking	53 040.- u.a.	
Buildings tax	27 146.5 u.a.	
Premises rented out to third parties	180.- u.a.	
	<hr/>	<hr/>
		381 466.50 u.a.

Available appropriations to be cancelled 33.50 u.a.

Chapter 25 - Expenditure for formal and informal meetings

Article 250 - Formal and informal meetings in general

Appropriations granted	1 000 000.-- u.a.
Appropriations transferred	19 000.-- u.a.
Expenditure	1 018 801.40 u.a.
Available appropriations to be cancelled	198.60 u.a.

This article, which is the third largest in the Committee's budget, warrants some statistical data to explain the movement of expenditure during the financial year 1975.

Total expenditure in relation to 1960, the reference year, stands at + 579.48% and the movement in expenditure in relation to 1974 is + 15.45%.

2.4.2. Audit Board of the European Communities

A.1. Appropriations available

The appropriations entered in the budget for the financial year 1975 for the Audit Board amounted to u.a. 1 088 694.00

2. Utilization of the appropriations

The total commitments entered against these appropriations amounted to	u.a.	881 384.64
Appropriations falling to be cancelled	u.a.	207 309.36

The percentage utilized was 80.95%.

No appropriations have been carried forward from 1975 to 1976. Similarly, no appropriations were carried forward from 1974 to 1975.

- B. The attached table gives a chapter-by-chapter breakdown of the expenditure for the financial year 1975 and shows the movement in relation to the corresponding amounts for the financial year 1974.

By comparison with 1974, the expenditure has undergone an average increase of 49%. This increase is the result of the improvement in staff pay scales and also, to a large extent, to the fact that the 1975 accounts contain an amount paid to the Commission of the Communities as the Audit Board's share of buildings and administrative expenditure laid out for the Board's benefit. In earlier years the cost of the major part of these services had been borne free of charge by the Commission of the Communities.

Title 1

Chapters 10 and 11 - Members and staff of the Audit Board

The increase in this expenditure is the result of the adoption in 1975 of two new weighting factors which brought in increases of 7.08% and 5.01% with effect from 1 January and 1 July 1975 respectively, and of the revision of the salary scale which took effect on 1 July 1974.

It is also the result of a full year's charge for the increase in the staff complement which occurred in 1974.

Chapter 12 - Allowances and expenses on entering and on leaving the service and on transfer

The increase in expenditure relates to staff recruitment expenses and is the result of the organization of competitions designed to fill vacant posts in the departments of the Audit Board.

Chapter 13 - Expenditure relating to missions and duty travel

The increase by comparison with 1974 is due principally to the rise in transport charges.

Title 2

Chapter 21 - Rental of buildings and associated expenditure

In earlier years the rental of buildings and associated expenditure was borne almost in entirety by the Commission of the European Communities.

In 1975 an amount of 151 060 u.a. was charged to the Audit Board's expenditure budget and paid to the Commission as the Audit Board's share of expenditure on buildings and associated expenditure paid by the Commission for the benefit of the Audit Board.

Chapter 23 - Current administrative expenditure

The increase was caused by the rise in prices of office supplies and postal charges.

Expenditure of the financial year 1975 and comparison with the
corresponding expenditure for the financial year 1974

Chapter	Nature of expenditure	Commitments 1974 u.a.	Commitments 1975 u.a.
10	Members of the institution	75 605.68	86 527.56
11	Staff	463 553.92	586 299.28
12	Allowances and expenses on entering and on leaving the service and on transfer	7 705.14	12 487.52
13	Missions and duty travel	35 019.60	36 727.96
14	Social welfare and further vocational training of staff	516.78	704.16
TITLE 1	Expenditure relating to persons working with the institution	582 401.12	722 746.48
21	Rental of buildings and associated expenditure	2 360.--	151 060.--
22	Movable property and associated expenditure	3 687.56	3 535.76
23	Current administrative expenditure	1 945.15	3 337.02
26	Expenditure on studies, surveys and consultations	-	-
27	Publishing and information	713.48	705.38
TITLE 2	Buildings, equipment and miscellaneous operating expenditure	8 706.19	158 638.16
98	Provisional appropriations	-	-
TITLE 9	Food aid and other expenditure	-	-
TOTALS		591 107.31	881 384.64

2.4.3. The ECSC Auditor

1. The attached tables show that as far as utilization of the appropriations is concerned the utilization rate is still very high and would have been even higher if unforeseeable factors affecting the real cost of the report had not led to a relatively large cancellation.
2. In general, the most marked increases occurred in connexion with staff expenditure and were due to the fact that 1975 bore the full effect of the recruitment carried out in 1974 (12 months, as against three months in 1974).

This recruitment is also reflected in the diminution of the expenditure relating to missions and duty travel, since the secretariat in Brussels is now responsible for numerous contacts which formerly required frequent journeys.

The most substantial movements continue to be the compensatory movements between Chapters 27 and 38, the reduction in the first causing a corresponding increase in the second. These movements are merely the result of transfers between chapters which are required in order that there should be compliance with the rules of budgetary charging.

SUMMARY TABLE
STATEMENT OF ADMINISTRATIVE EXPENDITURE
FOR THE FINANCIAL YEAR 1975

I. APPROPRIATION AVAILABLE

u.a.

The appropriations entered in the budget of the Auditor for the financial year 1975 amounted to	211 040.00
---	------------

II. UTILIZATION OF THE APPROPRIATIONS

The appropriations were committed to the extent of	182 868.58
leaving to be cancelled an amount of	<hr style="width: 100%;"/> 28 171.42

Percentage utilized : 86.65%

Percentage cancelled : 13.35%

COMPARATIVE TABLE

The table below gives a chapter-by-chapter breakdown of the principal increases or reductions in expenditure to 31 December 1975 compared with the expenditure of 1974

Chapter	Heading	1975 u.a.	1974 u.a.	% ⁺ —
10	Auditor	10 097	10 115	-
11	Staff	120 719	101 002	+ 20
12	Allowances and expenses on entering and on leaving the service and on transfer	-	-	-
13	Expenditure relating to missions and duty travel	5 367	7 374	- 27
14	Expenditure on social welfare and on further vocational training of staff	47	175	- 73
15	Cost of organizing internal training courses	-	-	-
	<u>TITLE I</u>	136 230	118 666	+ 15
20	Immovable property investments	-	-	-
21	Rental of buildings and associated expenditure	6 176	5 078	+ 22
22	Movable property and associated expenditure	2 424	2 757	- 12
23	Current administrative expenditure	2 624	2 203	+ 19
24	Entertainment and representation expenses	750	650	+ 15
25	Expenditure for formal and informal meetings	-	-	-
26	Expenditure on studies, surveys and consultations	-	-	-
27	Expenditure on publishing and information	9 000	26 958	- 67
	<u>TITLE II</u>	20 974	37 646	- 44
38	Prestations entre Institutions	25 665	-	+100
	<u>TITLE III</u>	25 665	-	+100
	<u>TOTAUX</u>	182 869	156 312	+ 17

2.5. THE COMMISSION

A. FIGURES AND STATISTICS

B. COMMENTS

C. ANNEXES

A. FIGURES AND STATISTICS

1. THE AUTHORIZED EXPENDITURE OF THE COMMISSION

The authorized expenditure in 1975 for the Commission alone amounted to :

- initial budget	:	5 723.89 m.u.a.
- supplementary budget no. 1	:	152.13 m.u.a.
- supplementary budget no. 2	:	84.18 m.u.a.
- supplementary budget no. 3	:	206.70 m.u.a.

Total appropriations for the financial year 1975		6 166.90 m.u.a.
		=====

The change in the expenditure authorized under the various titles of the Commission's budget as a result of the supplementary budgets was as follows :

in m.u.a.

Title	Initial appropriations for 1975	Supplementary budgets			Final appropriations for 1975 before transfers between chapters
		n° 1	n° 2	n° 3	
1. Expenditure on staff	186.6	-	-	-	186.6
2. Operating and other expenditure (chapter 29)	65.9 386.9	- (+) 2.1	- (+) 1.2	- (+) 2.9	65.9 393.1
3. Specific functions except Chapter 33 (R & I) (payment appropriations)	33.0 95.9	- (+) 0.5	- -	(-) 0.3 (+) 4.8	32.7 101.2
4. Aids and subsidies	15.2	-	-	(+) 2.5	17.7
5. Social Fund	369.3	-	-	(-) 3.2	366.1
ERDF	token entry	(+)150.0	-	-	150.0
6.7.EAGGF, Guarantee Section	3 980,5	-	-	(+)260.0	4 240.5
8. EAGGF, Guidance section	325.0	-	-	-	325.0
9. Food aid and Expenditure on co-operation with the developing countries	228.6	-	(+) 83.0	(-)60.0	251.6
Provisional	37.0	(-) 0.5	-	-	36.5
TOTAL	5 723.9	(+)152.1	(+) 84.2	(+)206.7	6 166.9

2. MOVEMENTS OF APPROPRIATIONS WITHIN THE TOTAL AUTHORIZED EXPENDITURE OF THE COMMISSION IN 1975

2.1. Transfers of appropriations from Chapters 98 and 99

Various budget titles have had their appropriations increased by transfers from Chapters 98 and 99.

The transfers from Chapter 98 consisted, firstly, of expenditure agreed in principle when the budget was being prepared and for which the provisional appropriations had been blocked in this chapter pending a final decision by the budgetary authority; and, secondly, of appropriations from this same chapter enabling the appropriations for recruitment expenditure and for current administrative expenditure to be increased.

Chapter 99 made it possible to finance, by means of transfers to the chapters in question, certain expenditure which had not been specifically provided for.

2.1.1. The object of the transfers from Chapter 98 was to increase the expenditure on (or in favour of) :

2.1.1.1. - firstly (and principally) :

- remuneration adjustments (T.1 and 4)	13.0 m.u.a.
- rental and fitting out of the Commission's new building in Luxembourg (T.2)	0.9 m.u.a.
- the functioning of the OTTAWA delegation and of the LIMA office (T.2)	0.2 m.u.a.
- statistical studies and surveys (T.2)	2.0 m.u.a.
- a supplementary information programme (T.2)	0.8 m.u.a.
- EEC participation in combating poverty (T.3)	2.5 m.u.a.
- studies on the development of the employment market (T.3)	0.2 m.u.a.
- the European Centre for Vocational Training (T.3.)	0.4 m.u.a.
- agricultural research and participation in combating swine fever (T.3)	1.0 m.u.a.
- the foundation for the improvement of living and working conditions (T.3)	0.1 m.u.a.
- scientific and technical information and documentation (T.3)	1.8 m.u.a.
- financing the supplementary budgets of the European Schools (T.4)	0.6 m.u.a.
- conventions between the EEC and UNRWA (T.9)	1.2 m.u.a.

for which the appropriations provided for in the initial budget were unblocked wholly or in part as and when decisions were taken and needs arose.

2.1.1.2. - <u>secondly</u> :		
- the setting up in Cardiff and Edinburgh of two branches of the London Information Office (T.2.) (approved by Council on 17 November 1975)		0.1 m.u.a.
- the increase in the monetary compensatory amounts for intra-Community trade (T.7) (under open transfer, approved by Council on 3 December 1975)		8.7 m.u.a.
It should be noted that all the appropriations to Chapter 98 have been used , namely		33.5 m.u.a.
2.1.2. <u>The transfers from Chapter 99</u> break down as follows :		
- increase in appropriations for restaurants, mess and canteens (T.1) (approved by Council on 10 July 1975)		0.02 m.u.a.
- increase in appropriations for rental of buildings and current administrative expenditure (T.2) (approved by Council on 15 July 1975)		2.20 m.u.a.
- increase in appropriations for expenditure on publishing and information (of which 0.05 m.u.a. was for the Office for Official Publications) (T.2.) (approved by Council on 18 December 1975)		0.30 m.u.a.
- financing a research programme in the textile field (T.3.) (approved by Council on 10 July 1975)		0.07 m.u.a.
- Contribution to the FAO for combating foot-and-mouth disease outside the Community (T.3) (approved by Council on 9 December 1975)		0.30 m.u.a.
- Contribution to the Foot-and-Mouth Institute at Ankara (T.3.) (approved by Council on 18 December 1975)		0.08 m.u.a.
- EEC participation in the implementation of the international cocoa agreement (T.4.) (approved by Council on 20 May 1975)		0.02 m.u.a.
- Increase in appropriations for organizing seminars within the framework of development aid (T.9) (approved by Council on 21 April 1975)		0.01 m.u.a.
The total appropriations to Chapter 99 used amounted to (excluding 0.5 m.u.a. levied under supplementary budget no.1)		3.00 m.u.a.
2.2. <u>Other transfers between chapters</u>		
Apart from the appropriations transferred from Chapters 98 and 99, the transfers of appropriations between chapters break down as follows :		
2.2.1. <u>Within titles</u>		
- Title 2	:	0.04 m.u.a.
- Titles 6 and 7	:	181.00 m.u.a.
- Title 8	:	70.80 m.u.a.
2.2.2. <u>From one title to another</u>		
- from Title 1 to Title 7	:	10.30 m.u.a.
- from Title 2 to Title 7	:	14.30 m.u.a.
- from Title 8 to Title 6	:	62.50 m.u.a.

These transfers have resulted in the following modifications to the distribution of the authorized expenditure between the various titles of the Commission's budget :

in m.u.a.

Title	Appropriations after supplementary budget	Transfers between titles	Final appropriations for 1975
1. Expenditure on staff	186.6	(+) 1,3	187.9
2. Operating and other expenditure (chapter 29)	65.9	(+) 6.5	72.4
	393.1	(-) 14.4	378.7
3. Specific functions except Chapter 33 (R & I)	32.7	(+) 6.5	39.2
	101.2	-	101.2
4. Aids and subsidies	17.7	(+) 2.0	19.7
5. Social Fund ERDF	366.1	-	366.1
	150.0	-	150.0
6 & 7. EAGGF, Guarantee Section	4 240.5	(+) 95.8	4 336.3
8. EAGGF, Guidance Section	325.0	(-) 62.5	262.5
9. Food aid and Expenditure on co-operation with the developing countries Provisional	251.6	(+) 1.2	252.8
	36.5	(-) 36.5	-
Total	6 166.9	-	6 166.9

2.3. Transfers of appropriations within budget chapters

It will be seen from the following table that the Commission has effected transfers within chapters totalling 31.4 m.u.a., or 0.51% of its total appropriations. This low proportion is a tribute to the accuracy of the estimates made when the draft budgets were prepared.

Transfers within budget chapters during the financial year 1975 :

in m.u.a. and %

Title	Final appropriations 1975	Appropriations transferred within chapters within a title	
		Amounts	%
1. Expenditure on staff	187.9	5.85	3.11
2. Operating expenditure	451.1	2.84	0.63
3. Specific functions	140.4	0.14	0.10
4. Aids and subsidies	19.7	0.42	2.13
5. Social funds	366.1	-	-
E RDF	150.0	-	-
6 & 7. EAGGF, Guarantee Section	4 336.3	11.05	0.25
8. EAGGF, Guidance Section	262.5	4.83	1.84
9. Food aid and Expenditure on co-operation with the developing countries	252.8	6.28	2.48
Provisional	-	-	-
TOTAL	<u>6 166.9</u>	<u>31.41</u>	<u>0.51</u>

3. UTILIZATION OF THE AUTHORIZED EXPENDITURE OF THE COMMISSION DURING THE FINANCIAL YEAR 1975

Of the total appropriations for the financial year 1975, 97.4% (6 008.3 m.u.a.) was committed and 0.3% (17.7 m.u.a.) was cancelled. A request for the carrying over of 2.3% (140.9 m.u.a.) was submitted to the Council (1).

3.1. The authorized expenditure committed under the financial year 1975 thus amounts to 6 008.3 m.u.a., distributed as follows :

1. Expenditure on staff	: 187.7 m.u.a. or 99.9%	of the authorized expenditure		
2. Operating expenditure(2)	442.8 m.u.a. or 98.2%	" "	" "	" "
3. Specific functions	: 124.7 m.u.a. or 88.82%	" "	" "	" "
(including 97.4 m.u.a. under Chapter 33 - payment appropriations)				
4. Aids, subsidies and contributions	: 17.0 m.u.a. or 86.3%	" "	" "	" "
5. Social Fund	: 353.9 m.u.a. or 96.7%	" "	" "	" "
ERDF (payment appropriations)(3)				
6. EAGGF, Guarantee Section	: 4336.3 m.u.a. or 100%	" "	" "	" "
7. EAGGF, Guidance Section	: 149.0 m.u.a. or 56.8%	" "	" "	" "
8. Food aid and expenditure on co-operation with the developing countries	: 246.9 m.u.a. or 97.7%	" "	" "	" "

3.2. The cancellation of 17.7 m.u.a. derives from :

- Title 1 (mainly basic salaries, various allowances and mission expenses), to a total of 0.2 m.u.a. or 1.1% of the cancellations
- Title 2 (including Chapter 29, repayment of 10% of own resources - 4.6 m.u.a.), to a total of 7.9 m.u.a. or 44.7% of the cancellations
- Title 3 (including 1.4 m.u.a. for payment appropriations for research and investment), to a total of 2.2. m.u.a. or 12.4% of the cancellations
- Title 4, to a total of 2.7 m.u.a. or 15.3% of the cancellations
- Social Fund, to a total of 4.2. m.u.a. or 23.7% of the cancellations
- EAGGF, Guidance Section, to a total of 0.3.m.u.a. (4) or 1.7% of the cancellations
- Food aid and expenditure on co-operation with the developing countries, to a total of 0.2. m.u.a. or 1.1% of the cancellations

(1) For details, Annex 2

(2) Including repayment to Member States of 10% of own resources (374.1 m.u.a.) .

(3) The commitment appropriations of the ERDF amounted to 300.0 m.u.a. of which 299.8 m.u.a. or 99.93% have been committed.

(4) The Council has decided that appropriations not used shall be formally cancelled and entered in reserve in the remarks column of the EAGGF, Guidance Section, for Subsequent years until such time as they are actually used.

3.3. The carry-overs totalling 140.9 m.u.a. (1) are made up as follows :

- Specific functions	: 13.5 m.u.a. or 9.6% of the carry-overs
- Social Fund	: 8.1 m.u.a. or 5.8% of the carry-overs
- EAGGF, Guidance Section	: 113.2 m.u.a. or 80.3% of the carry-overs
- Food aid	: 5.7. m.u.a. or 4.0% of the carry-overs
- Miscellaneous	: 0.4 m.u.a. or 0.3% of the carry-overs

(1) under examination by the budgetary authority.

4. UTILIZATION OF APPROPRIATIONS CARRIED OVER FROM 1974 to 1975

4.1. Appropriations carried over than those relating to the EAGGF

Generally speaking, these carry-overs were used up largely in 1975 and the proportion of cancellations was small if one takes into account the "new carry-overs" of the Social Fund.

Broken down by budget titles, the utilization of the carry-overs was as follows :

in m.u.a.

