

EUROPEAN COMMUNITIES

ANALYSIS OF THE FINANCIAL MANAGEMENT

in respect of the revenue and expenditure
of the European Communities
for the financial year 1979

INTRODUCTORY NOTE

The figures given for non-automatic carry-overs in the attached documents are provisional and liable to be altered. They are based on the figures provided by the administrative departments of the various institutions, as no decision had been taken by the Budgetary Authority when they were being worked out.

It was impossible to wait for the final figures, as the Revenue and Expenditure Accounts and the Financial Balance Sheets have to be presented by 1 June. A corrigendum will be issued once the final figures are known.

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(Drawn up pursuant to Article 75
of the Financial Regulation

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INTRODUCTION

Article 75 of the Financial Regulation of 21 December 1977 applicable to the General Budget of the European Communities reads as follows:

"The Revenue and Expenditure Account shall be preceded by an Analysis of Financial Management in respect of the year in question. It shall cover all revenue and expenditure transactions relating to the preceding financial year for each institution. It shall be submitted in the same form and following the same subdivision as the Budget."

This report updates the information contained in the Report on the Financial Situation of the European Communities on 31 December 1979 (COM(80)80) - which has been forwarded to the Budgetary Authority - in the light of more recent data.

REVENUE

I. LEGISLATIVE PROVISIONS

Pursuant to Article 5 of the Financial Regulation of 21 December 1977 (1) "the revenue of a financial year shall be entered in the accounts for the financial year on the basis of the amounts collected during the financial year".

Under the system valid up to 1977, own resources were supplemented by monthly payments of GNP-based contributions which varied according to the requirements assessed by the Commission. Twelve monthly payments of own resources were also made with an average delay of two months following the month of establishment to which they were booked.

Since 1978 own resources are no longer entered under the month of their establishment but under the month in which they were paid over to the Budget.

Because of the time lag of two months between establishment and payment, the year 1979, like 1978, was financed by own resources established by the Member States in November and December of the preceding year and by own resources established between January and October of the current year. Financial contributions still being paid by three Member States were not paid according to needs but in equal instalments of one-twelfth of the total resulting from the Budget (Article 10(3) of Council Regulation No 2891/77 of 19 December 1977 implementing the Decision of 21 April 1970 on the replacement of financial contributions from Member States by the Communities' own resources (2)).

If necessary, Member States may be asked by the Commission to pay own resources other than VAT resources one month earlier on the basis of the information available on the fifteenth day of the month (first subparagraph of Article 10(2) of Regulation No 2891/77). The Commission may also draw in excess of the total of these assets if cash requirements exceed the assets of the accounts (Article 12(2) of Regulation No 2891/77). This facility did not have to be used in 1979.

Own resources other than VAT resources must be entered in the accounts opened in the name of the Commission with the Treasury of each Member State by the twentieth of the second month following that in which entitlements were established. VAT and GNP resources are entered on the first working day of each month (Article 7 of Regulation No 2891/77).

(1) OJ L 356 of 31 December 1977.

(2) OJ L 336 of 27 December 1977.

II. IMPLEMENTATION OF REVENUE

(a) Own resources

Total appropriations for payments approved under the 1979 Budget and the First, Second and Third Supplementary and Amending Budgets amounted to 14.446,99 million EUA of which 196,4 million EUA were financed by miscellaneous revenue.

The remaining 14.250,6 million EUA were covered by customs duties, agricultural and sugar levies (50,6%), by resources derived from VAT (33,3%), i.e. a total of 83,9% for own resources, and by the financial contributions provided for by Article 4 of the Decision of 21 April 1970 on the replacement of financial contributions from Member States by the Communities' own resources (1) (16,1%). GNP-based contributions were paid in by the three Member States (Ireland, the Federal Republic of Germany and Luxembourg) which were unable to apply the Sixth Directive by 1 January 1979.

Own resources from customs duties, agricultural and sugar levies during 1979 amounted to 7.332,6 million EUA - 101,68% of the amounts entered in the Budget.

Outturn was slightly lower than estimates as regards agricultural levies (-1,6%), slightly higher as regards customs duties (+2,85%) and sugar levies (+1,12%).

The following table compares the estimates and outturns for revenue from customs duties, agricultural and sugar levies:

Table 1

| Type of resource | Budget estimates | Amounts collected 12 months | Discrepancy 3-2 | Percentage 3/2 |
|---------------------|------------------|-----------------------------|-----------------|----------------|
| 1 | 2 | 3 | 4 | 5 |
| Agricultural levies | 1.706,0 | 1.678,6 | - 27,4 | 98,39 |
| Sugar levies | 459,8 | 464,9 | + 5,1 | 101,12 |
| Customs duties | 5.045,5 | 5.189,1 | + 143,6 | 102,85 |
| Total | 7.211,3 | 7.332,6 | + 121,3 | 101,68 |

(1) OJ L 94 of 28 April 1970.

The results may be considered satisfactory, particularly as regards agricultural levies when one remembers the major fluctuations in the agricultural sector.

The following table is a breakdown of the incomings in the four quarters of 1979 as a percentage of total estimates.

Table 2

in %

| Type of resource | First quarter | First six months | Nine months | Twelve months |
|---------------------|---------------|------------------|-------------|---------------|
| Agricultural levies | 27,8 | 52 | 73,3 | 98,39 |
| Sugar levies | 42 | 73,7 | 87,6 | 101,12 |
| Customs duties | 23 | 47,5 | 75,4 | 102,85 |
| Total | 25,5 | 50,3 | 75,6 | 101,68 |

The total outturn of own resources practically matches the estimates. There was a slight slowing down in the second and, to a lesser extent, in the third quarter in relation to the first quarter, which was somewhat higher than estimated, while incomings picked up again in the fourth quarter, exceeding the first quarter by 2%.

The percentage increase in total agricultural levies in the first quarter was smaller in the second and, in particular, third quarters but rose again in the last quarter, so following the outturn pattern of previous years.

The substantial increase in sugar levies calmed down noticeably during the last months of the year. The inflation of the first two quarters was due in part to the fact that production levies are paid only in the first half of the year.

The initial estimates for customs duties were too low by 9%. They were increased by 300 million ECU in the Third Supplementary and Amending Budget. As in 1978 and in contrast to the outturn pattern of previous years, the incomings in the fourth quarter were lower than those of the third. However, this slowdown of some 1% in 1979 is negligible.

1.1 Pattern of own resources paid since 1974

Table 3

in million u.a. up to 1977

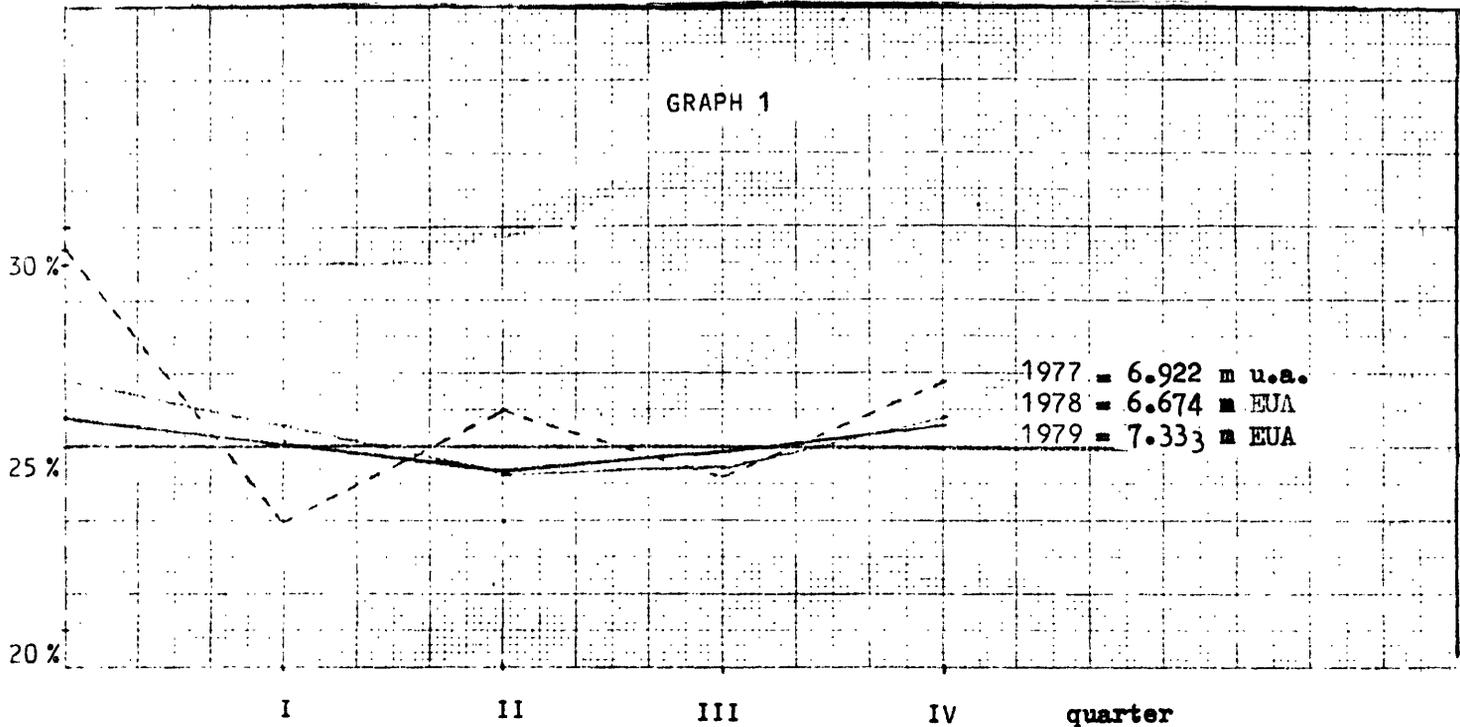
| Year | Agricultural levies paid | Sugar levies paid | Customs duties paid | TOTAL | Annual increase (%) |
|------------|--------------------------|-------------------|---------------------|---------|---------------------|
| 1974 | 255 | 75 | 2 738 | 3 068 | + 22,9 |
| 1975 | 510 | 80 | 3 151 | 3 741 | + 21,9 |
| 1976 | 1 035 | 128 | 4 065 | 5 228 | + 39,7 |
| (1) 1977 | 1 576 | 202 | 3 927 | 5 706 | + 9,1 |
| (2) | (1 972) | (317) | (4 633) | (6 922) | (+ 32,4) |
| 1978 | 1 873 | 411 | 4 391 | 6 674 | + 2,7 |
| (in m EUA) | | | | | |
| 1979 | 1 679 | 465 | 5 189 | 7 333 | + 9,9 |
| (m EUA) | | | | | |

- (1) As a result of the adoption of cash budgeting for revenue, the 1977 financial year covers January to October; November and December are included for accounting purposes under 1978. The figures in parentheses are for twelve months.
- (2) Total own resources for 1977 (12 months) expressed in EUA stand at 6.500 million EUA.

The increase in own resources paid is mainly attributable to the successive reductions in the abatement factor applied to own resources from the three new Member States and to the increase in own resources from the original Member States.

The increase between 1978 and 1979 in own resources paid amounts to 9,9% and is mainly due to the substantial rise in customs duties (+18.2%) and, to a lesser extent, in sugar levies, agricultural levies being 10,4% below the 1978 figure.

1.2 Quarterly pattern of payment of own resources for the last three years



2. Agricultural levies

The outturn for agricultural levies in 1979 was 1.678,6 million EUA, 1,6% below the amount entered in the Budget. In comparison with the outturn for 1978 (1.872,7 million EUA), it decreased by 10,4%.

The gap between estimates and outturn was not caused by overestimation in the assumptions regarding levy rates made in 1979; in fact there was a slight underestimation in respect of maize, production of which continued to increase because of the increase in the area under cultivation in South America, Europe and the United States. The reduction in the levy rates from May 1979 is particularly large in the case of wheat. The increase in world wheat prices is due to the falling-off in production compared with the bumper harvest of 1978 and the demand pressure resulting from the huge purchases made by the Soviet Union following a poor harvest.

The gap between estimates and outturn is due to a downward trend in cereal imports - which provide 70 to 80% of total levies - a trend which continued in 1979.

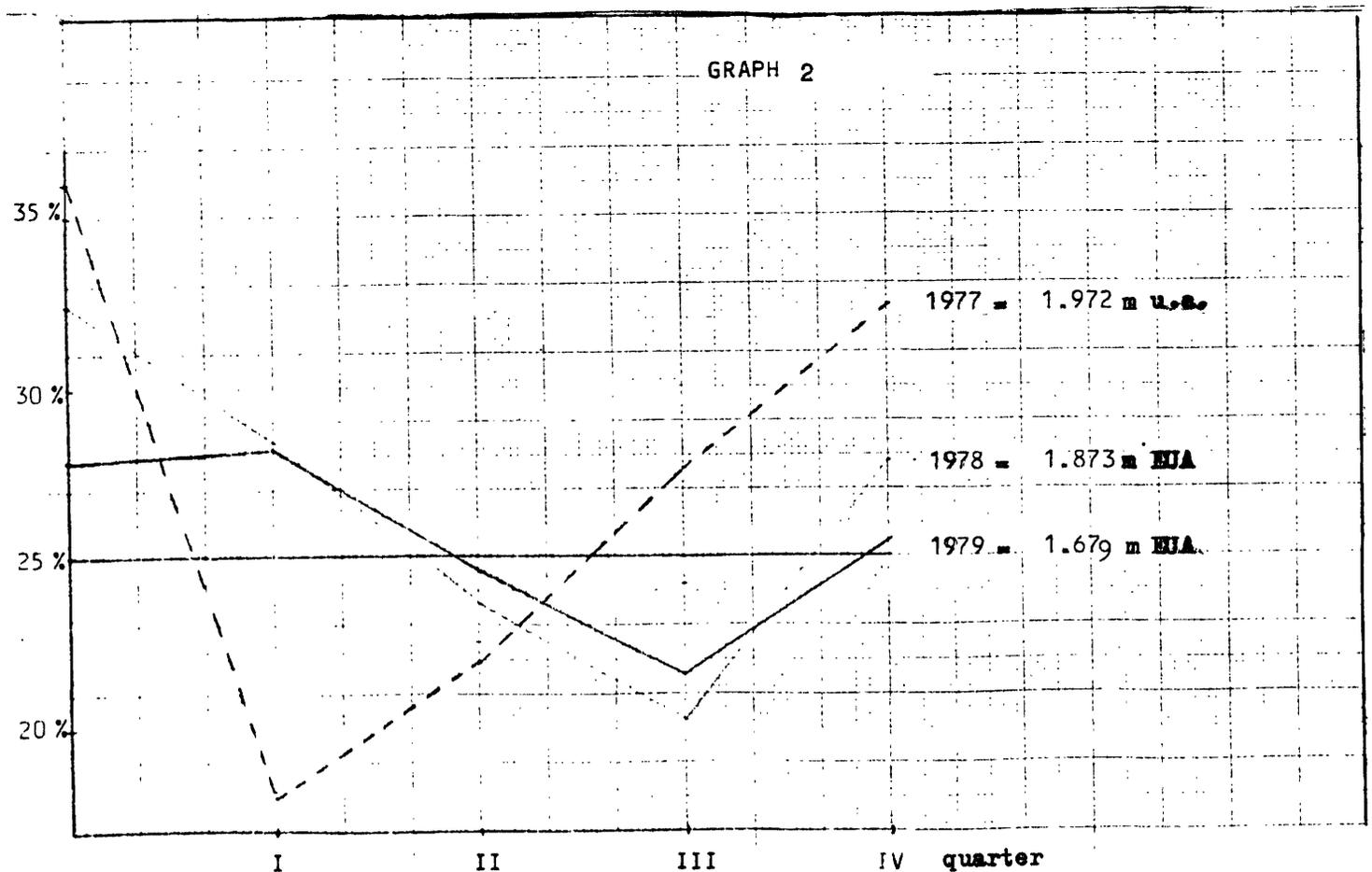
Expressed in terms of value, imports of cereals from non-member countries decreased by 12,4% in the first nine months of 1979 as compared with the same period in 1978.

In terms of quantity, imports of the main cereals (common wheat, maize and barley) have been declining since 1976, particularly maize and barley. Imports of maize from non-member countries from January to September 1979 totalled 8.232.000 tonnes, compared with 9.347.000 tonnes for the same period in 1978, a fall of 11,9%. This trend was particularly noticeable in respect of barley, imports of which amounted to 526.000 tonnes between January and September 1979, compared with 710.000 tonnes during the same period of 1978, a fall of some 26%.

These falls caused a drop in the amount of levies collected in 1979 compared with 1978, for they were only partially offset by the increase in rates of levy in the first four months of 1979. From May to September 1979, rates of levy declined because of a rise in world prices far steeper than that of Community threshold prices.

Graph 2 shows the pattern of quarterly payments of agricultural levies in the last three financial years.

GRAPH 2



3. Sugar and isoglucose levies

3.1 Sugar production levies

Article 5 of Commission Regulation No 700/73 of 12 March 1973 laying down certain detailed rules for the application of the quota system for sugar⁽¹⁾ lays down that sugar production levies shall be paid to the Commission in January and May each year. The June 1979 payments are in respect of the part-levy for the 1978/79 sugar year, the remainder of the levy for that year being paid over in February 1980. The February payments are in respect of the balance due for 1977/78.