Title	Appropriations carried over	Appropriations used	% used	New carry-over
1. Expenditure on staff	2.1	1.5	71%	-
2. Operating expenditure, except for Lump-sum reimbursement (chap. 29)	17.2	15.3	89%	-
3. Specific functions, except for Research and Investment	84.6	84.5	100%	-
4. Aids and subsidies	28.6	28.2	99%	-
5. Social Fund	14.2	13.4	94%	-
9. Food aid, except Developing countries	12.8	12.7	99%	-
	284.9	128.3	45%	154.8
	101.5	90.7	89%	-
	62.0	62.0	100%	-
Total	607.9	436.6	72%	154.8

4.2. EAGGF, Guarantee Section, appropriations carried over

The appropriations carried over under the head of the EAGGF, Guarantee Section, amounted to 827.3 m.u.a. , made up as follows :

- automatic carry-overs amounting to 465.5 m.u.a., of which 9.4 m.u.a. or 2% , was not used;
- carry-overs amounting to 361.8 m.u.a. authorized by the budgetary authority (of which 30.3 m.u.a. was transferred to Chapter 50) which were used in entirety.

4.3. EAGGF, Guidance Section, appropriations carried over

The Financial Regulation authorizes the automatic carry-over of these appropriations for a period of five years, and the carry-over of appropriations beyond this period with the agreement of the budgetary authority.

The figures set out below highlight the comparatively low rate of utilization of the appropriations carried over and the long time required for their implementation.

Chapter 80

1) Utilization of the appropriations carried over automatically from 1974 to 1975
in m.u.a.

YEAR	CARRIED OVER	PAID	% PAID	NEW CARRY-OVER
1974 non automatic	139.2	1.4	1.0	137.8
1974 automatic	265.7	43.8	16.5	221.9
1973	119.4	19.8	16.6	99.6
1972	143.1	25.0	17.5	118.1
1971	98.8	17.7	17.9	81.0
1970	72.2	19.7	27.3	51.8

2) Utilization of non-automatic carry-overs after more than five years

in m.u.a.

CARRIED OVER IN 1974 UNDER THE HEAD OF		AMOUNT	PAYMENT	
			AMOUNT	%
1966		0.16	0.05	31.3
1967		3.12	1.50	48.1
1968		8.57	3.50	40.8
1969		19.03	6.44	75.1
TOTAL		<u>30.88</u>	<u>11.49</u>	<u>37.2</u>

It has been requested that the following amounts be carried over to the financial year 1976 :

0.10 m.u.a. from 1966
 1.62 m.u.a. from 1967
 5.07 m.u.a. from 1968
 12.59 m.u.a. from 1969

Chapters 81, 82, 84 and 89

Carried over to 1975 under the head of	Non aut. automatic	Amount	Payment		New carry- over
			Amount	%	
Joint measures - Structure of Agriculture	non aut.	3.33	0.31	9.3	-
Joint measures - Marketing and processing of agricultural products	automatic	6.03	4.90	81.3	1.13
Groups of hop producers	non-aut.	0.09	-	0.0	0.09
Special measures	non-aut.	0.15	0.13	86.7	-
	non-aut.	2.10	1.56	74.3	-

B. GENERAL ASSESSMENT OF AND COMMENTS ON THE IMPLEMENTATION
OF THE EXPENDITURE OF
SECTION III (THE COMMISSION)
OF THE GENERAL BUDGET FOR 1975

(Analysis of the utilization of the appropriations by title and by chapter)

I. GENERAL ASSESSMENT

The main elements characterizing the implementation of the budget during the financial year 1975 may be set out in the form of :

- 1) a comparison between the estimates of appropriations opened in the initial budget for the financial year 1975 and the pace of their utilization in the form of commitments and payments.
- 2) the comments called for by this budgetary implementation, by title and by chapter

Before the analysis by title and chapter is commenced, some information of a general character which will facilitate an overall assessment of the utilization of the appropriations for 1975 will be given under a) and b) below.

a) Appropriations available during the financial year 1975

Appropriations available under the 1975 budget

<u>- The initial budget</u>	<u>u.a.</u>
The budget adopted on 12 December 1974 (1), provided for a total appropriation for the Commission of :	5 723 893 644
However, that amount included the following appropriations which could not be used immediately (because their utilization was conditional on a transfer to the appropriate budgetary lines) :	
non-allocated provisional appropriations (Chap. 98)	- 33 521 044
expenditure not specifically provided for (Chap. 99)	- 3 500 000
	<hr/>
Amount available at 1 January 1975	5 686 872 600
<u>- Supplementary budget no.1 (2)</u>	
Supplementary budget no.1, adopted on 29 April 1975, was instrumental in entering the following supplementary appropriations :	
- under Chapter 55 for the "European Regional Development Fund"	150 000 000
- under Chapter 29 :	2 129 416

(1) OJ No L 54 of 28 February 1975

(2) OJ No L 175 of 7 July 1975

- <u>Supplementary budget no. 2 (1)</u>	
Supplementary budget no. 2, adopted on 29 April 1975, was instrumental in entering the following supplementary appropriations :	
- under Chapter 94, for "International emergency aid" approved under the aegis of the United Nations for the developing countries worst affected by the crisis :	83 000 000
- under Chapter 29	1 178 277
- <u>Supplementary budget no. 3 (2)</u>	
Supplementary budget no. 3, adopted on 3 December 1975, was instrumental in entering the following supplementary appropriations :	
<u>Title 3</u> + 4 475 000 u.a. (Increase)	
Research Chap. 33 + 4 775 000)	
Chap. 39 - 300 000)	203 815 000
<u>Title 4</u> + 2 500 000 (bee-keepers))	
<u>Title 5</u> - 3 160 000 (Chap. 53))	
<u>Title 6 & 7</u> + 260 000 000 (EAGGF,)	
Guarantee Section))	
Title 9 - 60 000 000 (food aid))	
Chapter 29 :	2 887 844
Total appropriations available : initial budget and supplementary budgets nos. 1, 2 and 3	6 129 883 137
<u>Appropriations becoming available as a result of transfers from Chapters 98 and 99</u>	
The tables on pages 109 and 110 show the transfers made from Chapters 98 and 99. As will be seen from these tables (3), the following transfers were made :	
- transfers from Chapter 98	33 521 044 u.a.
- transfers from Chapter 99	3 500 000 u.a.
Total appropriations available for use in 1975 :	6 166 904 181 u.a.
<u>Appropriations available as a result of carry-overs</u>	
- automatic carry-overs (from 1974 to 1975)	1 251 269 357 u.a.
- non-automatic carry-overs (from 1974 to 1975)	599 642 548 u.a.
- Guidance Section carry-overs :	
- automatic (from financial years prior to 1974)	434 360 327 u.a.
- in excess of the five-year period	30 877 552 u.a.

(1) OJ No L 175 of 7 July 1975

(2) OJ No L 40 of 16 February 1976

(3) These tables also show transfers made to budgetary lines marked "token entry".

Transfers between chapters were responsible for a total movement of 375 464 636 u.a. (in net amounts per chapter, this figure must be reduced to 365 553 559 u.a.)

The transfers of appropriations between chapters break down as follows :

Title 1	: + 1 346 823 u.a.	Title 2	: - 7 841 081 u.a.
Title 3	: + 6 478 000 u.a.	Title 4	: + 1 978 247 u.a.
Titles 6 & 7	: +95 858 997 u.a.	Title 8	: - 62 500 000 u.a.
Title 9	: -35 320 986 u.a.		

From the tables on pages 109 and 110 it will be seen that :

- the appropriations to Chapter 98, amounting to 33 521 044 u.a., have been transferred out in entirety;
- the appropriations to Chapter 99, amounting to 3 500 000 u.a., have been transferred out in entirety.

b) Overall assessment of the utilization of appropriations in 1975

Annexes 2, 4 and 5 attached show the budgetary implementation in 1975 for each Chapter with regard to the appropriations for the financial year (Annex 2) and the carry-overs (Annexes 4 and 5).

An overall assessment shows the following situation :

- Implementation of the actual appropriations for the financial year 1975

Commitments entered into

The utilization of the commitment appropriations is high : it stands at about 96.5% of the whole of the Commission's budget. For six budget titles (Titles 1, 2, 5, 6, 7 and 9) the rate of implementation lies between 97 and 100%.

Thus the utilization of appropriations may be considered very satisfactory in these areas, subject to the comments which will be made later in this report.

With regard to Title 3.86% of the appropriation has been committed.

This percentage rises to 98% if one disregards the 11 m.u.a. (Article 321) for projects in the crude oil and natural gas sectors currently being examined by the Council authorities; the amount of 11 m.u.a. under Article 321 will be subject of a non-automatic carry-over to 1976.

With regard to Title 4, the commitments amount to 86.36%. If one disregards the non-committed appropriation under Article 402 (2.5 m.u.a. for aid to bee-keepers) implementation would have been 98.93%.

Title 5 (Funds) had an utilization rate of 97.62%.

For the Social Fund the rate was 96.65% and for the Regional Fund 99.94%.

Under Title 8 (Guidance), owing to the nature of the appropriations involved and the procedures laid down, a more modest proportion had been committed at 31 December 1975 : approximately 56.77%. The balance will be subject of a non-automatic carry-over or will be placed to reserve.

Payments made

The ratio of the payments made before 31 December 1975 to the commitments entered into is high in the case of Titles 1, 2, 3 and 4, owing to the nature of the operations involved.

On the other hand, the payments under Titles 5 and 8 (which involve operations of a multi-annual nature) are very low.

Titles 6 and 7 were implemented 100% if one takes into account advances granted to the paying agencies for which regularizations were made during the first three months of 1976.

Under Title 9 the implementation rate of 69.5% arose principally from Chapter 92 (Food Aid) for which the payments made represented 63.11% for the reasons explained in the comments below.

- Implementation of carry-overs from 1974 to 1975

Annexes 4 and 5 attached show respectively the utilization of the automatic carry-overs and the utilization of the non-automatic carry-overs in 1975.

Automatic carry-overs

The overall utilization of the automatic carry-overs was 68.71% (see Annex 4). However, it should be stressed that the automatic carry-overs are homogeneous in their composition : the normal carry-overs "live" only one year (this applies to all the budget titles with the exception of Title 8).

On the other hand, the appropriations carried over automatically under Title 8 may be carried over for five years (1) and are therefore not intended to be used at the end of the first year of the first year of carrying over.

If one disregards the appropriations carried over under Title 8, the rate of implementation of carry-overs in 1975 becomes 82.81%.

The more detailed comments which the utilization of these carry-overs calls for are made in the analysis appearing later in this report.

Non-automatic carry-overs

The utilization of the non-automatic carry-overs (see Annex 5) was 97.39% with regard to the commitments. The percentage for payments was 74.40%. However, if Title 8 (EAGGF, Guidance Section) is disregarded, the percentage of implementation in the form of payments becomes 97.35%

(1) In accordance with the provisions of Article 6 of the Financial Regulation, they may be carried forward non-automatically beyond the five-year period should this prove necessary.

2. TITLE 1 - EXPENDITURE RELATING TO PERSONS WORKING WITH THE INSTITUTION
EXPENDITURE ON STAFF
CHAPTER 10 - MEMBERS OF THE INSTITUTION
CHAPTER 11 - STAFF
CHAPTER 12 - ALLOWANCES AND EXPENSES ON ENTERING AND ON LEAVING THE SERVICE
AND ON TRANSFER

In spite of the constraints inherent in the management of staff, the implementation of the chapters relating to appropriations for staff proceeded satisfactorily in 1975. During the first half of 1975 the Commission took three kinds of measure :

- throughout 1975 it continually endeavoured to match its needs to its budgetary resources. It should be remembered that the budgetary authority was considering, on first reading, an overall reduction in the appropriations which the Commission had requested, basing this on the number of posts vacant at 1 August 1974;
- internal organizational measures were also taken in the light of the findings of the "screening group" and in view of the limited number of new posts granted in 1975 for fulfilling management tasks and instituting new actions;
- finally some measures of budgetary austerity were taken in order to limit the use made of auxiliary staff. On this last point, the measures taken could not make their effect fully felt because the Commission is at present structurally understaffed in personnel of grade B and, above all, grade C, and because of the Communities' methods of work (which necessitate adjustments to working hours to match the work schedules).

With regard to the occupation of posts authorized in the establishment plan, the situation has evolved as follows from 1974 to the end of 1975 :

- a) Under the 1974 budget (including amending budget no.1) the Council had authorized the creation of the following new posts :
- translation departments : 213 LA and 75 C
 - other departments : 127 posts (55 A, 22 B, 37 C, 13 D)
 - office for Official Publications : 10 posts (2 A, 7 B, 1 C)

The number of posts remaining vacant at the end of 1974 was only 110, thanks to a sustained recruiting effort by the Commission throughout 1974.

b) In connexion with the 1975 budget, the Council had authorized the creation of the following posts :

- translation departments : 200 LA, 73 B and C
- Computer Centre : 6 A, 15 B, 9 C
- technical functions (telecommunications): 60 C
- external offices : 1 A
- Office for Official Publications : 10 B, 4 C, 3 D

At the end of 1975 the posts vacant were as follows :

- translation departments : 210
- other departments : 107 (= 30 A
52 B
5 C
20 D)

This situation prompts the following three comments :

- leaving aside the translation posts, recruiting for which operates on different lines, these 107 vacant posts represent 1.6% of the Commission's total staff complement; this is one of the lowest rates recorded since 1958;

It must be emphasized that owing to the inevitable movements which occur (continuing recruitment, resignations, retirements, deaths, etc.) no establishment plan can ever be 100% filled;

- in addition, the Commission has once again drawn the attention of the budgetary authorities to the situation with regard to vacant "C" posts; the situation caused the Commission to request some new posts in the 1976 budget under the head of "structural understaffing";
- as for the translation departments, the rather large number of posts remaining vacant reflects difficulties in implementing decisions taken with regard to the stage-by-stage establishment of the comprehensive language service, especially in connexion with interpreters; it must be pointed out, however, that all the LA posts authorized under the 1974 budget had by contrast been filled within the proper time limits.

The combined result of all the factors just mentioned was that at the end of 1975 these staff appropriations formed only 5.3% of the appropriations available; it was possible for these appropriations to be used under the "open" transfer system approved by the Council last December for the EAGGF.

Chapter 13 - Expenditure relating to missions and duty travel

During 1975 the amounts of daily subsistence allowances for officials on mission were adjusted on the basis of Council Regulations No 711/75 of 18 March 1975 and 2577/75 of 7 October 1975. 84% of the appropriation to Item 1301 (Staff) was used. The fact that a margin of 16% remained unused was due partly to the cost of transport having risen less steeply than predicted and also, more particularly to the economy measures imposed by the Commission, notably in connexion with the use of first-class travel.

It should be noted, however, that part of the appropriations remaining available was used by means of a transfer under the system intended to increase the resources of the Guarantee Section of the EAGGF. Final utilization, in commitments, reached a rate of 96.64%.

Chapter 14 - Expenditure on social welfare and further vocational training of staff

97.31% of the appropriations to this chapter were committed. This was due principally to the fact that the Commission was able to commit the appropriations for laying out the all-purpose sports ground for the use of the staff of all the institutions in Brussels.

It was necessary to increase the appropriation for the Medical Service by means of an internal transfer of 30 000 u.a. in order to enable two radiography machines to be purchased for the departments in Brussels and Luxembourg.

Chapter 15 - Cost of organizing internal training courses

Although the appropriation to this chapter was increased by 73 000 u.a. by comparison with 1974, the number of salaried places on training courses granted to young university graduates remained at practically the same level (416 in 1975 as against 406 in 1974). This is due to the fact that it was necessary to increase the amount of the allowances in order to take account of the rise in prices.

3. TITLE 2 - BUILDINGS EQUIPMENTS AND MISCELLANEOUS OPERATING EXPENDITURE

Operating expenditure (Chapters 20, 21, 22 and 23)

Four factors dominated the implementation of the 1975 budget as far as operating expenditure was concerned.

- the effect of a full year's occupation of several buildings in Brussels the move into which had started during 1974.
- substantial rises in the cost of energy, postal charges and telephone charges,
- the concentration of the Commission's Luxembourg departments in the new "Jean Monnet" Building,
- the establishment of new external offices or branches in Ottawa, Edinburgh, Cardiff and Lima.

Chapter 20 - Immovable property investments

There were no appropriations to this chapter in 1975.

Chapter 21 - Rental of buildings and associated expenditure

Appropriations were committed to the extent of 98.59% in 1975. The commitments entered into represent 23.4 m.u.a., which, by comparison with the figure of 18.5 m.u.a. committed in 1974, is an increase of about 26.5%. The rise is due in the main to the four factors mentioned above.

The very sharp rise in the price of electricity caused the Commission to request an increase of about 0.9 m.u.a. to the appropriations to Chapter 21 by means of a transfer from Chapter 99 (Expenditure not specifically provided for).

The start of the move into the new Luxembourg building also necessitated a transfer in this case of 0.3 m.u.a., from Chapter 98 (Non allocated provisional appropriations) to increase the appropriations to this Chapter.

Chapter 22 - Movable property and associated expenditure

Appropriations were committed to the extent of 98.80%.

This rate of utilization, which represents an advance of about 8% on 1974, is very modest when one considers, firstly, the rate of inflation, and secondly, the accumulated delays in the replacement of worn-out equipment.

As a result of certain technical difficulties revealed by a study on the hiring of optical reading equipment, the purchase of special typewriters necessary for use with this equipment could not be effected and had to be carried over to 1976.

The Commission attaches great importance to this scheme; it should enable savings in staff to be made and make it possible to further rationalize some key sectors such as telexing. The appropriations allocated to the scheme were therefore made the subject of transfers and were used for the purchase of replacement furniture.

This procedure made it possible to speed up the programme of furniture replacement and in this way to wipe out some of the backlog which had accumulated in past years.

Chapter 23 - Current administrative expenditure

Appropriations were committed to the extent of 92.51%.

This represents an increase of about 20% in relation to the previous financial year if one disregards Item 2321 (Differences on exchange).

The growth of the appropriations is due, firstly, to very steep rises in postal and telephone charges as a result of decisions taken in these sectors by the authorities and, secondly, to the marked increase during the first half of the year in the different types of paper.

In order to meet these rises, it was necessary during the course of the year to take internal rationalization measures and also to obtain the budgetary authority's approval to an increase in appropriations to some items by transferring about 1.3 m.u.a. out of Chapter 99 (Expenditure not specifically provided for). Moreover, this increase in appropriations made it possible to make a transfer at the end of the year in favour of Article 234 (Damages) within the Chapter in order to enable an exceptional item of expenditure amounting to 171 923 u.a. and resulting from the decision by the Court of Justice against the

Commission in the "Comptoir National Technique Agricole" case to be charged against the appropriations for 1975.

It should be noted, with regard to Item 2321 (Differences on exchange), that the implementation of the 1975 budget did not give rise, as was the case in 1973 and 1974, to net losses on exchange in respect of the implementation of the budget as a whole; on the contrary, owing to the widening of the gap between real parities and budgetary parities in connexion with certain currencies and owing in particular to the origin of the revenue and the destination of the expenditure implementation of the 1975 budget produced a substantial profit on exchange (244.469 m.u.a.)

Chapter 24 - Entertainment and representation expenses

The appropriations (145 000 u.a.) provided for the Commission (Item 2400) proved quite insufficient and had to be increased by 65 000 u.a., or 45% of the initial appropriation, which was levied against the appropriation to Item 2401 (Staff).

It should be noted that, by a Commission decision taking effect from 31 January 1975, the rules governing officials' entertainment expenses - adopted on 26 April 1972 pursuant to Article 14 (2) of Annex VII of the Staff Regulations - were amended. As a comparison between the prices applicable in 1972 and those applicable in 1975 showed that there had been an increase of approx. 30%, the ceilings for maximum amounts reimbursable for official's entertainment expenses were raised by 25%.

The severe austerity measures imposed by the Commission on its departments (voluntary restraint by the directorates-general and departments both as to the number of invitations and the number of persons invited) nevertheless made it possible to meet the expenditure for the financial year with a surplus of about 6% of the total appropriation to Chapter 24.

Chapter 25 - Expenditure for formal and informal meetings

The utilization of the appropriations to this chapter shows an advance of about 18% in relation to 1974. This advance is due in particular to :

- the rise in transport prices,
- a full year's effect of the 20% increase in the daily subsistence allowance payable to experts which was approved during 1974,
- growth in the volume of activity by groups of experts and committees in particular sectors (agriculture, energy, etc.)

Chapter 26 - Expenditure on studies, surveys and consultations

The rate of utilization of appropriations, in commitments, was 96%. It will be recalled that the budgetary implementation of the appropriations to this chapter takes place under the supervision of the Advisory Committee on Commissioned Studies whose task is to rationalize and co-ordinate the use of appropriations and to prevent duplication of effort.

The Advisory Committee on Commissioned Studies held twelve meetings. Eleven of them were devoted either to examining study programmes for 1975 or to considering legal and technical problems inherent in its activity; the twelfth was reserved for examining the forecast study programme from the point of view of its contribution to the preparation of the preliminary draft budget for 1976.

It should be emphasized that the Committee, in the context of the favourable opinions which it gave, stated that it wished to see a reduction in the cost of studies in relation to a number of projects submitted to it during the year under review.

An examination of the accounting data given in the table shows that most of the appropriations falling to be cancelled were the result of a failure to commit appropriations in two sectors of activity :

- firstly, statistical studies and surveys (Article 264), because of the abandonment at the end of the year of some studies which had already been authorized in place of which other studies whose overall cost proved to be lower than the amounts initially provided for had been substituted;
- secondly, studies relating to regional policy, because of the exceptional circumstances attending the establishment of the Regional Fund and because of the specific problems inherent in the participation by national authorities in the financing of these studies.

The substantial disparity between commitments and payments is explained :

- firstly, by the very nature of the studies, in that the time needed for their completion exceeds the bounds of a financial year owing to the numerous formalities that must be complied with by the administrators of the appropriations before the contracts can be signed ;
- secondly, by the concentration of commitments around the end of the financial year which was still considerable despite the fact that the first batch of studies was authorized by the Commission at the end of February for appropriations subject to internal subdividing (Article 260 and 262) and in mid-March for specific appropriations.

SUMMARY TABLE SHOWING THE UTILIZATION OF APPROPRIATIONS FOR STUDIES,
POSITION AT 31 DECEMBER 1975

Budgetary line	Appropriations 1975	Commitments	Payments	Commitments percentage of appropriations
260 - Limited consultations, studies and surveys	980 990	933 408	356 879	95%
261 - Economic studies and surveys	1 285 822	1 276 008	411 184	99%
262 - Comprehensive community studies and surveys	1 147 753	1 137 538	322 535	99%
2630 - Studies provided for Art. 46(3), 1st indent	18 700	18 698	12 938	100%
2631 - " " " 2nd indent	45 200	45 177	17 751	100%
2632 - " " " 3rd "	230 100	229 932	73 768	100%
2633 - " " " 4th "	198 630	196 500	22 500	99%
- (Economic and social studies provided for in Article 46 of the ECSC Treaty)				
264 - Statistical studies and surveys	6 452 805	6 152 403	640 911	95%
2651 - Studies on safety techniques in the nuclear field	125 000	124 993	10 000	100%
2652 - Studies on technical assessments in support of Community activities	550 000	550 000	550 000	100%
266 - Regional studies at the request of Member States	300 000	182 607	30 194	61%
Total	11 335 000	10 847 264	2 448 660	95.70%

Chapter 27 - Expenditure on publishing and information

The rate of utilization of appropriations, in commitments, was 94.83%.

Appropriations to this chapter are intended to cover two distinct types of activity :

- a) publishing in general (though some publishing expenditure is effected by means of specific appropriations to operational chapters) :
- b) programmes for the dissemination of information.

a) expenditure on publishing

For publications, the expenditure on which is charged under Articles 270 (Official Journal) and 271 (Publications) of the budget, the appropriations committed in 1975 amounted to 6 307 744 u.a. as against 5 151 246 u.a. committed in 1974.

This increase, of 22%, is due to the rise in the cost of publishing the Official Journal. The increase in the latter cost compared with 1974 was 33% and reflects not only rises in the price of paper and labour but also the ever-increasing growth in the number of pages published (about 13% a year). It required transfers of 337 800 u.a. from other budgetary items relating to publications and of 299 042 u.a. right at the end of the year which represented the balance of appropriations available at that time on Chapter 99 of the budget (Expenditure not specifically provided for).

By contrast, appropriations committed for other publications increased by only 5% over the preceding year, which means, in fact, in these inflationary times, that there was a reduction in real terms in the volume of those publications.

b) expenditure on the dissemination of information

For the information programme, the expenditure on which is charged under Articles 272 (Expenditure on the dissemination of information and on participation in public events) and 273 (Dissemination of information to young people), the appropriations committed in 1975 amounted to 5 951 419 u.a. as against 4 712 464 u.a. committed in 1974, an increase of 27%.

The appropriations for 1975 have thus made it possible :

- firstly, to implement the normal information programme as communicated by the Commission to the budgetary authority (see Doc. X/651/74-E);

- secondly, with the help of an additional appropriations of one m.u.a. authorized by Parliament, to launch a complementary programme (see Doc. SEC (75) 1084) to give the general public more information about the effects of Community activities on daily life and to step up the flow of information to third countries.

The Okinawa International Exhibition (20 July 1975 to 18 January 1976), in which the Community participated, took place during the financial year 1975. The cost of this participation was covered as to 99 499 u.a. by a non-automatic carry-over from 1974 to 1975 and as to 252 000 u.a. by transfer to Item 2721 (Participation of the Communities in international exhibitions) within the framework of the budgetary appropriations for 1975.

Chapter 29 - Other expenditure

The appropriations to this chapter are intended to cover the lump-sum repayment to Member States of costs incurred in collecting their own resources. The final rate of utilization of appropriations was 98.79%.

An appropriation of some 18 m.u.a. remained available : from this appropriation an amount of 14.339 m.u.a. was transferred to the EAGGF, Guarantee Section, under an "open transfer" approved by the budgetary authority on 3 December 1975.

4. TITLE 3 - EXPENDITURE RESULTING FROM THE PERFORMANCE BY THE INSTITUTION OF SPECIFIC
=====

FUNCTIONS
=====

Chapter 30 - Expenditure in the social sector

The rate of utilization of appropriations, in commitments, was 93.86%, or 4.692 m.u.a. out of 4.999 m.u.a.

It should be pointed out that 3.108 m.u.a. was transferred during the year from chapter 30, to three different budgetary lines :

- European Centre for the Development of Vocational Training
(Berlin) 408 000 u.a.
- Programme of research and action on the performance of the
employment market 200 000 u.a.
- Measures to combat poverty 2 500 000 u.a.

Almost the whole of the non-utilized appropriation occurs under Article 309 (Aid to workers made redundant in the Italian sulphur mines) where 80 000 u.a. out of 350 000 u.a. has been spent.

A fourth transfer, submitted for approval towards the end of the year (Item 3051- Housing for handicapped persons) and relating to 450 000 u.a. was not approved by the Council because a decision of principle could not be reached.

Chapter 31 - Expenditure in the agricultural sector

The appropriations to this chapter were used to the extent of 93.69%. This use enabled the following measures to be undertaken:

a) Veterinary measures

In 1975 the Community's participation in the protection of Community livestock against epidemics took two forms :

- firstly, the provision of vaccines to combat foot-and-mouth disease outside the Community (344 000 u.a., under Item 3103);
- secondly, Community participation in the campaign against African swine fever; this participation, in conformity with the Council decisions of 28 December 1972 and 9 December 1974, entails collaboration with research bodies on the Iberian peninsula (686 932 u.a., under Item 3102).

b) Agronomic research measures

1975 saw the creation of the permanent inventory of agronomic research (cost : 741 895 u.a., under Article 314) which will enable the national research programmes to be co-ordinated and will, at the same time, reveal any lacunae that may exist and which could be filled by Community programmes.

c) Miscellaneous measures

- continued operation of the Community accountancy data network, to meet the information requirements of the common agricultural policy (648 250 u.a. under Article 313),
- continuation of Community measures to check that seedlings and seeds are marketed correctly (Item 3122).

Chapter 32 - Expenditure in the industrial and energy sectors

Article 321 - Community projects in the crude oil and natural gas sectors

The rate of utilization of the appropriations for the year, in commitments, was 55.66%.

Because of the close overlapping of appropriations brought forward from 1974 and appropriations authorized in 1975 in these sectors, a summary of the utilization of these appropriations is given below.

The Council decided at its meeting on 19 December 1974 to grant financial aid amounting to 40 997 159 u.a. pursuant to Regulation 3056/73. However, only an amount of 38 914 816 u.a. could be committed as some contractors refused the Community's contribution to the realization of their projects.

Out of the 38 914 816 u.a. committed during 1975, 25 466 715 u.a. was actually paid out during the same year, representing 65.44% of the Community's financial support.

The commitments and payments for 1975 break down as follows (in u.a.) :

	<u>Appropriations</u>	<u>Commitments</u>	<u>Payments</u>
- appropriations brought forward (ex. Art. 393)	25 000 000	25 000 000	25 000 000
- Article 321 (1975 budget)	25 000 000	13 914 816	466 715

It should be noted that the balance of appropriations remaining unused in 1975 will be the subject of a request for non-automatic carry-over, to an amount of 11.085 m.u.a.

The latter amount, together with the appropriations provided under the 1976 budget, will be used to cover the Community's financial contribution to projects adopted on a proposal from the Commission and is, at the close of the financial year, being examined by the Council authorities.

Chapter 33 - Expenditure on research and investment

1. Movement of appropriations in 1975

The movement of appropriations in 1975 was affected by the adoption of two supplementary budgets (nos. 1 and 3).

The first supplementary budget, adopted on 29 April 1975 (1), is the budgetary reflection of the research programme "Plutonium recycling in light-water reactors" approved by the Council on 17 December 1974. It entailed the opening of 1.110 m.u.a. in commitment appropriations and 0.500 m.u.a. in payment appropriations.

Because of a lack of funds, especially in the JRC staff expenditure sector, the Commission submitted to the Council a preliminary draft amending budget designed to cover these needs. Pending definitive adoption of this budget by the budgetary authority, the Directorate-General of the JRC introduced an austerity plan and blocked certain specific appropriations in order to avoid any possibility of overspending.

Amending and supplementary budget no. 3/1975 (2), adopted on 3 December 1975, was intended, as far as Chapter 33 is concerned :

- a) to make good a shortage of appropriations to the JRC in the staff expenditure sector,
- b) to institute new activities at the establishment at Petten, which had been approved by the Council on 25 August 1975,

(1) This supplementary budget was intended principally to open appropriations for the Regional Fund.

(2) This supplementary budget was concerned principally with appropriations necessary for the EAGGF, Guarantee Section.

c) to finance the multi-annual programme approved by the Council on 26 June and 22 August 1975 in the field of energy research.

This budget entailed the opening of 7.865 m.u.a. in commitment appropriations and 4.775 m.u.a. in payment appropriations.

2. Utilization of the appropriations

With regard to the budgetary implementation of the JRC appropriations, efforts aimed at improving the financial systems within the Centre have been continued. On another matter, it has been found that the present structure of the functional budget is too cumbersome and too obscure.

The Commission therefore intends to include some provision for structural modifications within the scope of the Financial Regulation at present in force when it draws up its preliminary draft budget for 1977.

As for the implementation of the budget proper, out of the commitment appropriations opened in the 1975 budget (80.679 m.u.a. including supplementary budgets), to which must be added the commitment appropriations in existence at the close of the financial year 1974 (16.777 m.u.a.) and the appropriations (approx. 5.0 m.u.a.) opened for contracts with outside bodies, an amount of 83.944 m.u.a. was committed. This represents 86.14% of the total commitment appropriations available for the financial year 1975.

With regard to the payment appropriations opened in the budget, (including the supplementary budgets), totalling 101.230 m.u.a., an amount of 77.449 m.u.a., or 76.51 % of the appropriations opened, was used.

Chapter 34 - Expenditure relating to safeguards

The rate of utilization of appropriations, in commitments, was 77.17%.

An amount of 0.137 m.u.a., or 22.83% of the total, fell to be cancelled. This was the result of delay in invoicing the expenses incurred by the various laboratories for sampling and analysis and in setting up the system of inspection of the nuclear plants on the territory of the Member States.

Chapter 35 - Expenditure on environmental matters and on health protection

Against the available appropriation of 1.871 m.u.a. an amount of 1.701 m.u.a., representing 90.87% was committed. All the measures envisaged were implemented.

It should be pointed out, however, that of the 600 000 u.a. provided under Chapter 98 for launching the Foundation for the improvement of living and working conditions (Dublin), 97 000 u.a. had been the subject of a transfer from Chapter 98 to Chapter 35. But contrary to the forecasts made in this connexion, this appropriation remained unused at the end of December, as it was not possible for the Foundation to commence operations in 1975.

Chapter 36 - Expenditure on the dissemination of scientific and technical information and on the management of that information

The rate of utilization of the appropriations entered in this chapter was 99.93%.

These appropriations made it possible to continue the measures for the dissemination and management of scientific information and, in particular, the dissemination of scientific knowledge, source material research and the lodging of patents; the appropriations also made it possible to launch the necessary studies for the physical telecommunications network to be established in collaboration with the national post and telecommunications authorities.

Chapter 38 - Loan of services between institutions

Within Chapter 38 only Article 381 (Joint interpreting service) received an appropriation, this was to cover the services provided by interpreters of the European Parliament in meetings requiring the services of interpreters organized by the Commission in Luxembourg.

The authorized appropriation of 300 000 u.a. was used 100%.

Chapter 39 - Other expenditure resulting from the performance by the Institution of specific functions

The rate of utilization of appropriations, in commitments, was 98.5%.

Article 390 - Measures in the technological sector

It was possible to launch the research programme in the textile sector, adopted by the Council on 14 April 1975, with the aid of a transfer of 70 000 u.a. from Chapter 99.

This amount, which was committed in entirety in 1975, is the first instalment of the three-year programme the total cost of which is estimated at 250 000 u.a.

Article 391 - Expenditure on the scientific and technological programme

The use of 98.27% of the appropriations entered under this article made it possible to continue the studies in the fields of energy, metallurgy, the prospects of "Europe + 30", scientific policy and in medical research and town planning.

Article 392 - Expenditure on educational measures

The Committee on Education having completed its work, a programme of action aimed at "the education of children of migrant workers" and the implementation of other educational measures was drawn up but will not be executed until 1976. For this reason no expenditure was charged to this article in 1975 (an the amount provided for this purpose under Chapter 98 has not therefore been transferred to Article 392).

5. TITLE 4 - AIDS, SUBSIDIES AND FINANCIAL CONTRIBUTIONS

=====

Chapter 40 - Aids

The rate of utilization of appropriations, in commitments, was 16.42%. This very low rate of use arises from the fact that only the appropriations to Article 400 could be used the financial year; the appropriations to Article 402 could not be used.

a) Article 400 - Community aid to disaster victims

The appropriations entered under this article, which amounted to 600 000 u.a., were used for three sets of measures :

- 259 000 u.a. to UNICEF for aid to Vietnamese refugees,
- 100 000 u.a. to the league of Red Cross societies for the victims of the Turkish earthquake,
- 150 000 u.a. for refugees from Angola.

The balance of 91 000 u.a. fell to be cancelled.

b) Article 402 - Aid to bee-keepers

Under supplementary budget n° 3, adopted on 3 December 1975, an appropriation of 2.5 m.u.a. was entered in Article 402. Because of the extremely short time remaining before the end of the financial year and the impossibility of obtaining the necessary legal sanction for effecting that expenditure within the time available, the appropriation in question remained unused.

Chapter 41 - Subsidies and financial contributions

The rate of utilization of appropriations, in commitments, was 94.12%.

The appropriations committed in 1975 amounted to 0.801 m.u.a., as against 0.736 m.u.a. committed in 1974, a rise of about 9%. The increase reflects :

- firstly, the first contribution of about 0.1 m.u.a. to the accelerated training programme for interpreters organized under the aegis of the standing conference of heads of university translating and interpreting faculties in order to meet the present shortages in respect of certain linguistic combinations (Article 416 - Contribution to a specific accelerated training programme for interpreters);
- secondly, a certain reduction in the number of other subsidies and aids granted, the individual amounts of which however have in some cases had to be increased to take account of inflation.

Chapter 42 - Subsidies for balancing budgets

The appropriations to this Chapter are intended to cover :

- the subsidy necessary to balance the revenue and expenditure of the special budget of the Euratom Supply Agency (Article 420),
- the administrative expenditure of the headquarters of the European Association for Co-operation (Article 421),
- the subsidy necessary for the operation of the Community Business Co-operation Centre (Article 422).

The expenditure of Articles 420 and 421 comprises not only the operating expenses proper but also the expenditure on staff assigned to the Supply Agency and the EAC. On the other hand, the expenditure on staff assigned to the Community Business Co-operation Centre is included in the expenditure of Chapter 11 .

The movement of appropriations on the one hand and of their utilization on the other was as follows :

	<u>Art. 420</u>	<u>Art. 421</u>	<u>Art. 422</u>
- initial appropriations	295 000	878 000	57 000
- transfers from Chap. 98	<u>23 200</u>	<u>70 600</u>	<u>-</u>
	318 200	948 600	57 000
- 1975 expenditure	<u>299 756</u>	<u>932 574</u>	<u>48 083</u>
- remaining available	18 624	16 026	8 917
- rate of utilization of the authorized appropriation :			
by article	94.15	98.31	84.36
for the chapter as a whole		96.68	

Chapter 43 - European Schools

The expenditure of this chapter is intended to subsidize the budgets of the European Schools (which are approved by the Board of Governors of the European Schools) and in this way to balance the revenue and expenditure of those budgets.

The necessity for granting subsidies to the Schools arises from the following facts:

- the pay of teachers seconded to the Schools by Member States is covered by the latter only to the extent laid down by the relevant provisions of each country which differ one from the other. Therefore this pay must be adjusted to a uniform level.

In this connexion it should be emphasized that the expenditure on the pay of all the staff of the Schools (teaching and non-teaching staff) constitutes 85 to 90% of the budgets. The remaining 15 to 10% is required to cover current administrative expenditure and expenditure on equipment;

- taking into account the amounts paid by Member States to the teaching staff, the Schools' own revenue covers only about 30% of their needs.

With regard to the implementation of the Schools' budgets, it should be noted that each one is the subject of separate management.