In February 1979 the rate for the levy outstanding was 58,5 u.a./tonne; in June 1979 the advance was 40 u.a./tonne. These estimates are applied to the quantity of "B" sugar produced (the quantity between the basic quota and the maximum quota), which amounted to 1.886.000 tonnes for the 1977/78 sugar year and 1.912.000 tonnes for 1978/79.

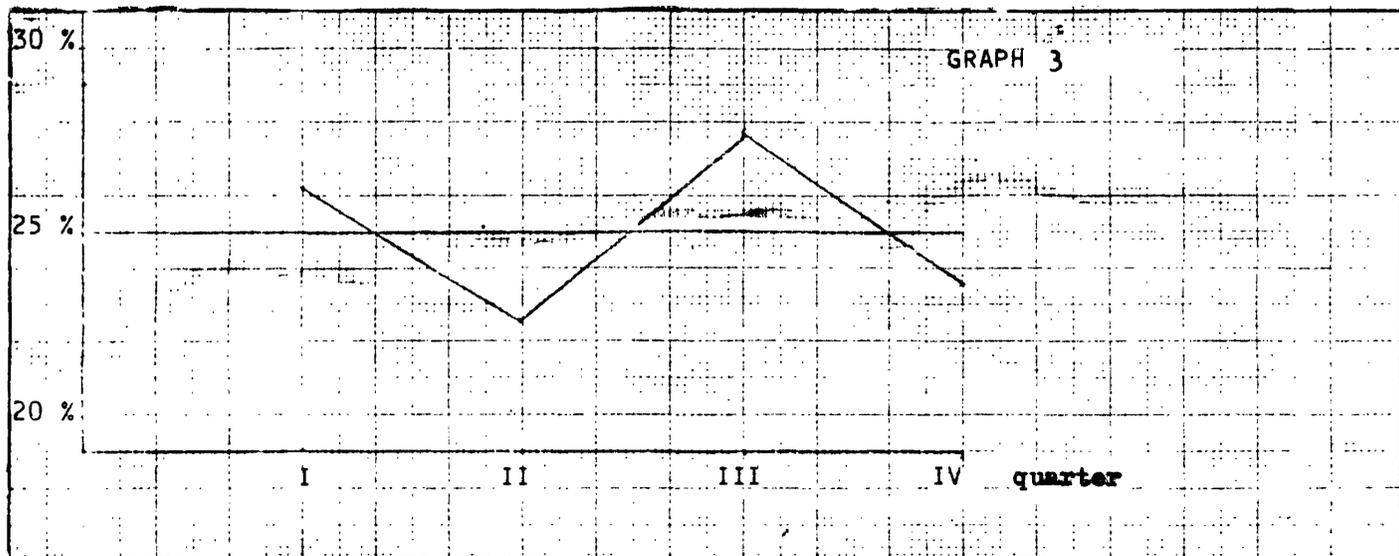
For 1977/78 and 1978/79 the maximum quota was fixed at 127,5% of the basic quota. Production levies collected in the course of the financial year 1979 were 217 m EUA, which was 4,4% above the budget estimates because the quantity of "B" sugar produced was slightly higher than forecast for the 1978/79 sugar year.

3.2 Sugar storage levies

Sugar storage levies are credited to the Commission's accounts each month. The rate of levy for the 1978/79 sugar year (1 July 1978 to 30 June 1979) was set at 19,8 u.a./tonne and that for 1979/80 at 21,76 ECU/tonne. The quantities subject to levy for the 1978/79 sugar year amounted to approximately 10.910.000 tonnes for the Community, to which should be added 1.281.000 tonnes of ACP preferential sugar. Revenue from storage levies in 1979 amounted to 248 m EUA, 1,6% under the budget estimates due to smaller disposals of sugar on the world market than were forecast. These amounts take account of levies in respect of ACP preferential sugar.

⁽¹⁾ OJ L 67 of 14 March 1973.

The following graph shows the pattern of sugar storage levies for 1979.



3.3 Isoglucose production levies

Council Regulation No 1111/77 of 17 May 1977 laying down common provisions for isoglucose(1) was invalidated by a judgment of the Court of Justice of 25 October 1978 in so far as Articles 8 and 9 of that Regulation imposed an isoglucose production levy of 5 u.a. per 100 kg of dry matter. Payment of isoglucose levies was suspended by the Commission in December 1978. On 25 June 1979, the Council adopted an amendment to Regulation No 1111/77 (Regulation No 1293/79)(2) which annuls the provisions relative to the levies of the previous years, reintroducing them as from the 1979/80 sugar year. However, the rules for the application of the Regulation provide that payments for this sugar year shall be made in 1980 and 1981.

The Third Amending and Supplementary Budget of 13 December 1979 embodied the appropriate action by eliminating from Article 112 of Chapter 11 the sum of 7,2 m EUA entered as isoglucose production levies. The statement of Community revenue at 31 December 1979 does not, therefore, include any payment of levies for the year. Refunds of levies paid in respect of the 1977/78 sugar year have started and will continue as decisions on reimbursement are taken by the national bodies empowered to take them.

(1) OJ L 134 of 28 May 1977.

(2) OJ L 162 of 30 June 1979.

4. Customs duties

Since 1 January 1978 all Member States, including the countries which acceded in 1973, have paid over customs duties in their entirety.

For 1979 the outturn figures are above the budget estimates.

Customs revenue for 1979 was 18,2% above that for 1978. Although the outturn for customs duties has always been above that for the previous year, except for 1975 and 1978, an increase of this order of magnitude was previously recorded only in 1976, as the following table shows.

Table 4

m EUA

| Member States | CUSTOMS DUTIES - 1974-79 | | | | | |
|---|--------------------------|---------------|----------------|---------------|---------------|----------------|
| | 1974 | 1975 | 1976 | 1977 | 1978 | 1979 |
| Six + % | 2629 + 12,9 | 2508 - 4,6 | 3030 + 20,8 | 3224 + 6,4 | 3170 - 1,7 | 3663 + 15,6 |
| Nine + % | (1) | 3529 | 4192 + 18,8 | 4459 + 6,4 | 4391 - 1,5 | 5189 + 18,2 |
| (1) In the case of the United Kingdom and Ireland the breakdown between fiscal duties and protective duties is not available. | | | | | | |

The underestimation of customs revenue and the substantial increase in that revenue compared with the previous year are due to the trend in EEC foreign trade.

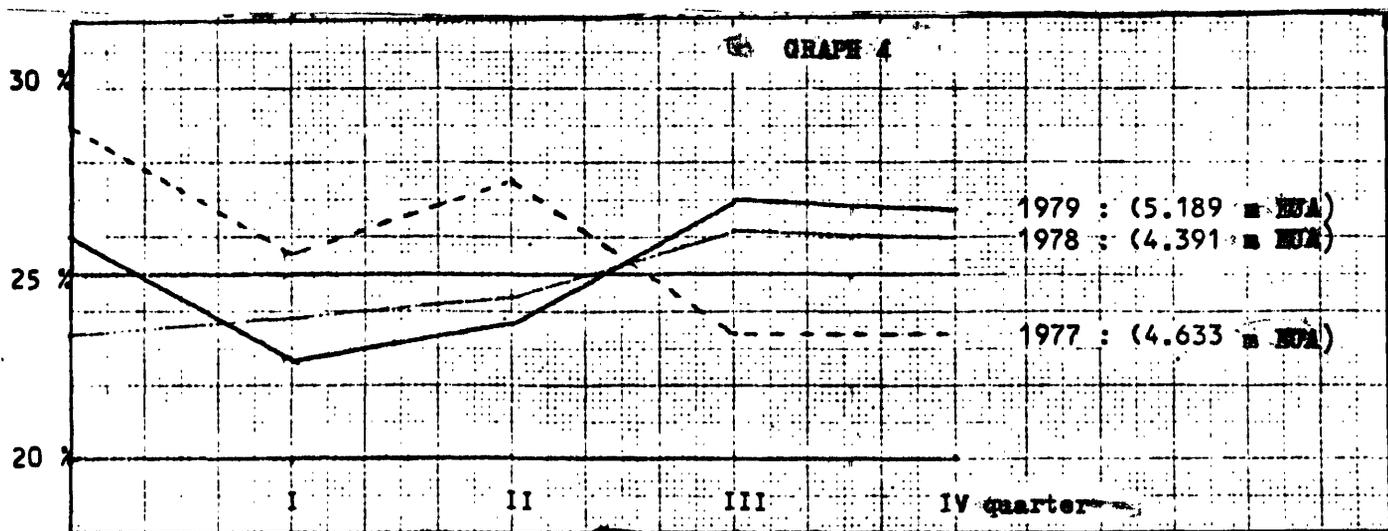
For the period 1 November 1978 - 31 October 1979 (the period for establishing the duties corresponding to the payments made in 1979) there was a substantial increase (19,4%) in total EEC imports compared with the same period in 1978 (1 November 1977 - 31 October 1978). In value terms, imports from non-member countries increased by 19,5%, i.e. slightly more than intra-Community imports, where the increase was 19,2%.