The movement of the appropriations of this chapter and the utilization of those appropriations was as follows :

- initial appropriations	12 329 900 u.a.
- transfers from Chapter 98	+ 1 862 547 u.a.
	<hr/>
	14 192 447 u.a.
- 1975 expenditure	14 192 447 u.a.
- rate of utilization of authorized appropriations	100%

Chapter 44 - EEC participation in the administrative expenditure of international agreements

The rate of utilization of appropriations, in commitments, was 100%.

The appropriations committed in 1975 amounted to 0.216 m.u.a., as against 0.081 m.u.a. committed in 1974, the reason for the increase being the considerable rise in the Communities' contribution to the administrative budget of the International Wheat Council (Article 440 - Implementation of the international agreement on wheat); this necessitated the transfer of an appropriation of 106 000 u.a. from Article 441 (Implementation of the international arrangements on olive oil). This appropriation was available because the Community had not decided whether to ratify the agreement in question.

6. TITLE 5 - EXPENDITURE RELATING TO THE SOCIAL FUND AND THE REGIONAL FUND
 =====

I. THE SOCIAL FUND

A. Chapters 50 and 51 - Expenditure under articles 4 and 5 of the Council Decision of 1 February 1971 on the reform of the European Social Fund.

As regards the actual appropriations for the financial year 1975, the implementation of the budget made possible the almost total utilization, in commitments, of the appropriations to Chapter 51 (Article 5) and left a surplus balance of 30 m.u.a. on Chapter 50 (Article 4).

This balance, arising from the non-automatic carry-over of 51 m.u.a. from 1974 to 1975, authorized on 22 September 1975, was transferred to the EAGGF, Guarantee Section, under an "open transfer" approved at the end of the year.

The table below shows the utilization of appropriations in commitments in 1975.

Heading	Appropriations authorized	Commitments at 31.12.75	Rate of utilization
<u>Chapter 50</u> - Expenditure under article 4 of the Council Decision of 1 February 1971 on the reform of the European Social Fund.	161.4 (*)	129.9	80.5%
Chapter 51 - Expenditure under Article 5 of the Council Decision of 1 February 1971 on the reform of the European Social Fund	245.-	241.9	98.7%
Total	406.4	371.8	91.5%

(*) including 51.4 m.u.a. which was the subject of a non-automatic carry-over from 1974 to 1975.

The factors influencing the utilization of appropriations in 1975 were as follows :

- 1) Opening up of Article 4 to measures to assist young people under 25 seeking employment (Council Decision of 22 July 1975). For this new type of measure 35.3 m.u.a. was committed in 1975 against the appropriations for the financial year.

- 2) Uncertainty as to the Council's intentions with regard to the Commission's proposal that interventions under Article 4 should become applicable to operations of structural adjustment (so-called "anti-crisis" measures).

A first proposal, submitted on 16 April, was not finally enacted until the decision of 22 July making assistance from the Fund available for operations to assist young people (see above). A second proposal, submitted on 8 October, was finally rejected by the Council on 18 December 1975. There was therefore some uncertainty during the first part of the year as to what new applications were possible in view of the decisions that might be taken on these proposals.

- 3) Importance of releases

These releases, which are not known about until nearly the end of the financial year and are operated at the request of the recipient agencies against commitments entered into earlier in the financial year, have the effect of placing corresponding sums at the disposal of the Fund for re-commitment before the end of the year. This phenomenon contributed an additional element of uncertainty to the management of the Fund (forecasting of appropriations available, determination of priorities). These releases represent programmes wholly or partly cancelled or carried over. In 1975 they reached almost 45 m.u.a. in all : 15.2 m.u.a. for Chapter 50 (Article 4) and 29.7 m.u.a. for Chapter 51 (Article 5).

- 4) Accumulation of administrative work in the last four months of the year in the case of the following operations :

a) payments against automatic carry-overs from the previous year in respect of which the majority of the applications for payment had not been received before September. This carry-over from 1974 to 1975 accounted for 206 m.u.a.

b) Commitment and payment against the non-automatic carry-over of 51.4 m.u.a. approved by the Council on 22 September 1975.

In fact, this carry-over was committed only to extent that it could be paid before the end of the year, in accordance with the Financial Regulation. Therefore 30.3 m.u.a. was available for transfer to the EAGGF under the "open transfer" system.

c) Commitment of appropriations corresponding to the aid agreed following meetings of the Fund Committee on 24 October and 28 November 1975. These commitments amounted to 184 m.u.a. out of the 372 m.u.a. committed under the head of 1975 appropriations (including the non-automatic carry-over), in other words about one half.

The accumulation of work at the end of the financial year was quite beyond the material resources of the Fund department, bearing in mind its shortage of staff. The Council's extension by one year of the period of validity of the appropriations carried over automatically from 1974 to 1975 adds to the difficulties of 1976, a year in which payment will have to be made of :

- the 1974 carry-overs, extended by one year, amounting to 155 m.u.a.;
- the commitments under the head of the 1975 appropriations, amounting to 345 m.u.a.

So 500 m.u.a. will have to be paid out in 1976 and to this one must add the first payments against appropriations for that year which, in order to meet the cash needs of some of the recipient bodies, will have to reach at least 40 m.u.a. But in connexion with this 540 m.u.a., only 77 m.u.a. will have been paid during the financial year 1975.

UTILIZATION OF THE SOCIAL FUND APPROPRIATIONS AT 31 DECEMBER 1975

	A		B	C	D	E
	1974 appropriations : carry-overs	1975 - appropriations : appropriations for the financial year				
<u>1974 appropriations</u>						
Automatic carry-over	Chap. 50 Chap. 51 Total	45.47 160.67 <u>206.14</u>	45.47 160.67 <u>206.14</u>	9.10 42.19 <u>51.29</u>	36.37 (a) 118.48(a) <u>154.85(a)</u>	
Non automatic carry-over	Chap. 50	51.36	21.01	21.01	-	30.35 (b)
<u>1975 appropriations</u>						
	Chap. 50 Chap. 51 Total	110 245 <u>355</u>	109 242 <u>351</u>	- 5.5 <u>5.5</u>	109 236.5 <u>345.5</u>	1 3 <u>4 (c)</u>
<u>1976 appropriations</u>						
	Chap. 50 Chap. 51 Total	170 270 <u>440</u>	(in 1974 ^d) (in 1975 ^d) (total) (en 1974 ^d) (en 1975 ^d) (en 1976 ^e)	15.97 31.00 <u>46.97</u> 16.02 90.00 <u>71.42</u> 177.44		
	Total	440		224.41		

- (a) Carry-over extended to 1976 by Council Regulation of 24 November 1975
- (b) Appropriation transferred to EAGGF, Guarantee Section, by decision of 3 December 1975 : 30.30 m.u.a.
- (c) Appropriation capable of being carried over non-automatically.
- (d) Under the head of the following commitment authorizations : 1974 1975
Chap. 50 20 45
Chap. 51 30 90
- (e) Agreed by the Commission under final series for 1975 on 22 December 1975.

B. Chapter 52 - Social Fund - Pilot schemes and preparatory studies

The appropriation of 900 000 u.a. was used in entirety. The expenditure actually amounted to 895 391 u.a.

C. Chapters 53 and 54 - The former Fund

The following is a summary of the utilization of the appropriations available in 1975 :

in m.u.a.

	<u>Item 5301</u> (Vocational retraining)	<u>Item 5302</u> (Resettlement)
a) initial appropriations for 1975	13.4	-
b) appropriations after supplementary budget n° 3	10.24	-
c) non-automatic carry-over from 1974	2.63	1.76
d) total b+c	12.87	1.76
e) utilization at 31 December 1975	4.79	0.10
f) unused balance for which carry-over may be requested	8.08	-
g) unused balance to be cancelled	-	1.66

II. REGIONAL FUND

Commitments

The rate of utilization of commitment appropriations was 99.94%.

In 1975 the Commission approved the first subsidies from the Regional Fund, to an amount of 299.8 m.u.a. The aid from the Fund was granted to 2183 investment projects of a total value of approximately 2426.4 m.u.a. and creating or maintaining 61 425 jobs.

This commitment of 299.8 m.u.a. was implemented in two instalments, of 160.5 m.u.a. and 139.3 m.u.a. respectively. The major part (60%) of the aid granted by the ERDF to Member States in 1975 was devoted to investments in infrastructures (of which nearly half was to projects worth less than 10 m.u.a. and about 8% to projects in mountain and hill farming regions); the rest was devoted to investments in industrial, craft or services activities.

The total endowment provided for the period 1975/1977 (1300 m.u.a.) had thus been used to the extent of 23% by 31 December 1975. However, when the same calculation is made for each Member State, contrasting situations are revealed: the rate of utilization of the total appropriation provided for the period 1975/1977 varies between 11% (Germany) and 58% (Luxembourg). These extreme values are due to the fact that examination of some of the projects submitted by Germany has been suspended pending definition of guidelines by the Regional Policy Committee. Luxembourg, on the other hand, submitted a large project which would have been difficult to divide up. All the other Member States show a utilization rate of around 24% (B: 21%, DK : 23%, F, IRE, I and UK : 24%, N : 25%).

Payments

Payments to 31 December 1975 amounted to 90.7 m.u.a. 61% of the payments were made under the head of investments in infrastructure. Italy was the greatest beneficiary, with 49% of the 1975 payments. It was followed by the United Kingdom (21%) and France (18%). No payment was made to Belgium or the Federal Republic of Germany.

The three tables that follow give a summary of :

- the utilization of commitment appropriations and payment appropriations (Table 1),
- the consumption of appropriations, by countries (Table 2),
- a detailed breakdown of the utilization of appropriations (Table 3).

TABLE 1

APPROPRIATIONS OF THE EUROPEAN REGIONAL DEVELOPMENT FUND

Summary of utilization of commitment appropriations and payment appropriations : position at 31 December 1975

in m.u.a.

Three-year endowment provided	Commitment appropriations opened in 1975	Payment appropriations opened in 1975	Commitments	Payments	Endowment to be entered in the budget	Commitment appropriations remaining from 1975	Payment appropriations available 1975	Commitments remaining to be cleared
1 300.000	300.000	150.000	299.825	90.668	1 000.000	0.175	59.332	209.157

APPROPRIATIONS OF THE EUROPEAN REGIONAL DEVELOPMENT FUND

Consumption of total appropriations at 31 December 1975, by countries :

in m.u.a.

Appropriations Member State	Endowment provided	Commitments entered at 31.12.75	Payments entered at 31.12.75	Commitment appropriations available 1975/1977	Commitments remaining to be cleared at 31.12.75
Belgium	19.333	4.044	-	15.289	4.044
Denmark	16.756	3.877	1.556	12.879	2.321
Germany	82.489	9.467	-	73.022	9.467
France	193.333	46.006	16.126	147.327	29.880
Ireland	84.000	19.928	6.996	64.072	12.932
Italy	520.000	123.989	44.296	396.011	79.693
Luxembourg	1.289	0.750	0.227	0.539	0.523
Netherlands	21.911	5.586	2.849	16.325	2.737
United Kingdom	360.889	86.178	18.618	274.711	67.560
TOTAL	1 300.000	299.825	90.668	1 000.175(1)	209.157

(1) - 1 000.000 = still remaining to be entered in the budget (1976 and 1977 budgets)

- 0.175 = commitment appropriation remaining from 1975

TABLE 3: DETAILED BREAKDOWN OF THE UTILIZATION OF APPROPRIATIONS, POSITION AT 31 DECEMBER 1975 in m.u.a.

Member State	TYPE OF PROJECT														STUDIES		TOTALS	
	Investments in industrial, craft or service activities for amounts equal to or greater than 10 m.u.a.		Investments in industrial, craft or service activities for amounts less than 10 m.u.a.		Investments in infrastructures for amounts equal to or greater than 10 m.u.a.		Investments in infrastructures for amounts less than 10 m.u.a.		Investments in infrastructures for amounts less than 10 m.u.a.		Investments in infrastructures in mountain and hill farming regions for amounts less than 10 m.u.a. (1)		Commitment	Payment	Commitment	Payment		
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16		
0																		
Belgium	0.607	-	0.286	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Denmark	-	-	0.623	0.388	-	-	3.254	1.168	-	-	-	-	-	-	-	-	1.556	
F.R. Germany	2.378	-	1.040	-	0.956	-	5.093	-	-	-	-	-	-	-	-	-	-	
France	1.117	-	17.632	0.297	-	-	23.378	11.950	3.879	3.879	-	-	-	-	-	-	16.126	
Ireland	-	-	13.242	3.511	-	-	6.686	3.485	-	-	-	-	-	-	-	-	6.996	
Italy	31.906	14.721	21.763	7.702	58.717	17.968	5.015	0.945	6.588	2.960	-	-	-	-	-	-	44.296	
Luxembourg	-	-	-	-	-	-	0.750	0.227	-	-	-	-	-	-	-	-	0.227	
Netherlands	-	-	-	-	5.300	2.777	0.286	0.072	-	-	-	-	-	-	-	-	5.586	
United Kingdom	17.948	7.961	11.366	1.024	11.075	-	41.551	9.633	4.238	-	-	-	-	-	-	-	18.618	
TOTAL	53.956	22.682	65.952	12.922	76.048	20.745	89.164	27.480	14.705	6.839	-	-	-	-	-	-	299.825	

(1) N.B. no appropriation was used in 1975 for an amount equal to or greater than 10 m.u.a.

7. TITLES 6 AND 7 - EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND
=====

GUARANTEE SECTION
=====

1. Causes of the financial difficulties experienced in 1975

For the Guarantee Section 1975 was marked by financial difficulties which, in the main, had a twofold origin.

The financial effect of the Council's decisions of February 1975 had been underestimated when the budget was prepared in 1974 and in the absence of ad hoc provisions this underestimate could not be balanced out by equivalent savings owing to the state of the economy.

The economic situation took an unfavourable turn on at least five markets or sectors : those of beef and veal, sugar, wine, tobacco and monetary compensatory amounts. The savings which it was possible to make in other sectors, such as milk products, were not sufficient to allow the budget to be implemented within the limits of the figure of 3 980 475 000 u.a. constituting the initial appropriations entered in the 1975 budget for Titles 6 and 7.

2. Adjustment of initial appropriations

The decisions taken in 1975 enabled the funds available for commitments to be increased in accordance with Article 107 of the Financial Regulation by 717 658 997 u.a., or 18.3% of the appropriations initially provided for under Titles 6 and 7.

- a) The Council approved a "non-automatic" carry-over of appropriations from 1974 to 1975 to an amount of 331 500 000 u.a. This carry-over was justified because delays had occurred in payments in 1974 in the olive oil, durum wheat, and beef and veal sectors;
- b) On 3 December 1975 the budgetary authority adopted supplementary and amending budget no.3 which contained the following increases in appropriations for the Guarantee Section :
 - 200 000 000 u.a. representing additional contributions from Member States to supplement the initial budget,
 - a transfer of appropriations from Title 9 (Food aid) to Titles 6 and 7 to an amount of 60 000 000 u.a.

- c) Also on 3 December 1975 the Council approved an "open" transfer to the Guarantee Section, consisting of certain appropriations which had remained unused in 1975 under budget titles other than Titles 6 and 7. Pursuant to this decision, an appropriation of 63 658 997 u.a. was transferred to the Guarantee Section.
- d) On 18 December 1975 the Council, which had been unable to accept the Commission's proposal that 50% of the cost of the Regulation of 27 February 1975 - the regulation introducing premiums for cattle rearing - should be charged to the Guidance Section (Title 8), approved a transfer of 62 500 000 u.a. to the Guarantee Section to cover this expenditure.

The advances which it was possible to grant to the paying agencies under the head of the financial year 1975 in application of Article 5 (2)(a) of Regulation EEC 729/70 amounted in total to 4 698 133 997 u.a.

In addition, the Council approved the final clearance of the accounts for 1971 and 1972 on 2 December 1975. As a result, an amount of 61 170 255.78 u.a. became available to reduce the expenditure of the year 1976, pursuant to Article 110 of the Financial Regulation.

3. Advances

The table that follows shows the monthly advances granted to the paying agencies.

The final column on the right shows, as a percentage, the relationship between the advance granted for the month and the amount - the theoretical monthly average - which would have had to be granted if the initial appropriations of 3 980.4 m.u.a. were not be exceeded ($\frac{3980.4}{12} = 331.7$ m.u.a.).

The table shows that the tendency to exceed the appropriations was constant throughout the financial year with the sole exception of February. The month of November was a special case : in view of the amount of appropriations available and the delay in the adoption of the supplementary budget it was not possible to grant an advance which would meet all the needs of the Member States; the advance was therefore limited to the balance available.

in m.u.a.

	Advance for the month			Cumulative total	as % of the theoretical monthly norm : $(1) \times 100$ 331.7
	Ordinary	Extraordinary	Total (1)		
Available at 31.12.74 + regularizations				146.5	
January	355.4	19.2	374.6	521.1	113%
February	263.2		263.2	784.3	79%
March	378.8		378.8	1163.1	114%
April	437.4	28.8	466.2	1629.3	140%
May	390.6		390.6	2019.9	118%
June	347.0	10.0	357.0	2376.9	107%
July	342.1		342.1	2719.0	103%
August	395.0		395.0	3114.0	119%
September	449.8	29.0	478.8	3592.8	144%
October	414.6		414.6	4007.6	125%
November	302.0		302.0	4309.6	91%
December	262.3		} 388.8	} 4698.1	117%
	62.9				
	63.6				

4. Analysis by sector

The initial appropriations - 3 980.5 m.u.a. - fell short of the sum required to cover total expenditure by 18.76%. This is the result of divergent movements in the different chapters of the EAGGF, Guarantee Section, since :

- the "savings" recorded for six budgetary chapters (variance in a positive direction column h_1 in the annexed table) amounted to 616.96 m.u.a.,
- whereas ten chapters had insufficient appropriations (variance in a negative direction : column h_2 of the table) to an amount of 1395.79 m.u.a.

4.1. Analysis of the chapters which produced savings

The savings recorded in the case of rice, pigmeat, eggs and poultrymeat, and products not covered by Annex II (1) were mainly the result of a more favourable trend than expected in the economy.

Those relating to oils and fats pose a problem since they are in large part the accounting reflection of delays in payment.

The savings recorded in the milk products sector (377 m.u.a.) are partly the result of a more favourable situation than expected with regard to butter but they also reflect very substantial storage of powdered milk, the cost of which will nonetheless be felt when these stocks are disposed of :

- the favourable situation for butter is reflected in a saving of 165 m.u.a. for the item "Storage", which is only partly counterbalanced by an increase in the charge arising from the application of aid to the consumption of butter (26 m.u.a.)
- events in the powdered milk sector had the following financial consequences :
 - . savings with regard to export refunds (188 m.u.a.) (2) because the quantities exported in 1975 were very low;
 - . savings with regard to aid to skimmed milk (in liquid or powder form) for animal feed (130 m.u.a.). Utilization for animal feed was lower than expected, hence the increase in stocks of dried milk.
- increase in expenditure under the item "Storage of skimmed milk powder" (39 m.u.a.).

(1) Refunds for agricultural products processed into goods not covered by Annex II of the Treaty.

(2) This is a global figure covering the whole of the milk and milk products sector; exports of butter have also diminished.

4.2. Analysis of the chapters which had insufficient appropriations

Cereals

The fairly low variance recorded (2.36%) is, in fact, the result of divergent movements on different budgetary lines :

- the trend of the world market for principal products was unfavourable and gave rise to expenditure which was generally in excess of the estimates (financial variance for Item 6000 , Export refunds : 95 m.u.a.),
- it was possible to counterbalance this additional expenditure with savings of an equivalent overall amount on the following lines :
 - . refunds to producers (73 m.u.a.), in respect of which there was a change in the regulations during 1975 (Regulation EEC 1955/75),
 - . end-of-marketing year allowances (19 m.u.a.),
 - . aid for durum wheat (58 m.u.a.), caused no doubt by delays in payment.
- storage expenditure was in line with the estimates.

Sugar

The main cause of the underestimate of 128% was the shortage in this sector in 1975. The financial effects of that shortage were :

- the appearance of some expenditure under the item "Export refunds"(38 m.u.a.), consisting chiefly of expenditure resulting from the application of compensatory amounts relating to ACP sugar imported into the Community (1).
- the application of import subsidies, which gave rise to additional expenditure of 152 m.u.a. under the item "Other interventions".

Beef and veal

The difficult situation prevailing in this sector in 1975 is reflected in an overspending on all the budgetary lines :

- export refunds : 47 m.u.a. shortfall in appropriations,
- intervention (public and private storage) : 335 m.u.a. shortfall in appropriations,
- premiums : additional expenditure of 179 m.u.a.

(1) Pursuant to Protocol No.3 of the Lomé Convention and Régulation 974/71 assimilating the compensatory amounts granted on trade with third countries to export refunds.

Wine

The expenditure on distillation gave rise to a variance of the order of 40 m.u.a. It should be noted, however, that not all the payments were made in 1975 and that an amount of about 80 m.u.a. remains to be paid against the appropriations for the financial year 1976.

Tobacco

The negative variance in this sector (62 m.u.a.) had a twofold cause : the harvest was more abundant than expected and there was an increase in premiums.

Accession compensatory amounts

The variance (166 m.u.a.) arises from the fact that the United Kingdom market was penetrated by the other Member States to a greater extent than expected.

Monetary compensatory amounts

The variance in this sector (300 m.u.a.) is due to the difficulties of estimating which are inherent in this sector. The following factors contributed to the overspending of appropriations;

- the depreciation of the pound;
- the making good of payment delays in one Member State;
- a certain degree of underestimating of trade flows.

SUMMARY TABLE SHOWING IMPLEMENTATION OF THE BUDGET IN 1975

Sector	Initial appropriations	Non-automatic carry-overs	Supplementary and amending budget no. 3	Transfers (1)	Definitive appropriations e = a+b+c+d	Final clearance of '71 and '72 accounts f(1000 u.a.)	Declared expenditure for the financial year g(1000 u.a.)	Variance between initial estimate and outturn			
								in m.u.a. (a-g)		% over-estimate $\frac{a}{g}$	% under-estimate $\frac{g}{a}$
								+ h ₁	- h ₂		
60 - Cereals	606.5	+ 57.5	- 30	- 15.3	618.7	+ 4 004	620.863	+ 25.463	- 14.363	600.97	2.36
61 - Rice	29.7		- 25	- 0.6	4.1	+ 262	4.237				
62 - Milk and milk products	1 526.85	+ 26	- 400	- 16.3	1 136.55	+ 23 096	1 149.774	+ 377.076		32.80	
63 - Oils and fats	342.03	+ 190	- 270	- 41.95	220.08	+ 19 713	231.424	+ 110.606		47.79	
64 - Sugar	135.6		+ 190	- 15.25	310.35	- 925	309.183		- 173.583		128.01
65 - Beef and veal	395	+ 53	+ 400	+ 139	987	- 174	979.962	+ 76.199	- 584.962		148.09
66 - Pigeat	130		- 75	- 1	54	+ 619	53.801			141.63	
67 - Eggs and poultrymeat	26		- 10	- 7.6	8.4	+ 69	8.391	+ 17.609		209.86	
68 - Fruit and vegetables	83.5			+ 4.5	88	+ 2 663	90.255		- 6.755		8.09
69 - Wine	99.2	+ 5	+ 105	- 83	126.2	+ 13 180	139.100		- 39.900		40.22
70 - Tobacco	166.4		+ 50	+ 12.2	228.6	+ 8	228.484		- 62.084		37.31
71 - Fisheries	2.5		+ 5	+ 1.9	9.4	+ 18	9.290		- 6.790		271.60
73 - Other COM	50.8		+ 5	+ 1.9	57.7	token entry	57.500	+ 10.011	- 6.700	45.12	13.19
74 - Non-Annex II (2)	32.2		- 15	+ 6.05	23.25	+ 793	22.189				66.78
75 - ACAs	248.8		+ 100	+ 66.2	415.0	-	414.959		- 166.159		285.46
76 - MCAs	105.4		+ 230	+ 75.4 (3)	410.8	- 2 156	406.272		- 300.872		
79 - Total provisional commitments	-		-	-	-	-	33.620		- 33.620		
TOTALS	3 980.48	+ 331.5	+ 260	+ 126.15	4 698.13	+ 61 170	4 759.304	+ 616.964	-1 395.788		19.57
								- 778 824			

(1) Total transfers for the financial year.

(2) Refunds for agricultural products processed into goods not covered by Annex II of the Treaty.

(3) Including the carry-over of 30.3 m.u.a. from the Social Fund under the open transfer system (3 December 1975).

8. TITLE 8 - EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND GUIDANCE SECTION
=====

1. Salient points

Three salient points should be mentioned in analysing the financial performance of the EAGGF, Guidance Section, in 1975 :

1. The reduction of the Fund's endowment from 325 to 262.5 m.u.a. in 1975, caused by the transfer of premiums for beef and veal to the Guarantee Section, and a volume of utilization in commitments (149 m.u.a.) at 31 December which was equal to 56.8% of the reduced figure of appropriations;
2. out of this 149 m.u.a., 108 m.u.a. was committed under the head of individual projects (first tranche, 1975). The second tranche of individual projects for 1975 (104.6 m.u.a.) was committed on 30 April 1976;
3. the difficulties encountered in using the Guidance Section appropriations for joint projects and in particular the problems connected with the reform of agriculture in the light of social and structural directives have not been resolved.

A comparison between the expenditure for 1975 provided for at different times and the outturn at 31 December (see the table that follows) shows that the time-lag has continued to grow. The delay is the more worrying because for the majority of Member States, apart from France and Italy, effective application should have started during 1974 and this should have led to the submission of repayment requests for substantial sums in 1975.

Expenditure in 1975

in m.u.a.

	Modernisation of farms	Cessation of agricultural activities	Dissemination of socio- agricultural information	Total
	(1)	(2)	(3)	
a) <u>Estimates made</u> (commitments)				
- in 1974	46.500	11.000	9.000	66.500
- in 1975	3.272	0.008	0.635	3.915
b) <u>Actual implementation</u>				
Commitments	0.966	0.008	0.463	1.437
Payments	0.966	0.008	0.463	1.437

(1) Council Directive No. 72/159/EEC of 17 April 1972
(OJ No. L 96 of 23 April 1972, page 1)

(2) Council Directive No. 72/160/EEC of 17 April 1972
(OJ No. L 96 of 23 April 1972, page 9)

(3) Council Directive No. 72/161/EEC of 17 April 1972
(OJ No. L 96 of 23 April 1972, page 16)

2. Change in distribution of the appropriations

The Council decided at its meetings on 15/16 and 18 December 1975 to change the distribution of appropriations to the Guidance Section for 1975 as follows :

a) transfer to Guarantee Section

The appropriations of 325 m.u.a. originally authorized for the Guidance Section were reduced by 62.5 m.u.a. This amount was placed at the disposal of the EAGGF, Guarantee Section, (beef and veal : premiums for the rebuilding of herds) by way of an exceptional measure for 1975.

b) financing of joint projects

Out of the 262.5 m.u.a. remaining, an amount of 49.9 m.u.a. (originally : 179.9 m.u.a.) was earmarked to finance joint projects and special measures.

c) financing of individual projects

The remainder of the appropriations, amounting to 212.6 m.u.a. (originally 145.1 m.u.a.) was earmarked for the financing of individual projects under Article 13 of Regulation 17/64 (EEC).

The Mansholt reserve was not increased in 1975. It remained at its level of 31 December 1974, namely 525 991 664 u.a.

3. Analysis of implementation of the budget in 1975

a) Individual projects

By 31 December 1975, 108 m.u.a. had been committed (= 51% of the appropriations authorized). A little less than one-third of this amount was intended for financing projects relating to improving production structures, while the other two-thirds were intended to finance projects related to the improvement of marketing structures. About 1.3% related to mixed categories.

No payment had been made by 31 December 1975.

Appropriations amounting to 104.6 m.u.a. remained available to finance individual projects and were the subject of a Commission decision following approval by the budgetary authority of non-automatic carry-over (1).

(1) The date by which the Commission had to take a decision with regard to the other aid applications submitted in respect of 1975 was postponed to 30 April 1976 by Council decision of 16 December 1975.

b) Joint projects and special measures.

The reduction in appropriations from 179.9 m.u.a. to 49.9 m.u.a. was due principally to the slowness and difficulty of implementing joint projects in the sector of reform of agricultural structures in line with socio-structural directives (3.9 m.u.a. of definitive appropriations in place of the initial 66.5 m.u.a.) and special measures (notably improvements in the citrus fruit sector) as well as the abandonment of the proposed directive relating to development operations in priority regions (50 m.u.a.).

With regard to the other joint projects (groups of hop producers, conversion in the cod-fishing sector, premiums encouraging the development of beef and veal production, statistical surveys on farm structures, premiums for the slaughter of cows and non-marketing of milk, premiums for uprooting fruit trees), the utilization of appropriations was in line with the estimates (42.5 m.u.a. instead of 40.4 m.u.a.).

c) Implementation of socio-structural directives

The table that follows shows that two Member States (France and Italy) had not implemented the three directives 159, 160 and 161 by the end of 1975. The directive on mountain and hill farming and farming in certain other disadvantaged regions was implemented in 1975 by only the United Kingdom and the Federal Republic of Germany. Several Member States (Denmark, the Netherlands, Germany, the United Kingdom) applied for repayment.

Socio-structural measures	Modernization of farms	Cessation of agricultural activities	Dissemination of socio-agricultural information	Mountain and hill farming
	(1)	(2)	(3)	(4)
Belgium	yes	yes	yes	no
Denmark	yes (*)	no, special permission	yes	no
France	no	no	no	no
Ireland	yes	yes	yes	no
Italy	no	no	no	no
Luxembourg	yes	yes	no, special regulation	no
Netherlands	yes (*)	yes (*)	yes (*)	no
Germany	yes (*)	yes (*)	yes (*)	yes
United Kingdom	yes (*)	yes (*)	yes (*)	yes

(1) Council Directive No 72/159/EEC of 17 April 1972 (OJ L 96 of 23 April 1972, page 1)

(2) " " No 72/160/EEC of 17 April 1972 (OJ L 96 of 23 April 1972, page 9)

(3) Council Directive No 72/161/EEC of 17 April 1972 (OJ L 96 of 23 April 1972, page 16)

(4) " " No 75/268/EEC of 28 April 1975 (OJ L 128 of 19 April 1975, page 1)

(*) The Member State has applied for repayment under this directive.

The three tables on the following pages show the main elements of the implementation of the budget of the EAGGF, Guidance Section, in 1975.

TABLE 1: UTILIZATION OF APPROPRIATIONS AT 31 DECEMBER 1975 (by Chapters)

in m.u.a.

Budgetary classification	Heading	Appropriations authorized		Utilized in commitments		Utilized in payments		Automatic carry-overs Col. 3 - Col. 5	Balance remaining (Col. 3 - Col. 2)	
		1975 appropriations (including supplementary budgets nos. 1, 2 and 3). Col. 1	1975 appropriations after transfers Col. 2	Commitments entered into, at 31.12.75 Col. 3	% utilized Col. 4	Payments made, to 31.12.75 Col. 5	% of commitments Col. 5 Col. 3		To be carried over non-automatically Col. 8	To be cancelled Col. 9
TITLE 8	EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND									
Chapter 80	GUIDANCE SECTION Plans for improving the structure of agriculture under Art. 13 of Reg. No. 17/64	145.140	212.600	107.995	50.80	-	0.00	107.995	104.605	-
Chapter 81	Joint schemes in the structural field (following Council Resolution of 25.5.71)	66.500	3.915	1.437	36.70	1.437	100.00	-	2.478	-
Chapter 82	Joint schemes in the field of marketing and processing of agricultural products (following Council Resolution of 25.5.71)	0.400	0.594	0.120	20.20	0.120	100.00	-	0.474	-
Chapter 83	Joint schemes in particular sectors	78.960	32.012	29.531	92.25	26.934	91.21	2.597	2.466	0.015
Chapter 87	Appropriations to cover expenditure on joint schemes and special measures	-	-	-	-	-	-	-	-	-
Chapter 88	Appropriations held back in previous financial years to finance the expenditure of Chaps. 81 to 83	token entry	token entry	-	-	-	-	-	-	-
Chapter 89	Special measures	34.000	13.379	9.929	74.21	9.929	100.00	-	3.195	0.255
	TOTAL OF TITLE 8	325.000	262.500	149.012	56.77	38.420	25.78	110.592	113.218	0.270
									113.488	

Table 2 : Implementation of the budget of the Guidance Section in 1975
(by articles and items)

Art.	Item	Nomenclature	1975 appropriations (including transfers effected)	Commitments entered into at 31.12.75	Payment to 31.12.75	Appropriations remaining Col.1-Col.2
			1	2	3	4
800		<u>CHAPTER 80</u> <u>Plans for improving the structure of agriculture under Art. 13 of Reg. No. 17/64</u>				
		Total of Article 800	212 600 000	107 995 034	-	104 604 966
		<u>TOTAL OF CHAPTER 80</u>	<u>212 600 000</u>	<u>107 995 034</u>	<u>-</u>	<u>104 604 966</u>
810		<u>CHAPTER 81</u> <u>Joint schemes in the structural field following Council Resolution of 25 May 1971</u>				
	8100	Modernization of farms	3 272 000	966 327	966 327	2 305 673
	8101	Cessation of agricultural activities and allotment of land for improvement of structures	7 555	7 553	7 553	2
	8102	Information and professional qualifications	634 945	463 041	463 041	171 904
	8103	Mountain and hill farming and farming in certain other disadvantaged regions	-	-	-	-
	8104	Areas afforested to improve agricultural structures	-	-	-	-
		Total of Article 810	3 914 500	1 436 921	1 436 921	2 477 579
		<u>TOTAL OF CHAPTER 81</u>	<u>3 914 500</u>	<u>1 436 921</u>	<u>1 436 921</u>	<u>2 477 579</u>
820		<u>CHAPTER 82</u> <u>Joint schemes in the field of marketing and processing of agricultural products (following Council Resolution of 25 May 1971)</u>				
	8200	Producer groups and their unions	-	-	-	-
	8201	Groups hop producers	594 200	120 156	120 156	474 044
	8202	Marketing and processing of agricultural products	-	-	-	-
		Total of Article 820	594 200	120 156	120 156	474 044
		<u>TOTAL of CHAPTER 82</u>	<u>594 200</u>	<u>120 156</u>	<u>120 156</u>	<u>474 044</u>

Art.	Item	Nomenclature	1975 appropriations	Commitments entered into at 31.12.75	Payments to 31.12.75	Appropriations remaining Col.1-Col.2
			1	2	3	4
830		<u>CHAPTER 83</u> <u>Fisheries sector</u>				
	8300	Conversion in the cod-fishing sector	2 610 000	2 596 662	-	13 338
	8301	Conversion in the deep-sea fishing sector	-	-	-	-
	8302	Conversion in the small-scale inshore fishing sector	-	-	-	-
		Total of Article 830	2 610 000	2 596 662	-	13 338
831		<u>Beef and veal sector</u>				
	8310	Premiums encouraging the development of beef and veal production	24 957 350	24 929 212	24 929 212	28 138
		Total of Article 831	24 957 350	24 929 212	24 929 212	28 138
832		<u>Fruit and vegetable sector</u>				
	8320	Statistical surveys on fruit trees	485 000	483 600	483 600	1 400
		Total of Article 832	485 000	483 600	483 600	1 400
833		<u>Priority regions sector</u>				
	8330	Statistical surveys on fruit trees	-	-	-	-
		Total of Article 833	-	-	-	-
	8340	Structure of farms sector	3 960.000	1 521 219	1 521 219	2 438 781
		TOTAL OF CHAPTER 83	32.012.350	29 530 693	26 934 031	2 481 657
870		<u>CHAPTER 87</u>				
	8700	Appropriations to cover expenditure connected with joint schemes and special measures	-	-	-	-
		TOTAL OF CHAPTER 87	-	-	-	-
880		<u>CHAPTER 88</u>				
	8800	Appropriations held back in previous financial years to finance the expenditure of Chps. 81 to 83	-	-	-	-
		TOTAL OF CHAPTER 88	-	-	-	-

Art.	Item	Nomenclature	1975 appropriations	Commitments entered into at 31.12.75	Payments to 31.12.75	Appropriations remaining
			1	2	3	4
		<u>CHAPTER 89</u>				
		Special measures				
890	8900	Groups of fruit and vegetable producers	3 000 000	9 214	9 214	2 990 786
		Total of Article 890	3 000 000	9 214	9 214	2 990 786
891	8910	Premium for the slaughter of cows and non-marketing of milk	3 000 000	2 796 018	2 796 018	203 982
		Total of Article 891	3 000 000	2 796 018	2 796 018	203 982
892	8920	Premiums for uprooting fruit trees	7 348 700	7 093 610	7 093 610	255 090
		Total of Article 892	7 348 700	7 093 610	7 093 610	255 090
893	8930	Improvements in the citrus fruit sector	-	-	-	-
		Total of Article 893	-	-	-	-
894	8940	Producer groups in the fishing industry	30 250	30 247	30 247	3
		Total of Article 894	30 250	30 247	30 247	3
		TOTAL OF CHAPTER 89	13 378 950	9 929 089	9 929 089	3 449 861
		<u>TOTAL TITLE 8</u>	262.500.000	149 011 893	38 420 197	113 488 107
			=====	=====	=====	=====

Table 3 - : Summary of all transfers between chapters in 1975

Chapter to which transfer made	Amount	Chapter from which transfer made	Amount
80 - Plans for improving structures			
82 - Joint schemes in the field of marketing and processing of agricultural products		81 - Joint schemes in the structural field	43 228 000
Art. 820 - Producer groups and their unions		Art. 810	
Poste 8201 - Groups of hop producers	200 000	Item 8100 - Modernization of farms	
83 - Joint schemes in particular sectors		Item 8101 - Cessation of agricultural activities and allotment of land for improvement of structures	10 992 445
Art. 830			
Item 8300 - Conversion in the cod-fishing sector	610 000	82 - Item 8102 - Information and professional qualifications	8 365 055
Art. 831 -		Art. 820	
Item 8310 - Premiums encouraging the development of beef and veal production		Item 8201 - Groups of hop producers	5 800
Art. 832 - Fruit and vegetable sector			
[65 - Beef and veal]		83 -	
	2 000 000	Art. 831	
	485 000	Item 8310 - Premiums encouraging the development of beef and veal production	42 650
	[62 500 000]		
		Art. 833 - Priority regions sector - Development operations in priority regions	50 000 000
		89 - Special measures	
		Art. 892 - Premiums for uprooting fruit trees	651 300
		Art. 893 - Improvements in the citrus fruit sector	19 000 000
		Art. 894 - Producer groups in the fishing industry	969 750

9. TITLE 9 - EXPENDITURE ON FOOD AID AND CO-OPERATION WITH THE DEVELOPING COUNTRIES
=====

AND OTHER EXPENDITURE
=====

The rate of utilization of appropriations was 97.64%.