The 25% increase in value terms in imports of energy products for the same reference periods had practically no effect on the outturn of customs duties, since the duty applied to crude oil is zero and coal, coke and patent fuels are ECSC products and customs duties on them are not own resources.

At the same time, there was a substantial increase in imports in the sectors with a very high yield because of the few exemptions and the high tariffs in these sectors. Comparing the period 1 November 1978 - 31 October 1979 with the period 1 November 1977 - 31 October 1978, imports of chemical products from non-member countries increased by 23%, imports of machinery and transport equipment increased by 17% and imports of other manufactured articles by 22%.

Overall, imports in 1979 were above the expected values and were marked by pronounced growth in imports from non-member countries.

The following graph shows the quarterly pattern of customs duty payments in the last three financial years.



5. Resources derived from VAT

Article 10 of Council Regulation No 2891/77 of 19 December 1977 lays down that VAT resources and GNP-based financial contributions must be entered, in equal monthly instalments of one-twelfth of the total resulting from the Budget, in the accounts opened in the Commission's name with the national Treasuries.

Pursuant to Article 7 of the abovementioned Regulation, these entries are made on the first working day of each month.

Pursuant to Article 30 of the Financial Regulation applicable to the Budget of the European Communities, the amounts due from VAT or financial contributions expressed in the Budget in EJA are converted into the respective national currencies on the basis of the rate for the EJA applying on the first working day following the 15th day of the month preceding the payment.

The sums converted into national currencies are entered in the accounts - pursuant to Article 9 of Regulation No 2891/77 - in EJA on the basis of the rates obtaining on the last day corresponding to the time limit for entry (the first working day of each month).

The difference between the EJA rates used for this double conversion causes discrepancies between estimates and outturn.

In 1979 six countries paid over own resources derived from VAT. The amount entered in the accounts at 31 December 1979 was 4.737,71 m EJA; the amount entered in the Budget was 4.739,56 m EJA. Pursuant to Article 10(1) of Council Regulation 2892/77 of 19 December 1977 implementing in respect of own resources accruing from value added tax the Decision of 21 April 1970 on the replacement of financial contributions from Member States by the Communities' own resources(1), the Member States must, before 1 July, forward to the Commission a summary account indicating the total final amount of their VAT bases for 1979. Each Member State will be debited with the amount calculated from the information given in the said summary accounts by applying the rate adopted for the financial year 1979 (0,7889%) and credited with the twelve payments made during the financial year. The Commission will work out the balance and inform the Member States in time for them to enter it in the accounts opened in the Commission's name with national Treasuries on the first working day of August 1980 (Article 10(4) of Regulation 2891/77). These balances will subsequently be entered in an Amending Budget during the financial year 1980 (Article 16(2) of Regulation 2891/77).

6. Financial contributions

Three Member States - the Federal Republic of Germany, Ireland and Luxembourg - which were unable to apply the Sixth Directive by 1 January 1979, continued to pay over GNP-based financial contributions.

Because of the time lag referred to in the preceding paragraph, the amount entered in the accounts at 31 December 1979 amounted to 2.302,14 m EJA, while the amount entered in the Budget was 2.299,72 m EJA. On the first working day of August 1980, these Member States will adjust their financial contributions so as to restore, in the light of the actual yield from VAT resources, the original distribution in the Budget between the latter and the financial contributions based on GNP (Article 10(5) of Regulation 2891/77). These adjustments will likewise be entered in the abovementioned Amending Budget relating to the balances of VAT resources.

(1) OJ L 336 of 27 December 1977.

7. Miscellaneous revenue

The other forms of revenue in the 1979 Budget are:

- miscellaneous revenue relating to the General Budget and to research and investment. This was estimated at approximately 138,9 m EUA; the sum collected up to 31 December was 172,75 m EUA;
- the balance from the financial year 1978, which amounts to 41,6 m EUA;
- Member States' contributions to complementary research and investment programmes: 10,85 m EUA due from only two Member States which are to pay seven-twelfths of the total before 31 January as laid down in the Financial Regulation and the remaining five-twelfths not later than 15 July;
- the amount of ECSC levies intended to cover administrative expenditure: the sum of 5 m EUA paid in four quarterly instalments of 1,25 m EUA.

8. Balance of financial year 1979

Article 27 of the Financial Regulation lays down that the balance of each financial year shall be entered, depending on whether it is a surplus or a deficit, as revenue or expenditure in the Budget for the following financial year on the occasion of the Amending Budget drawn up on the basis of the final annual summary account of VAT resources for the preceding financial year which the Member States send to the Commission before 1 July each year (Article 10(3) of Regulation No 2892/77).

The balance of financial year 1979 is determined in Table 9 and will be entered in the Amending Budget for 1980 referred to above.

9. Application of Article 131 of the Accession Treaty

Article 131 of the Accession Treaty states that in 1979 the increase compared with 1978 in the share of each new Member State in the financing of the Budget must not exceed the increase for 1978 compared with 1977. The financial compensation paid under this Article is set out in Table 10.

Table 5

REVENUE SITUATION FOR FINANCIAL YEAR 1979
ON 31 DECEMBER 1979

| Title | HEADING | Revenue estimated in the Budget | Amounts collected | Percentage of payment |
|------------|---|------------------------------------|----------------------|--------------------------|
| 1 | <u>Own resources</u> including: | 11.950.862.609 | 12.070.305.253 | 101,00 % |
| | - agricultural levies | 1.706.000.000 | 1.678.555.761 | 98,39 % |
| | - sugar levies | 459.800.000 | 464.929.840 | 101,12 % |
| | - customs duties | 5.045.500.000 | 5.189.107.872 | 102,85 % |
| | TOTAL | 7.211.300.000 | 7.332.593.473 | 101,68 % |
| | - VAT resources | 4.739.562.609 | 4.737.711.780 | 99,96 % |
| 2 | <u>Surplus available from previous year</u> | 41.618.638 | 41.618.638 | 100,00 % |
| 3 | <u>ECSC contribution towards administrative expenditure</u> | 5.000.000 | 5.000.000 | 100,00 % |
| 4 and 9 | <u>Deductions from staff remunerations</u> - miscellaneous revenue | 138.942.560 | 172.748.928 | 124,33 % |
| 5 | <u>Financial contributions</u> including: | 2.310.570.063 | 2.312.987.614 | 100,10 % |
| | - those to ECSC complementary programmes | 10.850.732 | 10.850.732 | 100,00 % |
| | - GNP-based financial contributions | 2.299.719.331 | 2.302.136.882 | 100,11 % |
| | TOTAL | 14.446.993.870 | 14.602.660.433 | 101,08 % |

Table 6

EJA

| Member State | MEMBER STATES' SHARE IN FINANCING THE 1979 BUDGET | | | | | | TOTAL |
|----------------|---|---------------|---------------|-------------------------|--------------------|----------------|-------|
| | Agricultural levies | | CCT duties | Financial contributions | Resources from VAT | TOTAL | |
| | Sugar and fructose levies | Other levies | | | | | |
| Belgium | 30.858.179 | 229.716.616 | 355.664.326 | | 329.553.483 | 925.792.604 | |
| Denmark | 21.132.498 | 7.964.949 | 124.349.238 | | 183.934.185 | 337.380.870 | |
| FRG | 146.318.720 | 263.654.641 | 1.586.630.608 | 2.245.567.690 | | 4.242.171.659 | |
| France | 152.309.343 | 96.525.987 | 754.217.793 | | 1.720.425.176 | 2.723.478.299 | |
| Ireland | 4.559.954 | 3.569.869 | 57.083.349 | 41.641.319 | | 106.854.492 | |
| Italy | 45.924.235 | 410.576.149 | 497.204.818 | | 747.653.379 | 1.701.358.580 | |
| Luxembourg | - | 140.266 | 3.770.319 | 14.927.872 | | 18.838.457 | |
| Netherlands | 37.756.393 | 313.240.643 | 485.583.609 | | 453.593.310 | 1.290.173.956 | |
| United Kingdom | 26.070.518 | 353.166.641 | 1.344.603.814 | | 1.302.552.246 | 3.026.393.219 | |
| TOTAL | 464.929.840 | 1.678.555.761 | 5.189.107.872 | 2.302.136.882 | 4.737.711.780 | 14.372.442.135 | |