Chapter 92 - Food aid

In 1974 the appropriations entered in Chapter 92 totalled 200 m.u.a.

In 1975 the initial appropriation entered in the budget was for 226 m.u.a.

As a result of the adoption of supplementary and amending budget no.3 on 3 December 1975 this amount was reduced to 166 m.u.a.

The reduction of 60 m.u.a. occurred as follows :

- 17 m.u.a. was transferred to the EAGGF, Guarantee Section, pursuant to Regulation 2681/74 (1) which stipulates that food aid expenditure corresponding to export refunds shall be borne by the EAGGF, Guarantee Section. The fall in world prices and the corresponding increase in refunds during the year made this transfer necessary.

- 42.4 m.u.a. became available as a result of a delay in the implementation of the skimmed milk powder and butter oil programmes. These programmes, which were not approved by the Council until 26 May and 16 June 1975 respectively, could not be committed in entirety before the end of the year owing to the time required for negotiating and implementing the contracts. This time-lag is now in the process of being wiped out and commitment of the complete programmes is being effected with the help of appropriations derived from the transfer from the EAGGF, Guarantee Section, of the 42.4 m.u.a. which had been "advanced" to it in 1975.

1) OJ L 288 of 25 October 1974

Of the commitments available for the financial year - reduced, as indicated above, from 226 to 166 m.u.a. - 160.3 m.u.a. has been committed and 101.2 m.u.a. has been paid. The difference of 59.1 m.u.a. is made up as follows :

- 38.5 m.u.a., the subject of an automatic carry-over under Article 6 (1) (c) of the Financial Regulation,
- 20.6 m.u.a. paid to Member States by way of advances and not used by them. This amount, which constitutes the cash resources of the intervention of the Member States, was the subject of an automatic carry-over under Articles 111 and 115 of the Financial Regulation.

The 5.7 m.u.a. not committed will be the subject of a proposal for a non-automatic carry-over.

In conclusion it may be pointed out that the accelerated rate of consumption of appropriations noted at the end of the second half of 1974 has continued in 1975, particularly as far as the making of payments is concerned. The milk and butter oil programmes nevertheless continued to show substantial arrears and this made possible the transfer of 42.4 m.u.a. to the EAGGF, Guarantee Section, at the end of the year.

The state of advancement of these programmes in March 1976 suggests that they will probably be completed in 1976.

Chapter 93 - Specific schemes for financial and technical co-operation with developing countries

I. Appropriations for the financial year 1975

The rate of utilization of appropriations, in commitments, was 95.64%.

1. General observations

The consumption of appropriations entered in this chapter under the head of the financial year 1975 reached a very satisfactory level : out of a total amount of 3.807 m.u.a. (including a transfer of 1.190 m.u.a. from Chapter 98 for UNRWA), 3.642 m.u.a. was committed.

The rate of consumption was therefore 95.64%.

2. Particular observations

The appropriations to Articles 930 (Expenditure resulting from conventions between the EEC and UNRWA - 2 567 000 u.a.), 931 (Measures to assist nationals from non-associated overseas countries - 130 000 u.a.) and 932 (Aid to the management of training institutions for nationals of developing countries - 100 000 u.a.) were committed in entirety.

Only Articles 933, 934, 935 and 936 warrant special comment :

Article 933 - Measures to assist the marketing of exports from non-associated developing countries on the markets of the Community (600 000 u.a.) 503 018 u.a. was committed in respect of this article. The balance of 96 982 u.a. falls to be cancelled. This balance was the result of negotiations between the authorizing departments and those responsible for implementing the measures, negotiations which made it possible to secure not inconsiderable savings on several of these measures by comparison with the estimates.

Article 934 - Measures intended to promote efforts at regional or sub-regional integration between developing countries (250 000 u.a.).

This appropriation was almost entirely used up (241 169 u.a. out of 250 000 u.a.).

Article 935 - Training of young executives for development aid work (60 000 u.a.)
No commitment was possible against these appropriations in 1975 because the Council had not acted on the Commission's proposals for the launching of the scheme.

Article 936 - Organization of seminars in connexion with development aid (100 550 u.a.).

This appropriation was committed to the extent of 100 486 u.a.

For the whole of Chapter 93 the payments made amounted to 1,653 m.u.a., or 45.39% of the appropriations committed.

The 1,988 m.u.a. not yet paid will be the subject of an automatic carry-over to 1976.

Chapter 94 - United Nations international emergency scheme to assist the developing countries most affected by recent movements in world prices.

The rate of utilization of appropriations, in commitments, was 99.88%.

Under supplementary budget no. 2/1975, adopted on 29 April 1975, Chapter 94 was allocated an amount of 83.000 m.u.a. The rate of consumption of these appropriations was very satisfactory : starting in May 1975, almost all the chapter's funds, viz. 82.900 m.u.a. were committed. (The remaining 100 000 u.a., representing a difference on exchange, was cancelled at the end of the year).

Payments made during 1975 amounted to 68.703 m.u.a.

The 14.197 m.u.a. not yet paid will be the subject of an automatic carry-over to 1976.

10. Chapter 98 - Non-allocated provisional appropriations

This appropriation was completely used up.

The table on page 109 shows all the transfers made during 1975 by means of charges against this chapter.

11. Chapter 99 - Expenditure not specifically provided for

This appropriation, which forms a reserve, was completely used up.

The table on page 110 shows the transfers made during 1975 by means of charges against this chapter.

TRANSFERS FROM CHAPTER 98

Description	Amounts forecast (u.a.)	Amounts transferred (u.a.)
1. Weighting factors	18 694 544	13 034 200
2. New building, Luxembourg	1 000 000	915 000
3. New offices abroad	460 000	252 000
4. "Youth" measures	100 000	-
5. Statistical studies	2 000 000	2 000 000
6. Information expenditure	620 000	620 000
7. International exhibitions	200 000	200 000 (*)
8. Expenditure in the social sector	3 200 000	2 700 000 (*)
9. Vocational training centre	600 000	408 000 (*)
10. Agricultural research	1 000 000	1 000 000
11. Foundation for the improvement of living and working conditions	1 600 000	97 000 (*)
12. Source material research	1 840 000	1 840 000
13. Educational measures	400 000	-
14. Supplementary budgets, European Schools	616 500	557 947
15. UNRWA convention	1 190 000	1 190 000
	33 521 044	24 814 147
16. Balance (used for the EAGGF, Guarantee Section, under an "open" transfer)		8 706 897
	33 521 044	33 521 044

(*) These transfers were made to budget heads which showed a token entry.

TRANSFERS FROM CHAPTER 99

Amount entered in the budget :		3 500 000 u.a.
1. International cocoa agreement (Art. 445)	21 990 (*)	
2. Generalized tariff preferences (Art. 936)	10 550	
3. Supplementary budget no. 1, research (Chap. 33)	499 508	
4. Canteen, Office for Official Publications (Art. 142)	24 000	
5. Textile research (Art 390)	70 000 (*)	
6. Increase in Chapters 21 and 23	2 212 000	
7. Campaign against foot-and-mouth disease (Item 3103)	280 000 (*)	
8. Contribution to FAO for campaign against foot-and -mouth disease (Item 3103)	83 000 (*)	
9. Official Journal (Art. 270)	299 042	
	3 500 000 u.a.	3 500 000 u.a.

(*) These transfers were made to budget heads which showed a token entry.

12. IMPLEMENTATION OF THE "OPEN" TRANSFER TO THE EAGGF, GUARANTEE SECTION, FOLLOWING AUTHORIZATION GRANTED BY THE COUNCIL ON 3 DECEMBER 1975.

a) against appropriations carried over non-automatically from 1974 to 1975

From Art. 500 to Art. 792

30 300 000 u.a.

b) against 1975 appropriations

From Chapter 10

Item 1000	-	6 123.52
Item 1001	-	1 037.28
Item 1002	-	2 342.42
Item 1003	-	4 411.60
Art. 101	-	9 125.54
Art. 102	-	9 261.32
Item 1030	-	36 148.92
Item 1032	-	301.72
Art. 104	-	28 054.60

Total Chapter 10

96 806.92 u.a.

From Chapter 11

Item 1100	-	785 852.44
Item 1101	-	416 258.68
Item 1102	-	214 048.50
Item 1103	-	41 995.50
Item 1110	-	40 119.62
Item 1111	-	50 318.44
Item 1112	-	559 902.54
Item 1113	-	12 853.68
Item 1120	-	25 907.48
Item 1121	-	77 007.44
Item 1122	-	23 072.60
Item 1123	-	150 563.96
Item 1130	-	176 597.98
Item 1131	-	58 416.68
Item 1140	-	9 841.50
Item 1141	-	11 754.92
Item 1142	-	1 569.82
Item 1143	-	35 510.08

Item 1144	-	21 015.40
Item 1145	-	277.00
Item 1146	-	5 387.18
Item 1149	-	1 263.64
Art. 115	-	207 508.64
Art. 116	-	512 622.12
Item 1170	-	1652 720.14
Item 1171	-	23 560.46
Item 1172	-	39 278.38
Item 1173	-	76 945.72

Total chapter 11		5 232 170.54 u.a.
------------------	--	-------------------

From Chapter 12

Item 1200	-	307 592.44
Item 1210	-	500.00
Item 1211	-	149 483.14
Item 1220	-	12 000.00
Item 1221	-	673 470 00
Item 1230	-	631.36
Item 1231	-	541 750.42
Item 1241	-	44 726.04
Item 1250	-	12 512.46
Item 1251	-	96 856.86
Item 1252	-	1879 343.50
Item 1253	-	466 762.04

Total Chapter 12		4 185 628.26 u.a.
------------------	--	-------------------

From Chapter 13

Item 1300	-	798 371.28 u.a.
-----------	---	-----------------

From Chapter 29

Item 2900	-	2138 768
Item 2901	-	1159 279
Item 2903	-	6502 034
Item 2905	-	4477 853
Item 2906	-	61 189

Total Chapter 29		14 339 123.00 u.a.
------------------	--	--------------------

From Chapter 98

8 706 897.00 u.a.

To Chapter 76

Article 760	-	33 358 997.00 u.a.
-------------	---	--------------------

13. IMPLEMENTATION IN 1975 OF APPROPRIATIONS CARRIED OVER
AUTOMATICALLY FROM 1974 TO 1975

1. COMMENTS

1.1. AUTOMATIC CARRY-OVERS

Annex 4 on page 135 shows the implementation of automatic carry-overs in 1975.

This implementation calls for the following comments in addition to the general assessment given in the main part of the present report.

Title 1 (Expenditure relating to persons working with the Institution)

The rate of utilization was 71.66%.

Implementation was satisfactory for all the chapters involved with the exception of Chapters 13 (56%) and 15 (24%) in respect of which some of the commitments were of a provisional character.

Title 2 (Buildings, equipment and miscellaneous operating expenditure)

The rate of implementation was very high : 98.16%.

However, for Chapters 24 (Entertainment and representation expenses) and 25 (Expenditure for formal and informal meetings) implementation was 68.88% and 16.54% respectively. The reason was that some commitments under these chapters were of provisional character (1).

Title 3 - Expenditure resulting from the performance by the Institution of specific functions.

The appropriation carried over was utilized to the extent of 92.48%.

No special comment is called for.

Title 4 (Aids, subsidies and financial contributions)

The appropriation carried over was used up almost in entirety; the implementation rate of 99.27% is very satisfactory.

Title 5 (Funds) - Reformed Social Fund (Chaps. 50 and 51)

in m.u.a.

Heading	Automatic carry-overs		
	Appropriations carried-over from 1974 to 1975	Appropriations utilized	Rate of utilization
Chapter 50 (Art. 4)	45.47	9.10	20%
Chapter 51 (Art. 5)	160.67	42.19	26%
Total	206.67	51.29	25%

(1) The Commission is examining this problem with a view to being able to approach closer to reality in future.

The table demonstrates that the Commission's request to the Council for an extension of the life of automatic carry-overs for the Social Fund was amply justified. For without that extension - introduced by the exempting financial regulation of 24 November 1975 - 150 m.u.a. would have had to be cancelled.

The causes for the delays in payment are still the same : in view of the time required by the recipient authorities to make up accounts and to forward their payment applications via the Member States, the Fund's departments are unable to process the majority of applications relating to commitments of a given financial year before September of the year following.

The consequences of the delay become more serious from year to year as the Fund's resources increase and the volume of payments to be dealt with continues to grow.

It is to be feared that the step of extending the carry-overs for one year will not provide a sufficient remedy; the solution will have to be found in the introduction of commitment and payment appropriations which is envisaged for this sector.

Titles 6 and 7 (European Agricultural Guidance and Guarantee Fund, Guarantee Section)

The appropriation carried over was used to the extent of 97.99%.

Nevertheless, an amount of 9.36 m.u.a. had to be cancelled.

The non-utilization of this amount was due principally to the fact that the data supplied by some of the paying authorities of the Member States, which form the basis of the accounts to 31 March (reflecting payments made up to 31 December), proved to be approximate in character.

Therefore adjustments were necessary at the time of implementation of the carry-overs in order to reflect reality.

Title 8 (European Agricultural Guidance and Guarantee Fund, Guidance Section)

The implementation of these carry-overs does not call for any special comments; it will be recalled that the appropriations are carried over automatically for five years in this sector covering operations of a multi-annual character.

Title 9 (Food aid and other expenditure)

The rate of implementation was 98.91%.

The implementation of the carry-overs connected with food aid reached almost 99%, which is very satisfactory. For Chapter 94 (International emergency aid to the developing countries most affected by the crisis) implementation was 100%.

1.2. NON AUTOMATIC CARRY-OVERS

Annex 5 on page 143 shows, by chapters, the implementation of these carry-overs, which affect only a limited number of chapters.

Chapter 50 (Expenditure under Article 4 of the Council Decision of 1 February 1971 on the reform of the Social Fund)

The apparent rate of implementation of the appropriation carried over (21 m.u.a.) was 99.74%. It should be remembered, however, that an amount of 30.3 m.u.a. was transferred out of this chapter under the open transfer approved by the Council on 3 December 1975 in order to make good the shortfall of appropriations to the EAGGF, Guarantee Section.

Title 6 and 7 (European Agricultural Guidance and Guarantee Fund, Guarantee Section)

The non-automatic carry-over of 331.5 m.u.a. was augmented at the end of the year by a transfer of 30.3 m.u.a. from the Social Fund to meet the needs of the Guarantee Section. The whole of this non-automatic carry-over was used.

Title 8 (European Agricultural Guidance and Guarantee Fund, Guidance Section)

The rate of implementation of the carry-over, in commitments, was 97.54%. The amount of 3.58 m.u.a. not committed was transferred to the Mansholt Reserve (1).

Chapter 90 (Food aid expenditure)

The fact that 10 m.u.a. had to be cancelled was the result partly of the delay in the implementation of the programmes and partly of the fact that the Member States' expenditure returns did not reach the Commission before the close of the financial year.

(1) The appropriations committed in this way and not yet paid are converted into automatic carry-overs (for a period of five-years).

C. A N N E X E S

Annex 1 - Revenue

Annex 2 - Utilization of appropriations during
the financial year 1975

Annex 3 - Additional figures relating to
Chapter 33

Annex 4 - Implementation in 1975 of automatic
carry-overs from 1974 to 1975.

Annex 5 - Implementation of non-automatic
carry-overs from 1974 to 1975.

OWN RESOURCES
AND
OTHER REVENUE

OWN RESOURCES AND OTHER REVENUE

in m.u.a.

N A T U R E	Estimates of revenue necessary to cover the appropriations authorized for the financial year 1975	Revenue necessary to cover expenditure chargeable to the financial year 1975 under Article 17 of Regulation 2/71 (see point 1.1.1., para. 2, on page 5).
1. Own resources from Member States :	3 930.8	3 741.1
- customs duties	3 400.3	3 151.-
- agricultural levies	423.8	510.4
- sugar levies	106.7	79.7
2. Contributions	2 267.2	2 152.-
SUB-TOTAL	6 198.0	5 893.1
3. Other contributions	13.1	12.6
4. Miscellaneous revenue	57.2	307.9
TOTAL	6 268.3	6 213.6

ANNEX 1

CALCULATION OF THE MEMBER STATES' CONTRIBUTIONS TO
THE FINANCING OF THE BUDGET FOR THE FINANCIAL YEAR 1975

1. Appropriations to be covered in accordance with the Decision of 21 April 1970 - Expenditure in m.u.a.

Type of expenditure	Payments for the financial year	Carry-overs to the financial year 1976	Carry-overs from the financial year 1974 cancelled (deduct)	Amounts
1. Administrative and operational expenditure ;				
- Commission	259 141 903.92	52 947 925.54	3 012 130.06	309 077 699.40
- Parliament	36 516 769.94	3 171 665.84	490 724.76	39 197 711.02
- Council	42 024 372.68	3 736 637.28	157 586.28	45 603 423.68
- Court of Justice	7 721 071.92	405 910.94	77 235.32	8 049 747.54
2. Research and investment expenditure	77 449 012.06	22 422 387.95	835 032.99	99 036 367.02
3. a) European Social Fund	7 995 464.48	353 958 639.94	1 738 963.47	360 215 140.95
b) ERDF	90 668 048.86	59,331,951.14	-	150 000 000.00
4. EAGGF :				
- Guarantee Section :	4 003 481 249.34	332 852 747.66	9 363 162.76	4 326 970 834.24
- Guidance Section	38 420 195.56	223 809 970.86	2 638 549.61	259 591 616.81
5. a) Food aid	101 172 402.46	64 827 597.54	10 827 791.60	155 172 208.40
b) Aid to developing countries	70 356 234.70	16 185 437.60	-	86 541 672.30
6. Repayment to Member States of 10% of own resources	269 642 828.70	104 525 682.32	16 303.74	374 152 207.28
	5 004 589 554.62	1 238 176 554.61	29 157 480.59	6 213 608 628.64

ANNEX 1/2

R E V E N U E

2. Appropriations to be covered in accordance with the Decision of 21 April 1970

in u.a.