Table 7

EUA

MEMBER STATES' SHARE IN FINANCING THE 1979 BUDGET

| Member State | Agricultural levies | | CCT duties | Financial contributions and resources from VAT | Total | Total taking into account Article 131 |
|----------------|-----------------------------|--------------|------------|--|-------|---------------------------------------|
| | Sugar and isoglucose levies | Other levies | | | | |
| | % | % | | | | |
| Belgium | 6,64 | 13,69 | 6,47 | 4,68 | 6,44 | 6,72 |
| Denmark | 4,55 | 0,47 | 2,40 | 2,61 | 2,35 | 2,35 |
| FRG | 31,47 | 15,71 | 30,58 | 31,90 | 29,52 | 30,66 |
| France | 32,76 | 5,75 | 14,53 | 24,44 | 18,95 | 20,08 |
| Ireland | 0,98 | 0,21 | 1,10 | 0,59 | 0,74 | 0,73 |
| Italy | 9,88 | 24,46 | 9,58 | 10,62 | 11,84 | 12,48 |
| Luxembourg | - | 0,01 | 0,07 | 0,21 | 0,13 | 0,13 |
| Netherlands | 8,12 | 18,66 | 9,36 | 6,44 | 8,98 | 9,35 |
| United Kingdom | 5,61 | 21,04 | 25,91 | 18,50 | 21,06 | 17,49 |
| TOTAL | 100 | 100 | 100 | 100 | 100 | 100 |

Table 8

EUA

| REVENUE OTHER THAN OWN RESOURCES AND FINANCIAL CONTRIBUTIONS | | |
|--|--------------------|---------------|
| Type of revenue | Amount | % |
| 1. Share of the proceeds of ECSC levies paid over in application of Article 20 of the Treaty of 8 April 1965 | 5.000.000 | 2,17 |
| 2. Surplus from 1978 | 41.618.638 | 18,08 |
| 3. Deductions from staff remunerations | 107.935.109 | 46,88 |
| 4. Contributions provided for under Article 3(4) and Article 4(6) of the Decision of 21 April 1970 (EAEC) | 10.850.732 | 4,72 |
| 5. Miscellaneous revenue: | 64.813.818 | 28,15 |
| - Proceeds from the sale of movable and immovable property and from rentals | 145.150 | 0,06 |
| - Revenue from services provided against payment | 23.419.800 | 10,17 |
| - Borrowing and lending | - | - |
| - Other | 41.248.868 | 17,92 |
| TOTAL | 230.218.297 | 100,00 |

Table 9

DETERMINING THE BALANCE OF THE FINANCIAL YEAR 1979

Application of Article 15 of Council Regulation (EEC, Euratom, ECSC)
No 2891/77

| | | (EUA) |
|--|-------------------------|----------------------------|
| Revenue for the financial year | | 14.632.660.433,26 |
| Payments made against appropriations for the year | 12.925.286.315,30 | |
| Appropriations carried over to 1980(1) | <u>1.453.144.993,12</u> | <u>- 14.378.431.308,42</u> |
| Difference | | + 254.229.124,84 |
| - Appropriations carried over from 1978 which have lapsed | | + 199.218.706,14 |
| | | <hr/> |
| Balance of 1979 | | + 453.447.830,98 |
| | | ===== |

(1) Including the appropriations which the Budgetary Authority has been asked to have carried over the 17th of April 1980.

Table 10

Application of Article 131 of the Act of Accession - Extra-
budgetary financial compensation

| Member State | EUA |
|----------------|---------------|
| Belgium | - 40.693.347 |
| Denmark | - |
| FRG | -165.060.808 |
| France | -163.000.949 |
| Ireland | + 2.207.448 |
| Italy | - 91.867.789 |
| Luxembourg | - 554.185 |
| Netherlands | - 53.913.112 |
| United Kingdom | + 512.882.743 |
| TOTAL | - |

The financial outlay of the Member States, as shown in Table 6, does not take into account the financial compensation contained in the table above.

NB: The plus and minus signs indicate that the Member State in question has received or paid the amount stated, as the case may be.

EXPENDITURE

BY EACH INSTITUTION

EUROPEAN PARLIAMENT

SUMMARY TABLE

REPORT ON ADMINISTRATIVE EXPENDITURE FOR THE
1979 FINANCIAL YEAR

EUA

I. AVAILABLE APPROPRIATIONS

Appropriations shown in the budget of
the European Parliament for the 1979
financial year were as follows:

| | |
|------------------------------|-------------|
| . initial budget | 114.203.705 |
| . supplementary budget | 29.986.995 |

Total : 144.190.700

II. UTILIZATION OF APPROPRIATIONS

Appropriations committed 112.786.007,83

Appropriations not committed on 31.12.79
and carried forward in accordance with
Article 6(1)(b) of the FR 2.681.000

i.e. a cancellation rate of 19,93% 28.723.692,17
=====

III. Appropriations automatically brought
forward from the 1978 to the 1979
financial year (Article 6(1)(c) of
the FR) 14.532.980,92

Payments from the above sums brought
forward 10.369.409,57

i.e. a cancellation rate of 28,65% 4.163.571,35
=====

PARLIAMENT EXPENDITURE
COMPARATIVE TABLE

The table below shows, chapter by chapter, the main increases or decreases in expenditure, including outstanding amounts at the close of the 1979 financial year, compared with the 1978 financial year.

| Chap. | Heading | 1979 EUA | 1978 EUA | + - EUA | + - % |
|-------|--|-----------------------|----------------------|------------------------|---------------|
| 10 | Members of the institution | 12,227,385.04 | 6,021,646.67 | + 6,205,738.37 | +103.1 |
| 11 | Staff | 56,989,838.55 | 50,564,866.33 | + 6,424,972.22 | + 12.7 |
| 12 | Allowances and expenses on entering and on leaving the service and on transfer | 1,272,443.77 | 1,087,799.83 | + 184,643.94 | + 17.1 |
| 13 | Expenditure relating to missions and duty travel | 4,219,538.27 | 2,513,663.77 | + 1,705,874.50 | + 67.9 |
| 14 | Expenditure on social welfare | 1,340,344.61 | 297,944.88 | + 1,042,399.73 | + 349.9 |
| 15 | Internal training courses and vocational training of staff | 206,812.37 | 209,173.19 | - 2,360.82 | - 1.1 |
| | <u>TITLE I</u> | <u>76,256,362.61</u> | <u>60,695,094.67</u> | <u>+ 15,561,267.94</u> | <u>+25.6</u> |
| 20 | Immovable property investments | - | - | - | - |
| 21 | Rental of buildings and incidental expenditure | 10,025,820.07 | 11,300,214.89 | - 1,274,394.82 | -11.3 |
| 22 | Movable property and ancillary expenses | 6,945,042.08 | 2,883,773.70 | + 4,061,268.38 | +140.8 |
| 23 | Current administrative expenditure | 2,573,955.55 | 1,861,949.83 | + 712,005.72 | + 38.2 |
| 24 | Entertainment and representation expenses | 273,656.96 | 179,479.97 | + 94,176.99 | + 52.5 |
| 25 | Expenditure for formal and other meetings | 129,338.64 | 14,352.44 | + 114,986.20 | +801.2 |
| 26 | Expenditure on studies, surveys and consultations | 65,795.23 | 17,768.94 | + 48,026.89 | +270.3 |
| 27 | Expenditure on publishing and information | 6,732,940.57 | 7,347,048.80 | - 614,108.23 | - 8.4 |
| 29 | Subsidies and financial contributions | 1,473,007.02 | 1,505,035.03 | - 32,028.01 | - 2.1 |
| | <u>TITLE II</u> | <u>28,219,556.72</u> | <u>25,109,623.60</u> | <u>+ 3,109,933.12</u> | <u>+ 12.4</u> |
| 37 | Expenditure relating to certain institutions and bodies | 10,991,088.50 | 7,197,125.81 | + 3,793,962.69 | + 52.7 |
| | <u>TITLE III</u> | <u>10,991,088.50</u> | <u>7,197,125.81</u> | <u>+ 3,793,962.69</u> | <u>+ 52.7</u> |
| | <u>GRAND TOTAL</u> | <u>115,467,007.83</u> | <u>93,001,844.08</u> | <u>+ 22,465,163.75</u> | <u>+ 24.2</u> |

GENERAL REVIEW OF AND COMMENTS ON THE BUDGETARY EXPENDITURE EFFECTED IN 1979

The year 1979 was marked by direct elections and the increase in the number of Members from 198 to 410. The adjustments in appropriations required as a result were made in a supplementary budget increasing the initial appropriations by 26% to a total of 144,190,700 EUA.

Expenditure during the financial year compared with 1978 therefore shows an increase of 24% as against 23% last year.

The rate of utilization in 1979 was + 80% as against 93% in 1978. This was due to the difficulty of making forecasts involving a larger number of unknown quantities, with the result that requirements were overestimated in some cases out of a concern to ensure that the new Parliament worked smoothly.

CHAPTER 10 - MEMBERS OF THE INSTITUTION

71% of the appropriations were committed. Calculations were based on seven months operation of the new Parliament whereas the actual period was no more than about 5 months. Furthermore, the appropriations were increased by a transfer following an adjustment to the secretarial allowance enabling members to take on assistants, and in many cases this took some time.