Type of revenue	Amounts
1. Miscellaneous revenue connected with research and investment activities	6 035 500.81
2. Other miscellaneous revenue	283 842 989 70
3. Amount of ECSC levy allocated to administrative expenditure	18 000 000.00
4. Contributions by Member States to Euratom complementary programmes	12 633 429.00
	320 511 919.81
	=====
Expenditure to be covered in accordance with the Decision of 21 April 1970	5 893 096 708.83

CASH POSITION

Member State	Payments made in accordance with Article 31 of the Financial Regulation			Entitlements established		Difference (b+c-d-e)
	Own resources b	Cash advances c	Own resources d	Contributions e	f	
Belgium	268 219 828.26	127 613 375.36	268 219 828.26	129 263 651.65	- 1 650 276.29	
Denmark	72 377 200.99	34 524 766.84	72 377 200.99	29 443 723.95	+ 5 081 042.89	
Germany	992 392 486.77	606 800 745.57	992 392 486.77	662 106 200.43	- 55 305 454.86	
France	595 379 226.83	697 389 427.84	595 379 226.83	750 574 595.98	- 53 185 168.14	
Ireland	25 284 989.71	906 066.00	25 240 133.20	-	+ 950 922.51	
Italy	580 572 385.48	415 079 759.47	580 572 385.48	449 935 756.70	- 34 855 997.23	
Luxembourg	3 488 105 72	4 983 021.22	3 488 105.72	6 164 786.69	- 1 181 765.47	
Netherlands	403 791 693.36	123 613 865.27	403 791 693.36	124 506 747.30	- 892 882.03	
United Kingdom	801 061 297.43	28 718 550.00	799 640 185.52	-	+ 30 139 661.91	
TOTALS	3 742 567 214.55	2 039 629 577.57	3 741 101 246.13	2 151 995 462.70	- 110 899 916.71	

ANNEX 1/4

UTILIZATION OF APPROPRIATIONS

FOR THE FINANCIAL YEAR 1975

SUMMARY OF UTILIZATION OF APPROPRIATIONS DURING THE FINANCIAL YEAR 1975

in m.u.a.

	Final appropriations		Appropriations committed		Appropriations carried over with agreement of budgetary Authority (1)		Appropriations cancelled	
	Amount	%	Amount	%	Amount	%	Amount	%
1. EXPENDITURE ON STAFF	187.9	99.9	187.7	99.9	-	-	0.2	0.1
2. OPERATING EXPENDITURE Except Chapter 29 (Lump-sum reimbursement)	72.4	94.9	68.7	94.9	0.4	0.5	3.3	4.6
3. SPECIFIC FUNCTIONS EXCEPT Chapter 33 (R & 1)(2) (Payment appropriations)	378.7	98.8	374.1	98.8	-	-	4.6	1.2
4. AIDS, SUBSIDIES & CONTRIBUTIONS	39.2	69.7	27.3	69.7	11.1	28.3	0.8	2.0
5. SOCIAL FUND (3) ERDF (PAYMENT APPROPRIATION)	101.2	96.2	97.4	96.2	2.4	2.4	1.4	1.4
6. EAGGF, GUARANTEE SECTION and 7.	19.7	86.3	17.0	86.3	-	-	2.7	13.7
8. EAGGF, GUIDANCE SECTION	366.2	96.7	353.9	96.7	8.1	2.2	4.2	1.1
9. FOOD AID AND EXPENDITURE ON CO-OPERATION WITH THE DEVELOPING COUNTRIES	150.0	100.-	150.0	100.-	-	-	-	-
NON ALLOCATED PROVISIONAL APPROPRIATIONS	4 336.3	100.-	4 336.3	100.-	-	-	-	-
TOTAL	262.5	56.8	149.0	56.8	113.2	43.1	0.3	0.1
	252.8	97.7	246.9	97.7	5.7	2.2	0.2	0.1
	-	-	-	-	-	-	-	-
	6 166.9	97.4	6 008.3	97.4	140.9	2.3	17.7	0.3

(1) Current

(2) Commitment appropriations (including those still in existence) : 97.5 - Commitments : 83.9.

(3) Commitment appropriations : 300.0 - Commitments : 299.8

in m.u.a.

Budgetary classification	Heading	Appropriations authorized		Utilized in commitments		Utilized in payments		Automatic carry-overs (Col.3 - Col.5)	Balance available (to be cancelled or to be carried over as "non-automatic carry-overs") (Col.2 - Col.3)
		Col.1	Col.2	Col.3	Col.4	Col.5	Col.6		
TITLE 1	EXPENDITURE RELATING TO PERSONS WORKING WITH THE INSTITUTION								
Chapter 10	Members of the Institution	1.686	1.702	1.702	100.-	1.702	100.-	-	-
Chapter 11	Staff	161.730	166.575	166.575	100.-	166.042	99.68	0.533	-
Chapter 12	Allowances and expenses on entering and on leaving the service and on transfers	15.806	13.065	13.065	100.-	12.853	98.38	0.212	-
Chapter 13	Expenditure relating to missions and duty travel	5.532	4.734	4.575	96.64	3.841	83.96	0.733	0.159
Chapter 14	Expenditure on social welfare and further vocational training of staff	1.278	1.303	1.268	97.31	0.891	70.27	0.377	0.035
Chapter 15	Cost of organizing internal training courses	0.560	0.560	0.560	100.-	0.558	99.64	0.002	-
TITLE 2	TOTAL OF TITLE 1	186.592	187.939	187.746	99.90	185.888	99.01	1.858	0.193
	MISCELLANEOUS OPERATING EXPENDITURE								
Chapter 20	Immovable property investments	token entry	-	-	-	-	-	-	-
Chapter 21	Rental of buildings and associated expenditure	22.436	23.686	23.353	98.59	21.724	93.02	1.629	0.333
Chapter 22	Movable property and associated expenditure	7.579	8.242	8.143	98.80	5.073	62.30	3.071	0.099
Chapter 23	Current administrative expenditure	7.723	9.189	8.501	92.51	6.874	80.86	1.627	0.688
Chapter 24	Entertainment and representation expenses	0.384	0.384	0.361	94.01	0.295	79.81	0.066	0.023
Chapter 25	Expenses for formal and informal meetings	7.005	7.005	5.591	81.72	5.234	93.61	0.357	1.414
Chapter 26	Expenditure on studies, surveys and consultations	9.335	11.335	10.847	95.69	2.449	22.58	8.399	0.488
Chapter 27	Expenditure on publishing and information	11.400	12.519	11.872	94.83	8.918	75.12	2.954	0.647
Chapter 29	Other expenditure	393.083	378.744	374.469	98.79	269.643	72.06	104.526	4.576
	TOTAL OF TITLE 2	458.945	451.104	442.837	98.17	320.210	72.31	122.629	8.268

TABLE SHOWING THE UTILIZATION OF APPROPRIATIONS TO 31 DECEMBER 1975

ANNEX 2/2

in m.u.a.

Budgetary classification	Heading	Appropriations authorized		Utilized in commitments		Utilized in payments		Automatic carry-overs (Col.3-Col.5)	Balance available (to be cancelled or to be carried over as "non-automatic carry-over") (Col.2-Col.3)
		Col.1	Col.2	Col.3	Col.4	Col.5	Col.6		
TITLE 3	EXPENDITURE RESULTING FROM THE PERFORMANCE BY THE INSTITUTION OF SPECIFIC FUNCTIONS								
Chapter 30	Expenditure in the social sector	1.891	4.999	4.692	93.86	1.940	41.35	2.752	0.307
Chapter 31	Expenditure in the agricultural sector	1.330	2.693	2.523	93.69	1.156	45.82	1.367	0.170
Chapter 32	Expenditure in the industrial energy sectors	25.000	25.000	13.915	55.66	0.467	3.36	13.448	11.085
Chapter 33	Research and investment : • commitment appropriations • payment appropriations	97.456 (1) 101.230	97.456 (1) 101.230	83.944 -	86.14 -	- 77.449	- 92.26	- 19.988	(2) (13.512) 3.793
Chapter 34	Expenditure relating to safeguards	0.600	0.600	0.463	77.17	0.271	58.53	0.192	0.137
Chapter 35	Protection of man and his environment	1.774	1.872	1.701	90.87	0.766	45.03	0.934	0.171
Chapter 36	Expenditure on the dissemination of scientific and technical information and on the management of that information	1.193	3.033	3.031	99.93	1.051	34.68	1.979	0.002
Chapter 38	Loan of services between institutions	0.300	0.300	0.300	100.-	0.290	96.67	0.010	-
Chapter 39	Other expenditure resulting from the performance by the institution of specific functions	0.600	0.670	0.660	98.51	0.213	32.27	0.447	0.010
	TOTAL OF TITLE 3 • COMMITMENT APPROPRIATIONS	97.456 133.918	97.456 140.396	83.944 27.285	86.14 79.23	- 83.603	- 75.16	- 41.117	(13.512) 15.675
TITLE 4	AIDS, SUBSIDIES AND FINANCIAL CONTRIBUTIONS								
Chapter 40	Aids	3.100	3.100	0.509	16.42	0.509	100.-	-	2.591
Chapter 41	Subsidies and financial contributions	0.851	0.851	0.801	94.12	0.423	52.81	0.378	0.050
Chapter 42	Subsidies for balancing budgets	1.230	1.324	1.280	96.68	1.273	99.45	0.007	0.044
Chapter 43	European Schools	12.330	14.192	14.192	100.-	14.192	100.-	-	-
Chapter 44	EEC participation in the administrative expenditure of international agreements	0.194	0.216	0.216	100.-	0.216	100.-	-	-
	TOTAL OF TITLE 4	17.705	19.683	16.999	86.36	16.613	97.73	0.386	2.684

(1) Includes 16,777 m.u.a. of appropriations remaining from previous financial year.

(2) Commitment appropriations remaining (12.241) or cancelled (1.271).

ANNEX 2/3
 TABLE SHOWING THE UTILIZATION OF APPROPRIATIONS TO 31 DECEMBER 1975
 in m.u.a.

Budgetary classification	Heading	Appropriations authorized		Utilized in commitments		Utilized in payments		Automatic carry-overs (Col. 3-Col. 5)	Balance available (to be cancelled or to be carried over as "non-automatic carry-over" (Col. 2-Col. 3))
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6		
TITLE 5	FUNDS								
	SOCIAL FUND								
Chapter 50	Expenditure under Art. 4 of Council Decision of 1.2.71 on the reform of the European Social Fund	110.000	110.000	108.882	98.98	-	0.-	108.882	1.118
Chapter 51	Expenditure under Art. 5 of Council Decision of 1.2.71 on the reform of the European Social Fund	245.000	245.000	241.936	98.75	5.490	2.27	236.447	3.064
Chapter 52	Social Fund - Pilot schemes and preparatory studies	0.900	0.900	0.895	99.44	0.344	38.44	0.552	0.005
Chapter 53	Social Fund - Expenditure provided for under Art.125(1), (a), of the EEC Treaty	10.240	10.240	2.162	21.11	2.162	100.-	-	8.078
Chapter 54	Social Fund - Expenditure provided for under Art.125(1), (b), of the EEC Treaty	-	-	-	-	-	-	-	-
	TOTAL OF THE SOCIAL FUND	366.140	366.140	353.876	96.65	7.995	2.26	345.881	12.264
	REGIONAL FUND								
Chapter 55	European Regional Development Fund								
	- Expenditure provided for under Art. 4 of Council Decision on creation of the Fund	300.000	300.000	299.826	99.94	-	-	-	(1) (0.174)
	Commitment appropriations	150.000	150.000	-	-	90.668	30.24	59.332	-
	Payment appropriations	300.000	300.000	299.826	99.94	-	-	-	(0.174)
	TOTAL OF THE REGIONAL FUND	150.000	150.000	-	-	90.668	30.24	59.332	-
	Commitment appropriations	300.000	300.000	299.826	99.94	-	-	-	(0.174)
	Payment appropriations	150.000	150.000	-	-	90.668	30.24	59.332	-
	TOTAL OF TITLE 5	300.000	300.000	299.826	99.94	-	-	-	(0.174)
	Commitment appropriations	516.140	516.140	353.876	97.62	98.664	15.09	405.213	12.264
	Payment appropriations								

(1) Commitment appropriations remaining.

TABLE SHOWING THE UTILIZATION OF APPROPRIATIONS TO 31 DECEMBER 1975

ANNEX 2/4

Budgetary classification	Heading	Appropriations authorized		Utilized in commitments		Utilized in payments		Automatic carry-overs (Col. 3-Col. 5)	Balance available (to be cancelled or to be carried over as "non-automatic carry over") (Col. 2-Col. 3)
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6		
TITLES 6 & 7	EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND - GUARANTEE SECTION								
Chapter 60	Cereals	576.500	561.200	559.359	99.67	558.172	99.79	1.187	1.841
Chapter 61	Rice	4.700	4.100	3.975	96.95	3.975	100.-	-	0.125
Chapter 62	Milk and milk products	1 126.850	1 110.550	1 100.677	99.11	1 024.214	93.05	76.464	9.873
Chapter 63	Oils and fats	72.025	30.075	21.711	72.19	9.724	44.79	11.987	8.364
Chapter 64	Sugar	325.600	310.350	310.109	99.92	301.868	97.34	8.241	0.241
Chapter 65	Beef and veal	795.000	934.000	927.137	99.27	924.494	99.71	2.643	6.863
Chapter 66	Pigmeat	55.000	54.000	53.182	98.49	52.828	99.33	0.353	0.818
Chapter 67	Eggs and poultrymeat	16.000	8.400	8.322	99.07	8.322	100.-	-	0.078
Chapter 68	Fruit and vegetables	83.500	88.000	87.592	99.54	36.029	41.13	51.563	0.408
Chapter 69	Wine	204.200	121.200	120.920	99.77	105.679	87.40	15.240	0.280
Chapter 70	Tobacco	216.400	228.600	228.475	99.95	98.313	43.03	130.163	0.125
Chapter 71	Fisheries	7.500	9.400	9.271	98.63	9.271	100.-	-	0.129
Chapter 72	Ethyl alcohol of agricultural origin	token entry	-	-	-	-	-	-	-
Chapter 73	Other sectors or products with common organization of markets	55.800	57.700	57.500	99.65	56.109	97.58	1.390	0.200
Chapter 74	Goods resulting from the processing of agricultural products	17.200	23.250	21.397	92.03	21.397	100.-	-	1.853
Chapter 75	Accession compensatory amounts granted in respect of Intra-Community trade	348.800	415.000	414.959	99.99	414.959	100.-	-	0.041
Chapter 76	Expenditure caused by the monetary situation	335.400	380.509	378.128	99.37	378.128	100.-	-	2.381
Chapter 79	Appropriations for the discharge of liabilities from accounting periods prior to 1.1.76	token entry	-	33.620	-	-	0.-	33.620	-33.620
	TOTAL OF TITLES 6 & 7	4 240.475	4 336.334	4 336.334	100.-	4 003.481	92.32	332.853	0.000

in m.u.a.

Budgetary classification	Heading	Appropriations authorized		Utilized in commitments		Utilized in payments		Automatic carry-overs (Col. 5-Col. 5)	Balance available (to be cancelled or to be carried over as "non-automatic carry-over") (Col. 2-Col. 3)
		Appropriations authorized in 1975 (including supplementary budgets Nos. 1, 2 and 3)	1975 appropriations (including transfers)	Commitments entered into at 31.12.75	% utilized Col. 3 Col. 2	Payments made to 31.12.75	Payments as % of commitments entered into Col. 5 Col. 3		
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8
TITLE 8	EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND - GUIDANCE SECTION								
Chapter 80	Plans for improving the structure of agriculture under Art. 13 of Reg. No 17/64/EEC	145.140	212.600	107.995	50.80	-	0.-	107.995	104.605
Chapter 81	Joint schemes in the structural field pursuant to Council Resolution of 25.5.71	66.500	3.915	1.437	36.70	1.437	100.-	-	2.478
Chapter 82	Joint schemes in the sector of marketing and processing of agricultural products (pursuant to Council Resolution of 25.5.71)	0.400	0.594	0.120	20.20	0.120	100.-	-	0.474
Chapter 83	Joint schemes in specific sectors	78.960	32.012	29.531	92.25	26.934	91.21	2.597	2.481
Chapter 87	Appropriations intended to cover expenditure relating to joint schemes and special measures	-	-	-	-	-	-	-	-
Chapter 88	Appropriations reserved in previous financial years for the financing of expenditures falling within Chaps. 81 to 83	-	-	-	-	-	-	-	-
Chapter 89	Expenditure not specifically provided for	34.000	13.379	9.929	74.21	9.929	100.-	-	3.450
TOTAL FOR TITLE 8		325.000	262.500	149.012	56.77	36.420	25.78	110.592	113.489
TITLE 9	FOOD AID AND OTHER EXPENDITURE								
Chapter 92	Food aid expenditure	166.000	166.000	160.311	96.57	101.172	63.11	59.139	5.699
Chapter 93	Specific schemes of financial and technical co-operation with developing countries	2.607	3.808	3.642	95.64	1.653	45.39	1.988	0.166
Chapter 94	Emergency measures to assist developing countries	83.000	83.000	82.900	99.88	68.703	82.87	14.197	0.100
Chapter 98	Non-allocated provisional appropriations	33.521	-	-	-	-	-	-	-
Chapter 99	Expenditure not specifically provided	3.001	-	-	-	-	-	-	-
TOTAL OF TITLE 9		288.129	252.808	246.853	97.64	171.529	69.49	75.324	5.955
GRAND TOTAL	Commitment appropriations (1)	397.456	397.456	383.770	96.56	-	-	-	-
	Payment appropriations	6 166.904	6 166.904	5 760.942	93.42	4 918.407	80.05	1 089.971	158.526

(1) See notes to Chapters 33 and 55.

ADDITIONAL FIGURES
RELATING TO CHAPTER 33

ADDITIONAL FIGURES RELATING TO CHAPTER 33

1. Utilization of commitment appropriations for 1975 including balances from 1974 :

Title	Final appropriations including 1974 balances	Commitments entered into in 1975	Balances at 31.12.75	Appropriations cancelled	% of appropriations committed in 1975
2	51 286 202.46	48 727 918.99	2 558 283.47	-	95.01
3	28 841 713.15	20 054 422.07	8 787 291.08	-	69.53
4	12 198 137.91	11 600 391.50	597 746.41	-	95.10
5	696 538.20	399 128.67	297 409.53	-	57.30
Total (1)	93 022 591.72	80 781 861.23	12 240 730.49	-	86.84
7	4 001 000.00	3 162 154.46	-	838 845.54	79.03
9	432 480.00	-	-	432 480.00	-
Total (2)	97 456 071.72	83 944 015.69	12 240 730.49	1 271 325.54	86.14

Total (1) = against operational appropriations (excluding repayments of EXIMBANK loans and excluding provisional appropriations)

Total (2) = against all budgetary appropriations.

2. Utilization of payment appropriations for 1975

Title	Final appropriations	Payments made in 1975	Appropriations carried over automatically to 1976	Council carry-over	Appropriations cancelled	% of payments in 1975	% utilized automatically carry-overs	% utilized including carry-overs
2	48 632 833.00	42 302 778.58	5 821 999.98	431 631.86	76 422.58	86.98	98.96	99.84
3	35 346 165.00	21 297 706.70	12 273 888.85	1 764 000.00	10 569.44	60.25	94.98	99.97
4	11 225 610.00	9 856 710.75	1 167 084.63	201 656.50	158.12	87.81	98.20	99.99
5	1 591 910.00	829 661.57	725 126.12	37 000.00	122.31	52.12	97.67	99.99
Total(1)	96 796 518.00	74 286 857.60	19 988 099.59	2 434 288.36	87 272.45	76.75	97.40	99.91
7	4 001 000.00	3 162 154.46	-	-	838 845.54	79.03	79.03	79.03
9	432 480.00	-	-	-	432 480.00	-	-	-
Total(2)	101 229 998.00	77 449 012.06	19 988 099.59	2 434 288.36	1 358 597.99	76.51	96.25	98.66

Total (1) : against operational appropriations (excluding repayments of EXIMBANK loans and excluding provisional appropriations

Total (2) : against all budgetary appropriations

3. Utilization of payment appropriations carried over from 1974 to 1975

Title	Appropriations carried over automatically			Council carry-overs		
	Appropriations carried-over	Payments made	% utilized	Appropriations carried over	Payments utilized	% utilized
2	3 150 650.26	2 830 872.34	89.85	1 403 000.00	1 359 616.77	96.91
3	7 114 961.62	6 811 754.17	95.79	800 000.00	800 000.00	100.00
4	676 131.57	624 045.72	92.30	627 000.00	510 921.30	81.49
5	428 732.19	428 242.15	99.89	-	-	-
8	64.41	54.61	85.33	-	-	-
Total	11 370 540.05	10 694 698.99	94.06	2 830 000.00	2 670 538.07	94.36

ANNEX 3

13. IMPLEMENTATION IN 1975 OF APPROPRIATIONS
CARRIED OVER AUTOMATICALLY FROM 1974 TO 1975

IMPLEMENTATION IN 1975 OF AUTOMATIC CARRY-OVERS FROM 1974 TO 1975

Annex 4/1

in u.a.

Budgetary	Nature of expenditure	Appropriations carried over	Payments made	Implementation percentage	Appropriations cancelled
TITLE 1	EXPENDITURE RELATING TO PERSONS WORKING WITH THE INSTITUTION				
Chap. 10	Members of the Institution	- 561 557	- 489 004	- 87.08	- 72 553
Chap. 11	Staff				
Chap. 12	Allowance and expenses on entering and on leaving the service and on transfer	264 228	218 564	82.72	45 664
Chap. 13	Expenditure relating to missions and duty travel	1 013 108	566 741	55.94	446.367
Chap. 14	Expenditure on social welfare and further vocational training of staff	239 792	215 760	89.98	24.032
Chap. 15	Cost of organizing internal training courses	1 200	284	23.67	916
	TOTAL OF TITLE 1	2 079 885	1 490 353	71.66	589.532
TITLE 2	BUILDINGS, EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURE				
Chap. 20	Immovable property investments				
Chap. 21	Rental of buildings and associated expenditure	- 2 159 924	- 1 815 005	- 84.03	- 344 919
Chap. 22	Movable property and associated expenditure	1 621 398	1 411 403	87.05	209 995
Chap. 23	Current administrative expenditure	1 474 543	1 415 016	95.96	59 527
Chap. 24	Entertainment and representation expenses	78 867	54 325	68.88	24 542
Chap. 25	Expenditure for formal and informal meetings	327 481	54 163	16.54	273.318
Chap. 26	Expenditure on studies, surveys and consultations	8 223 658	7 730 223	94.00	493 435
Chap. 27	Expenditure on publishing and information	3 063 529	2 619 736	85.51	443 793
Chap. 29	Lump-sum reimbursement to Member States of expenses incurred in collecting own resources	84 561 017	84 544 713	99.98	16 304
	TOTAL OF TITLE 2	101 510 417	99 644 584	98.16	1 865 833

IMPLEMENTATION IN 1975 OF AUTOMATIC CARRY-OVERS FROM 1974 TO 1975

Annex 4/2

in u.a.

Budgetary classification	Nature of Expenditure	Appropriations carried over	Payments made	Implementation percentage	Appropriations cancelled
TITLE 3	EXPENDITURE RESULTING FROM THE PERFORMANCE BY THE INSTITUTION OF SPECIFIC FUNCTIONS				
Chap. 30	Expenditure in the social sector	485 673	408 849	84.18	76 824
Chap. 31	Expenditure in the agricultural sector	836 799	633 888	75.75	202 911
Chap. 32	Expenditure on development aid	486 829	482 279	99.07	4 550
Chap. 33	Expenditure on research and investment	11 370 540	10 694 969	94.06	675 571
Chap. 34	Expenditure relating to safeguards	231 038	202 304	87.56	28 734
Chap. 35	Expenditure on health measures	236 762	191 233	80.77	45 529
Chap. 36	Expenditure on dissemination of information	214 746	202 633	94.36	12 113
Chap. 38	Loan of services between institutions	260 000	259 549	99.83	451
Chap. 39	Other expenditure resulting from the performance by the institution of specific functions	737 431	666 407	90.37	71 024
	TOTAL OF TITLE 3	14 859 818	13 742 111	92.48	1 117 707
TITLE 4	AIDS, SUBSIDIES AND FINANCIAL CONTRIBUTIONS				
Chap. 40	Aids	12 362 167	12 319 496	99.65	42 671
Chap. 41	Subsidies and financial contributions	362 799	313 367	86.37	49 432
Chap. 42	Subsidies for balancing budgets	6 711	6 037	89.96	674
Chap. 43	European Schools	-	-	-	-
	TOTAL OF TITLE 4	12 731 677	12 638 900	99.27	92 777

IMPLEMENTATION IN 1975 OF AUTOMATIC CARRY-OVERS FROM 1974 TO 1975

in u.a.

Budgetary classification	Nature of expenditure	Appropriations carried over	Payments made	Implementation percentage	Appropriations cancelled
TITLE 5	FUNDS				
	SOCIAL FUND				
Chap. 50	Expenditure under Art. 4 of Council Decision of 1.2.71 on the reform of the European Social Fund	45 468 706	9 102 019	20.02	36 366 687
Chap. 51	Expenditure under Art. 5 of Council Decision of 1.2/71 on the reform of the European Social Fund	160 662 374	42 193 419	26.26	118 468 955
Chap. 52	Social Fund (pilot schemes and preparatory studies)	504 831	476 640	94.42	28 191
Chap. 53	Social Fund (expenditure provided for under Art. 125 (1)(a) of the EEC Treaty)	52 769 857	52 769 857	100.00	-
	TOTAL OF SOCIAL FUND	259 405 768	104 541 935	40.30	154 863 833
	REGIONAL FUND				
Chap. 55	European Regional Development Fund - Expenditure provided for under Art. 4 of the Council Decision on the creation of the Fund	-	-	-	-
Chap. 56	European Regional Development Fund - Expenditure provided for under Art. 11 of the Council Decision on the creation of the Fund	-	-	-	-
	TOTAL OF TITLE 5	259 405 768	104 541 935	40.30	154 863 833

IMPLEMENTATION IN 1975 OF AUTOMATIC CARRY-OVERS FROM 1974 TO 1975

in u.a.

Budgetary classification	Nature of expenditure	Appropriations carried over	Payments made	Implementation percentage	Appropriations cancelled
TITLES 6 & 7	EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND				
	GUARANTEE SECTION				
Chap. 60	Cereals	77 654 720	77 567 263	99.89	87 457
Chap. 61	Rice	495 156	495 156	100.00	-
Chap. 62	Milk and Milk products	67 788 588	65 811 743	97.08	1 976 845
Chap. 63	Oils and fats	139 428 097	133 719 092	95.91	5 709 005
Chap. 64	Sugar	-	-	-	-
Chap. 65	Beef and veal	19 818 487	19 818 486	100.00	1
Chap. 66	Pigmeat	2 293 456	1 626 334	70.91	667.122
Chap. 67	Eggs and poultrymeat	178 968	178 968	100.00	-
Chap. 68	Fruit and vegetables	43 278 957	43 241 108	99.91	37 849
Chap. 69	Wine	727 319	726 756	99.92	563
Chap. 70	Tobacco	112 126 600	111 726 490	99.64	400 110
Chap. 71	Fisheries	-	-	-	-
Chap. 72	Flax and hamp	487 588	462 206	94.79	25 382
Chap. 73	Seeds	-	-	-	-
Chap. 74	Hops	-	-	-	-
Chap. 76	Other common organizations of the market	479 465	479 464	100.00	1
Chap. 77	Appropriations for the discharge of liabilities from accounting periods prior to 1.1.71	108 328	108 328	100.00	-
Chap. 78	Agricultural products processed into goods not covered by Annex II of the EEC Treaty	681 093	222 264	32.63	458 829
Chap. 79	Other expenditure	-	-	-	-
	TOTAL OF TITLES 6 & 7	465 546 822	456 183 658	97.99	9 363 164

IMPLEMENTATION IN 1975 OF AUTOMATIC CARRY-OVERS FROM 1974 TO 1975

in u.a.

Budgetary classification	Nature of expenditure	Appropriations carried over	Payments made	Implementation percentage	Appropriations cancelled
TITLE 8	EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND GUIDANCE SECTION				
Chap. 80	Projects for improving the structure of agriculture under Art. 13 of Reg. No. 17/64/EEC	265 709 344 (1)	43 830 597	16.50	221 878 747(2)
Chap. 82	Other joint schemes	5 083 746	3 958 121	77.86	1 125 625(2)
Chap. 84	Groups of hop producers	-	-	-	-
Chap. 85	Development operations in priority agricultural regions	-	-	-	-
Chap. 87	Appropriations to cover expenditure in Chaps 81 to 85 and Chap. 80 - Item 8001	-	-	-	-
Chap. 88	Appropriations reserved in previous financial years for the financing of expenditure falling within Chaps. 81 to 84	-	-	-	-
Chap. 89	Special measures	-	-	-	-
	TOTAL OF TITLE 8	270 793 030	47 788 718	17.65	223 004 372
TITLE 9	EXPENDITURE ON FOOD AID, CO-OPERATION WITH DEVELOPING COUNTRIES AND OTHER EXPENDITURE				
Chap. 90	Food aid expenditure	62 332 680	61 654 021	98.91	678 659
Chap. 94	International emergency aid to the developing countries most affected by the crisis	62 009 200	62 009 200	100.00	-
Chap. 98	Non-allocated provisional appropriations	-	-	-	-
Chap. 99	Expenditure not specifically provided for	-	-	-	-
	TOTAL OF TITLE 9	124 341 880	123 663 221	99.45	678 659
	GRAND TOTAL	1 251 269 357	859 693 480	68.71	391 575 877

(1) These amounts relate to 1974 appropriations carried over to 1975 (see Annex 4/6 for carry-overs from previous years)

(2) In accordance with the provisions of Art. 6 (5) of the Financial Regulation, these appropriations are carried over automatically for five years.

IMPLEMENTATION IN 1975 OF CARRY-OVERS ORIGINATING IN YEARS
PRIOR TO 1974

in u.a.

Budgetary classification	Nature of expenditure	Appropriations carried over	Payments made	Implementation percentage	Appropriations cancelled
TITLE 8	EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND				
Chap. 80	GUIDANCE SECTION Projects for improving the structure of agriculture under Art. 13 of Reg. n° 17/64/EEC	433 418 394	82 234 313	18.97	351 184 081 (1)
Chap. 82	Other joint schemes	941 933	941 933	100.00	-

(1) The appropriations relating to the years 1971 to 1973 are carried over automatically to 1976. The balance of appropriations from 1970 falls within the scope of Art. 6 (5), 2nd indent, of the Financial Regulation.

- Appropriations to be carried over : a) automatically

: from 1971 -	81 034 983
: from 1972 -	118 076 820
: from 1973 -	99 575 478
: from 1970 -	51 846 997

b) non-automatically

- Appropriations to be cancelled :

from 1970 -	649 803
-------------	---------

IMPLEMENTATION IN 1975
OF "NON-AUTOMATIC" CARRY-OVERS
FROM 1974 TO 1975

IMPLEMENTATION OF NON-AUTOMATIC CARRY-OVERS IN 1975

ANNEX 5

Budgetary classification	Nature of expenditure	in u.s.				
		Col.1 Appropriations carried over	Col.2 Commitments entered into	Col.3 Payments made	Col.4 Implementation percentage	Col.5 Appropriations cancelled
TITLE 1	BUILDINGS, EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURE				Col. 3/I(4)	Col. I-3
Chapter 27	Expenditure on publishing and information	265 671	245 342	245 342	92.35	20 329
	TOTAL OF TITLE 2	265 671	245 342	245 342	92.35	20 329
TITLE 3	EXPENDITURE RESULTING FROM THE PERFORMANCE BY THE INSTITUTION OF SPECIFIC FUNCTIONS					
Chapter 32	Expenditure on development aid	157 600	139 966	139 966	88.81	17 634
Chapter 33	Expenditure on research and investment	2 830 000 ⁽¹⁾	2 670 538	2 670 538	94.36	159 462
Chapter 39	Other expenditure resulting from the performance by the institution of special functions	25 000 000	25 000 000	25 000 000	100.-	-
	TOTAL OF TITLE 3	27 987 600	27 810 504	27 810 504	99.37	177 096
TITLE 4	AIDS, SUBSIDIES AND FINANCIAL CONTRIBUTIONS					
Chapter 41	Other subsidies	21 500	21 300	21 300	99.07	200
Chapter 43	European schools	91 938	91 938	91 938	100.-	-
	TOTAL OF TITLE 4	113 438	113 238	113 238	99.82	200
TITLE 5	FUNDS					
Chapter 50	Expenditure under Art. 4 of Council Decision of 1.2.71 on the reform of the Social Fund	21 062 732	21 008 691	21 008 691	99.74	54 041
Chapter 53	Social Fund - Expenditure provided for under Art. 125 (1) (a) of the EEC Treaty	4 390 198	2 733 467	2 733 467	62.26	1 656 731
	TOTAL OF TITLE 5	25 452 930	23 742 158	23 742 158	93.28	1 710 772
TITLE 6 & 7	EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND, GUARANTEE SECTION					
Chapter 60	Cereals	57 500 000	57 500 000	57 500 000	100.-	-
Chapter 62	Milk and milk products	26 000 000	26 000 000	26 000 000	100.-	-
Chapter 63	Oils and fats	190 000 000	190 000 000	190 000 000	100.-	-
Chapter 65	Beef and veal	53 000 000	53 000 000	53 000 000	100.-	-
Chapter 69	Wine	5 000 000	5 000 000	5 000 000	100.-	-
Chapter 79	Other expenditure	30 300 000	30 300 000	30 300 000	100.-	-(2)
	TOTAL OF TITLES 6 & 7	361 800 000	361 800 000	361 800 000	100.-	-
TITLE 8	EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND, GUIDANCE SECTION	(3)			(4)	
Chapter 80	Projects for improving the structure of agriculture under Art. 13 of Reg. No. 17/64/EEC	139 167 199	139 167 199	1 403 172	100.-	-
Chapter 81	Joint schemes in the field of the structure of agriculture (following Council Resolution of 25.5.71)	3 330 000	306 955	306 955	9.22	3 023 045
Chapter 82	Other joint schemes	91 490	91 489	-	100.-	1
Chapter 84	Groups of hop producers	150 000	131 905	131 905	87.94	18 095
Chapter 89	Special measures	2 100 000	1 560 659	1 560 659	74.32	539 341
	TOTAL OF TITLE 8	144 838 689	141 258 207	3 402 691	97.53 ⁽⁴⁾	3 580 482 ⁽⁵⁾
TITLE 9	FOOD AID AND OTHER EXPENDITURE					
Chapter 90	Food aid expenditure	39 184 220	29 035 087	29 035 087	74.10	10 149 133
	TOTAL OF TITLE 9	39 184 220	29 035 087	29 035 087	74.10	10 149 133
	GRAND TOTAL	599 642 548	584 004 536	446 149 020		15 638 012
	Implementation percentage, commitments.				97.39	
	Implementation percentage payments.				74.40	
	Implementation percentage payments after deducting Title 8 (EAGGF, Guidance Section)				97.35	

(1) Appropriations carried over from 1974: 66 614 u.s. (commitment entered into after 15 December). Commitments against balance of appropriations: 2 603 924 u.s.

(2) Transfer approved by the Council on 3 December 1975 (implementation of "open" transfer).

(3) This amount does not include the carry-overs extending over a period of more than five years.

(4) In the case of Title 8, the "implementation percentage" represents the ratio of commitments to appropriations carried over (Col. 2/Col. 1).

(5) These appropriations are allocated to the "Mansholt Reserve."

Sales Offices

Belgique - België

Moniteur belge — *Belgisch Staatsblad*
Rue de Louvain 40-42 —
Leuvenseweg 40-42
1000 Bruxelles — 1000 Brussel
Tél. (02) 512 00 26
CCP 000-2005502-27 —
Postrekening 000-2005502-27

Sous-dépôt — *Agentschap:*

Librairie européenne —
Europese Boekhandel
Rue de la Loi 244 — Wetstraat 244
1040 Bruxelles — 1040 Brussel

Danmark

J.H. Schultz — *Boghandel*

Møntergade 19
1116 København K
Tel. 14 11 95
Girokonto 1195

BR Deutschland

Verlag Bundesanzeiger

5 Köln 1 — Breite Straße — Postfach 108 006
Tel. (0221) 21 03 48
(Fernschreiber: Anzeiger Bonn 08 882 595)
Postscheckkonto 834 00 Köln

France

*Service de vente en France des publications
des Communautés européennes*

Journal officiel

26, rue Desaix
75 732 Paris Cedex 15
Tél. (1) 578 61 39 — CCP Paris 23-96

Ireland

Stationery Office

Beggar's Bush
Dublin 4
Tel. 68 84 33

Italia

Libreria dello Stato

Piazza G. Verdi 10
00198 Roma — Tel. (6) 8508
Telex 62008
CCP 1/2640

Agenzie.

00187 Roma — Via XX Settembre
(Palazzo Ministero
del tesoro)

20121 Milano — Galleria
Vittorio Emanuele 3
Tel. 80 64 06

Grand-Duché de Luxembourg

*Officé des publications officielles
des Communautés européennes*

5, rue du Commerce
Boîte postale 1003 — Luxembourg
Tél. 49 00 81 — CCP 191-90
Compte courant bancaire :
BIL 8-109/6003/300

Nederland

Staatsdrukkerij- en uitgeverijbedrijf

Christoffel Plantijnstraat, 's-Gravenhage
Tel. (070) 81 45 11
Postgiro 42 53 00

United Kingdom

H.M. Stationery Office

P.O. Box 569
London SE1 9NH
Tel. (01) 928 6977, ext. 365
National Giro Account 582-1002

United States of America

European Community Information Service

2100 M Street NW
Suite 707
Washington D.C. 20 037
Tel. (202) 872 8350

Schweiz - Suisse - Svizzera

Librairie Payot

6, rue Grenus
1211 Genève
Tél. 31 89 50
CCP 12-236 Genève

Sverige

Librairie C.E. Fritze

2, Fredsgatan
Stockholm 16
Post Giro 193, Bank Giro 73/4015

España

Libreria Mundi-Prensa

Castelló 37
Madrid 1
Tel. 275 46 55

Other countries

*Office for Official Publications
of the European Communities*

5, rue du Commerce
Boîte postale 1003 — Luxembourg
Tél. 49 00 81 — CCP 191-90
Compte courant bancaire :
BIL 8-109/6003/300

FB 150,-	DKr. 23,60	DM 10,20	FF. 18,-	Lit. 2750	Fl. 10,40	£ 1,85	\$ 4,30
----------	------------	----------	----------	-----------	-----------	--------	---------