CHAPTER 11 - STAFF

The number of posts on the establishment plan rose from 1686 in 1978 to 2077 in 1979, an increase of 391. Expenditure was up by 13% and the spending rate is 89%.

CHAPTER 12 - ALLOWANCES AND EXPENSES ON ENTERING AND ON LEAVING THE SERVICE AND ON TRANSFER

Despite an increase of 17% in expenditure compared with 1978, 38% of the initial appropriations were cancelled, mainly because of the delay in the recruitment procedure, which meant that less use was made of the appropriations earmarked for certain expenditure and allowances.

CHAPTER 13 - EXPENDITURE RELATING TO MISSIONS AND DUTY TRAVEL

The appropriations under this chapter were increased by a transfer made necessary because of the higher number of missions and the increase in mission expenses.

CHAPTER 14 - EXPENDITURE ON SOCIAL WELFARE

Increased spending under this chapter was the result of a donation of 1.000.000 EUA to Vietnamese refugees further to a decision by Parliament. The necessary funds were transferred from the reserve to item 1490 'Other measures'.

CHAPTER 21 - RENTAL OF BUILDINGS AND
INCIDENTAL EXPENDITURE

83% of the appropriations were committed. The cancelled 17% were for appropriations earmarked for the rental of buildings in Luxembourg, the completion of which was held up.

CHAPTER 22 - MOVABLE PROPERTY AND ANCILLARY
EXPENSES

The reason for the cancellation of 27% of the appropriations was the delay in occupying, and hence fitting out, the new buildings in Luxembourg. Expenditure on furniture and other facilities was twice as high as in 1978.

CHAPTER 23 - CURRENT ADMINISTRATIVE EXPENDITURE

82% of the appropriations were used up. The main reason for the 38% increase in expenditure over 1978 was the substantial rise in telephone and franking costs.

CHAPTER 27 - EXPENDITURE ON PUBLISHING AND INFORMATION

The appropriations under this chapter were fully used up. The 8% decrease compared with 1978 was due to a reduction in expenditure for the electoral campaign.

CHAPTER 37 - EXPENDITURE RELATING TO CERTAIN INSTITUTIONS AND BODIES

94% of the appropriations were committed. The main reason for the 53% rise in expenditure over 1978 was the increase in spending on political group activities.

CHAPTER 100 - PROVISIONAL APPROPRIATIONS

A total of 23.990.000 EJA was transferred to the 'operational' items. The amount cancelled was 25% or 7.842.000 EJA.

COUNCIL

SECTION II - COUNCIL(1)

Summary table

A. Expenditure for the financial year 1979

| | |
|--|------------------|
| I. The total estimated revenue for the financial year 1979 was | 7.865.000 EUA |
| II. The total amount of revenue collected during the financial year 1979 was | 8.514.480,62 EUA |

(1) Not including the revenue and expenditure of the Economic and Social Committee.

B. Expenditure for the financial year 1979 (Council expenditure)

| <u>I. Appropriations available</u> | <u>EUA</u> |
|---|---------------|
| The total appropriations of Section II - Council - for the financial year 1979 amounted to | 86.208.300,00 |
| <u>II. Utilization of the appropriations</u> | |
| These appropriations were committed as follows: | 71.685.090,50 |
| Percentage utilized: 83,54% | |
| Percentage cancelled: 16,46% | |
| <u>III. The appropriations carried over from the financial year 1978 to the financial year 1979 amounted to</u> | 8.235.584,93 |
| The payments made against these carried-over appropriations amounted to | 6.447.510,12 |
| Percentage utilized: 78,29% | |
| Percentage cancelled: 21,71% | |

The table that follows summarizes the financial management operations for the financial year 1979.

FINANCIAL YEAR 1979: Section II - COUNCIL (1)

| | Carry-overs 1978 to 1979 | Payments against appropriations carried over | Cancellations | Total appropriations for the financial year 1979 | Commitments charged against 1979 | Payments made by 15.1.1980 | Carry-overs 1979 to 1980 | | Cancellations |
|------------------|-----------------------------|---|---------------|--|--|----------------------------------|-------------------------------------|-------------------------------------|---------------|
| | | | | | | | Article 6(1) (c) of Fin. Reg. | Article 6(1) (b) of Fin. Reg. | |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| Title I | 137,866,64 | 97,342,95 | 40,523,69 | 52,547,700,- | 46,148,388,94 | 45,792,174,37 | 356,214,57 | 14,250,- | 6,385,061,06 |
| Title II | 8,097,718,29 | 6,350,167,17 | 1,747,551,12 | 31,130,300,- | 25,536,701,56 | 18,767,692,30 | 6,769,009,26 | 322,540,- | 5,271,058,44 |
| Title III (1) | | | | | | | | | - 37 - |
| Title X | - | - | - | 2,530,300,- | - | - | - | - | 2,530,300,- |
| TOTAL | 8,235,584,93 | 6,447,510,12 | 1,788,074,81 | 86,208,300,- | 71,685,090,50 | 64,559,866,67 | 7,125,223,83 | 336,790,- | 14,186,419,54 |
| Percentage | 100,00 % | 78,29 % | 21,71 % | 100,00 % | 83,15 % | 74,89 % | 8,26 % | 0,39 % | 16,46 % |

(1) The figures for the Economic and Social Committee will be communicated later.

COUNCIL EXPENDITURE: COMPARATIVE TABLE

The table below gives a Chapter-by-Chapter breakdown of the principal increases or reductions in expenditure compared with the financial year 1978, including the amounts still outstanding at the close of the financial year 1979

| Chap. | Heading | 1978 EUA | 1979 EUA | Difference | |
|-------|--|-------------|-------------|-------------|--------|
| | | | | EUA | % |
| 11 | Staff | 41.265.244 | 43.994.888 | + 2.729.644 | + 6,6 |
| 12 | Allowances and expenses on entering and on leaving the service and on transfer | 694.225 | 807.198 | + 112.973 | + 16,3 |
| 13 | Expenditure relating to missions and duty travel | 677.235 | 823.290 | + 146.055 | + 21,6 |
| 14 | Expenditure on social welfare | 366.467 | 401.044 | + 34.577 | + 9,4 |
| 15 | Expenditure on further vocational training of staff | 125.746 | 121.969 | - 3.777 | - 3,0 |
| | <u>TITLE I</u> | 43.128.917 | 46.148.389 | + 3.019.472 | + 7,0 |
| 20 | Immovable property investments | 196.155 | 223.171 | + 27.016 | + 13,8 |
| 21 | Rental of buildings and associated expenditure | 7.567.730 | 7.578.097 | + 10.367 | + 0,1 |
| 22 | Movable property and associated expenditure | 1.144.055 | 1.394.866 | + 250.811 | + 21,9 |
| 23 | Current administrative expenditure | 9.722.788 | 9.359.948 | - 362.840 | - 3,7 |
| 24 | Entertainment and representation expenses | 253.935 | 274.968 | + 21.033 | + 8,3 |
| 25 | Expenditure for formal and other meetings | 3.619.856 | 3.997.240 | + 377.384 | + 10,4 |
| 26 | Expenditure on studies, surveys and consultations | 190.000 | 170.000 | - 20.000 | - 10,5 |
| 27 | Expenditure on publishing and information | 2.341.300 | 2.513.397 | + 172.097 | + 7,4 |
| 29 | Subsidies and financial contributions | 24.200 | 25.015 | + 815 | + 3,4 |
| | <u>TITLE II</u> | 25.060.019 | 25.536.702 | + 476.683 | + 1,9 |
| 37 | Expenditure relating to certain institutions and bodies | (1) | (1) | | |
| | <u>TITLE III</u> | (1) | (1) | | |
| | <u>GRAND TOTAL</u> | 68.188.936 | 71.685.091 | + 3.496.155 | + 5,1 |

(1) The figures for the Economic and Social Committee will be communicated later.

COUNCIL EXPENDITURE

TITLE I

Chapter 11 - Staff

The 1979 Budget provided for a staff complement of 1.547 posts, 24 posts (1,6%) more than in 1978.

The staff actually employed rose from 1.385 to 1.423, 65 officials having left the staff and 103 having been recruited.

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

Although expenditure increased by 16,3% compared with 1978, relatively little of the appropriation for this Chapter was used, mainly due to delays in the recruitment procedure.

Chapter 13 - Expenditure relating to missions and duty travel

Expenditure charged to this Chapter was 21,6% higher than in 1978.

81,8% of the available appropriations were committed.

Chapter 14 - Expenditure on social welfare

97,8% of the appropriations for this Chapter have been used.

Chapter 15 - Expenditure on further vocational training of staff

The rate of commitment of the appropriations under this Chapter was 87,1%.

Most of the expenditure under this Chapter goes on language and refresher courses, further vocational training for linguists and an induction programme for new employees.

Title 2

Chapter 20 - Immovable property investments

Expenditure under this Chapter rose by 13,8% compared with the previous financial year. It should be noted that 44,85% of the available appropriation was committed and an application for a non-automatic transfer was submitted for the remainder.

Chapter 21 - Rental of buildings and associated expenditure

94,74% of the appropriations were committed. Expenditure under this Chapter is at the same level as in 1978.

Chapter 22 - Movable property and associated expenditure

There has been a 21,9% increase in expenditure compared with the previous year. The commitment rate is 90%.

Chapter 23 - Current administrative expenditure

There was a slight decrease (3,7%) in expenditure under this Chapter as compared with 1978. The commitment rate is 72,5% which leaves available an appropriation of 3.497.240,88 ECU most of which is under Article 239 (Joint Interpreting Service). It is not yet possible to estimate expenditure under this heading exactly, as the Commission has not sent in its bills.

Article 233 (Legal expenses) had to be replenished by a transfer of 225,000 EUA from Chapter 101 (Contingency reserve) to cover legal fees.

Chapter 24 - Entertainment and representation expenses

97,42% of this appropriation was committed.

Chapter 25 - Expenditure for formal and other meetings

Expenditure under this Chapter rose by 10,4% compared with the previous year, mainly because fares have gone up.

Chapter 26 - Expenditure on studies, surveys and consultations

Expenditure under this Chapter fell by 10,5% compared with 1978. The entire appropriation had been committed by the end of the year.

Chapter 27 - Expenditure on publishing and information

There was an increase of 7,4% in expenditure under this Chapter compared with 1978, mostly due to a rise in the cost per page of printing the Official Journal.

98,6% of the appropriation for the Chapter was committed.

Chapter 29 - Subsidies and financial contributions

Expenditure in this Chapter rose by 3,4% compared with the previous financial year. The commitment rate is 87,8%.

TITLE 3

Chapter 37 - Expenditure relating to certain institutions and bodies

An analysis of the expenditure of the Economic and Social Committee is given further on in this paper.

COURT OF JUSTICE

COURT OF JUSTICE
OF THE
EUROPEAN COMMUNITIES

RECORD OF ADMINISTRATIVE EXPENDITURE
IN THE FINANCIAL YEAR 1979

Summary table

EUA

| | |
|--|---------------|
| I. <u>Appropriations available</u> | |
| The appropriations entered in the Budget of the Court of Justice for the financial year 1979 amounted to | 19.576.220,00 |
| II. <u>Utilization of the appropriations</u> | |
| These appropriations were committed as follows: | 16.925.538,76 |
| Percentage utilized: 86,46% | |
| Percentage cancelled: 13,54% | |
| III. The appropriations carried over from 1978 to 1979 amounted to | 718.420,19 |
| Payments made against these appropriations carried over amounted to | 628.057,24 |
| Percentage utilized: 87,42% | |
| Percentage cancelled: 12,58% | |

The following table summarizes the implementation of budget appropriations Title by Title.

FINANCIAL YEAR 1979: SECTION IV - COURT OF JUSTICE

| TITLES | Carry-overs from 1978 to 1979 | Payments against appropriations carried over | Cancellations | Total appropriations for 1979 | Commitments charged to 1979 | Payments made by 31.12.1979 | Carry-overs from 1979 to 1980 | Cancellations |
|--------|-------------------------------|--|---------------|-------------------------------|-----------------------------|-----------------------------|-------------------------------|---------------|
| 1 | 16.603,70 | 14.075,06 | 2.528,64 | 14.593.940,00 | 12.575.674,05 | 12.545.068,48 | 30.605,57 | 2.018.265,95 |
| 2 | 701.816,49 | 613.982,18 | 87.834,31 | 4.758.140,00 | 4.349.614,12 | 3.132.670,67 | 1.216.943,45 | 408.525,88 |
| 3 | - | - | - | 14.530,00 | 250,59 | 250,59 | - | 14.279,41 |
| 10 | - | - | - | 209.610,00 | - | - | - | 209.610,00 |
| TOTAL | 718.420,19 | 628.057,24 | 90.362,95 | 19.576.220,00 | 16.925.538,76 | 15.677.989,74 | 1.247.549,02 | 2.650.681,24 |
| | 100 | 87,42 | 12,58 | 100 | 86,46 | 80,09 | 6,37 | 13,54 |

EUA

Remarks on the expenditure in 1979

TITLE 1

86% of the appropriations in Title 1 were committed and paid.

Expenditure was 14,6% higher than in 1978.

Chapters 10 and 11 - Members and staff of the Court of Justice

The increase in expenditure under these two Chapters was due mainly to:

- (a) pay adjustments on 1 July 1978;
- (b) the introduction of 102,1% weighting from 1 January 1979;
- (c) the increase in permanent and auxiliary staff in 1979 (36 officials and temporary staff and 7 auxiliary staff).

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

Expenditure under this Chapter was 53% higher than in 1978.

Despite this increase, a number of newly recruited officials have not yet moved in. This expenditure will be charged to the next financial year.

Chapter 14 - Expenditure on social welfare and further training

The rise in expenditure is due mainly to the increase in the activities of a number of departments (canteen, restaurant and the Social Activities Committee).

Chapter 15 - Cost of organizing internal training courses

The increase in expenditure under this Chapter is due to two factors:

- (a) the rise in the cost of training courses caused by higher fares and hotel costs;
- (b) the increase in language courses (two Greek courses).

TITLE 2

91,4% of the appropriations in Title 2 were committed. Expenditure was 13% higher than in 1978.

Chapter 21 - Rental of buildings and incidental expenditure

Only 89,7% of the appropriations under this Chapter were committed.

The main reason for this low rate of utilization of appropriations is the fact that the appropriations for the Computer Centre building were not used during a period of three months.

Chapter 22 - Movable property and associated expenditure

Total expenditure accounted for 92,3% of appropriations.

The increase in expenditure under Article 221 (Furniture) compared with 1978 is mainly attributable to the fitting-out of new offices in the Jean Monnet building.

Chapter 23 - Current administrative expenditure

89% of appropriations were committed.

Some savings were achieved under Item 2300 (Stationery and office supplies) in relation to the initial appropriations allocated.

Expenditure under Item 2391 (Joint Interpreting Service) was lower than in 1978 (359.460 EUA in 1979 compared with 428.415 EUA in 1978). It should, however, be pointed out the expenditure in 1978 included a payment of 64.270 EUA for 1977.

Chapter 24 - Entertainment and representation expenses

Chapter 25 - Expenditure for formal and informal meetings

Some 74% of the appropriations under these two Chapters were used. No particular comment is called for.

Chapter 27 - Expenditure on publishing and information

Over 98% of the appropriations under this Chapter were committed.

The increase in the cost of publishing the Court Reports compared with the previous year, under Article 271, is mainly due to the greater number of pages published.

A total of 280.000 EUA had to be transferred from Chapters 21 and 23 to cover this expenditure.

Chapter 29 - Subsidies and contributions

Some 86,7% of the appropriations entered in this new Chapter were used.

COMPARATIVE TABLE

The table below gives a Chapter-by-Chapter breakdown of the principal increases in expenditure in 1979, compared with the expenditure for the financial year 1978.

| Chapter | Heading | 1979 EJA | 1978 EJA | EJA ± | % ± |
|---------|--|---------------|---------------|---------------|--------|
| 10 | Members of the institution | 2.218.723,39 | 2.100.572,78 | + 118.150,61 | + 5,6 |
| 11 | Staff | 9.788.685,29 | 8.469.252,30 | +1.319.432,99 | + 15,6 |
| 12 | Allowances and expenses on entering and on leaving the service and on transfer | 364.939,92 | 238.037,08 | + 126.902,84 | + 53,3 |
| 13 | Expenditure relating to missions and duty travel | 65.987,36 | 59.198,36 | + 6.789,00 | + 11,5 |
| 14 | Expenditure on social welfare | 73.255,44 | 53.398,35 | + 19.857,09 | + 37,2 |
| 15 | Internal training courses and vocational training of staff | 64.082,65 | 57.731,17 | + 6.351,48 | + 11,0 |
| | <u>TITLE 1</u> | 12.575.674,05 | 10.978.190,04 | +1.597.484,01 | + 14,6 |
| 21 | Rental of buildings and incidental expenditure | 1.935.826,82 | 1.853.866,70 | + 81.960,12 | + 4,4 |
| 22 | Movable property and associated expenses | 664.432,43 | 538.142,68 | + 126.289,75 | + 23,5 |
| 23 | Current administrative expenditure | 667.051,47 | 755.462,78 | - 88.411,31 | - 11,7 |
| 24 | Entertainment and representation expenses | 19.649,20 | 19.759,67 | - 110,47 | - 0,6 |
| 25 | Expenditure for formal and other meetings | 70.793,17 | 71.000,13 | - 206,96 | - 0,3 |
| 27 | Expenditure on publishing and information | 970.281,13 | 609.656,17 | + 360.624,96 | + 59,2 |
| 29 | Subsidies and contributions | 21.579,90 | - | + 21.579,90 | - |
| | <u>TITLE 2</u> | 4.349.614,12 | 3.847.888,13 | + 501.725,99 | + 13,0 |
| 37 | Expenditure relating to certain institutions and bodies | 250,59 | - | + 250,59 | - |
| | <u>TITLE 3</u> | 250,59 | - | + 250,59 | - |
| | <u>GRAND TOTAL</u> | 16.925.538,76 | 14.826.078,17 | +2.099.460,59 | + 14,2 |

ECONOMIC AND SOCIAL COMMITTEE

ANALYSIS OF THE REVENUE AND EXPENDITURE ACCOUNTS

A. COMMITMENTS AND EXPENDITURE ACCOUNTING

The procedure followed by the commitments accounting section is to enter each commitment in the accounts twice, once when the commitment is actually made and the second time when the invoice is presented.

B. EXPENDITURE ACCOUNTING

Expenditure amounted to 15.272.818,26 EUA, i.e. 92,01% of the appropriations allocated.

This expenditure involved the preparation, typing, processing and checking of an extremely large number of entries, accounting documents and transfer orders. 411.389,64 EUA of appropriations were committed and carried over automatically to the financial year 1980.

The following tables show the utilization of appropriations in 1979.

| | EUA | % |
|---|---------------|-------|
| Appropriations allocated 1979 | 16.599.400 | 100 |
| Administrative expenditure 1979 | 15.272.818,26 | 92,01 |
| Appropriations to be carried over to 1980 | 411.389,64 | 2,48 |
| Appropriations to be cancelled | 915.192,10 | 5,51 |
| 1978 appropriations carried over to 1979 | 296.089,68 | 100 |
| Expenditure | 211.339,58 | 71,38 |
| Carry-overs to be cancelled | 84.750,10 | 28,62 |

| CHAPTER + TITLE | TOTAL APPROPRIA- TIONS | PAYMENTS MADE BY 31.12.1979 | | CARRY-OVERS TO 1980 | | AVAILABLE APPROPRIATIONS TO BE CANCELLED | |
|-----------------------|------------------------------|--------------------------------|--------------|------------------------|-------------|--|--------------|
| | EUA | EUA | % | EUA | % | EUA | % |
| CHAP. 10 | 16.000 | 13.295,75 | 83,10 | - | - | 2.704,25 | 16,90 |
| CHAP. 11 | 10.366.590 | 10.192.028,77 | 98,32 | 27.140,42 | 0,26 | 147.420,81 | 1,42 |
| CHAP. 12 | 177.310 | 114.694,77 | 64,69 | 59.000,- | 33,28 | 3.615,23 | 2,03 |
| CHAP. 13 | 108.000 | 103.821,06 | 96,13 | 3.126,91 | 2,90 | 1.052,03 | 0,97 |
| CHAP. 14 | 91.000 | 77.852,39 | 85,55 | 5.902,95 | 6,49 | 7.244,66 | 7,96 |
| CHAP. 15 | 60.000 | 39.387,27 | 65,65 | 18.037,17 | 30,06 | 2.575,56 | 4,29 |
| TITLE 1 | 10.818.900 | 10.541.080,01 | 97,43 | 113.207,45 | 1,05 | 164.612,54 | 1,52 |
| CHAP. 21 | 1.315.000 | 1.157.377,67 | 88,01 | 79.013,63 | 6,01 | 78.608,70 | 5,98 |
| CHAP. 22 | 395.000 | 301.366,50 | 76,30 | 73.497,51 | 18,61 | 20.135,99 | 5,09 |
| CHAP. 23 | 1.472.000 | 1.007.778,54 | 68,46 | 7.576,23 | 0,52 | 456.645,23 | 31,02 |
| CHAP. 24 | 18.000 | 17.424,21 | 96,80 | - | - | 575,79 | 3,20 |
| CHAP. 25 | 2.175.000 | 2.036.773,55 | 93,64 | - | - | 138.226,44 | 6,36 |
| CHAP. 26 | 10.000 | 8.085,59 | 80,86 | 1.853,61 | 18,54 | 60,80 | 0,60 |
| CHAP. 27 | 340.000 | 202.932,18 | 59,69 | 136.241,21 | 40,07 | 826,61 | 0,24 |
| TITLE 2 | 5.725.000 | 4.731.738,25 | 82,65 | 298.182,19 | 5,21 | 695.079,56 | 12,14 |
| CHAP. 100 | 49.000 | - | - | - | - | 49.000 | 100 |
| CHAP. 101 | 6.500 | - | - | - | - | 6.500 | 100 |
| TITLE 10 | 55.500 | - | - | - | - | 55.500 | 100 |
| TOTAL | 16.599.400 | 15.272.818,26 | 92,01 | 411.389,64 | 2,48 | 915.192,10 | 5,51 |

IMPLEMENTATION OF THE BUDGET

Utilization of appropriations under certain Items:

Chapter 10 - Article 101 - Accident insurance for members

| | |
|---|--------------|
| Appropriations allocated | 8.500,- EJA |
| Expenditure | 5.795,75 EJA |
| Available appropriations to be cancelled | 2.704,25 EJA |

These appropriations relate to the insurance premium covering members - in accordance with the limitations and rules of the policy with which all members of the Economic and Social Committee are familiar - against any 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 1979, 17.313 insurance days were paid for under the Budget compared with:

- 15.116 in 1978
- 15.804 in 1977
- 17.106 in 1976
- 15.113 in 1975
- 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 allocated | 7.437.794,30 EJA |
| Expenditure | 7.436.654,42 EJA |
| Available appropriations to be cancelled | 1.139,88 EJA |

This Item is the largest in the Committee's entire Budget and the expenditure under it represents:

- 72,97% of the expenditure under Chapter 11
- 70,55% of the expenditure under Title 1
- 48,69% of all the expenditure.

The trend of expenditure under this Item is as follows:

| | | |
|--------|--|--|
| - 1972 | Bfrs 60.882.365 | |
| - 1973 | Bfrs 76.131.626 | |
| - 1974 | Bfrs 107.191.257 | |
| - 1975 | Bfrs 119.065.232 | |
| - 1976 | Bfrs 128.681.570 | |
| - 1977 | Bfrs 242.830.576 | |
| - 1978 | Bfrs 259.329.819 | |
| - 1979 | Bfrs 297.511.772, an increase of Bfrs 38.181.953 (14.72%) over 1978. | |

Item 1101 - Family allowances

This expenditure breaks down as follows:

| | | |
|------------------------------|-----------------|---------|
| - Household allowances | Bfrs 9.749.063 | 38,78% |
| - Dependent child allowances | Bfrs 10.665.393 | 42,43% |
| - Education allowances | Bfrs 4.721.815 | 18,79% |
| | <hr/> | <hr/> |
| | Bfrs 25.136.271 | 100,00% |

Chapter 21 - Buildings

Article 210 - Rent

| | |
|------------------------------|--------------|
| - Initial appropriation | 800.000 EUA |
| - Appropriations transferred | (2.000 EUA) |
| | <hr/> |
| | 798.000 EUA |

Expenditure

| | | |
|--|----------------------|----------------------|
| Palais des Congrès | 102.582,82 EUA | |
| Rent | 479.153,02 EUA | |
| Parking facilities | <u>81.171,37 EUA</u> | 662.907,21 EUA |
| Appropriations carried over from 1979 to 1980 | | 60.000,00 EUA |
| Available appropriations to be cancelled | | <u>75.092,79 EUA</u> |

Chapter 25 - Expenditure for formal and other meetings

Article 250 - Formal meetings and meetings in general

| | |
|---|------------------|
| Appropriations allocated | 2.175.000 EUA |
| Expenditure | 2.036.773,56 EUA |
| Available appropriations to be cancelled | 138.226,44 EUA |

As this Article represents the second largest item of expenditure in the Committee's Budget, a number of statistics are provided, in Belgian francs, as a basis for assessing expenditure trends in 1979.

Total expenditure represents:

- 93,64% of allocated appropriations
- 13,37% of 1979 expenditure.

The following table shows the trend in expenditure since 1960.

| | | % increase compared with | |
|------|------------------------|--------------------------|-----------------------------|
| | | 1960 | The previous financial year |
| 1960 | Bfrs 7.496.928 | - | - |
| 1961 | Bfrs 7.053.268 | - 5,92 | - 5,92 |
| 1962 | Bfrs 9.276.351 | + 23,73 | + 31,51 |
| 1963 | Bfrs 11.567.249 | + 54,29 | + 24,69 |
| 1964 | Bfrs 10.179.760 | + 35,78 | - 11,99 |
| 1965 | Bfrs 10.579.549 | + 41,11 | + 3,93 |
| 1966 | Bfrs 11.661.761 | + 55,55 | + 10,32 |
| 1967 | Bfrs 16.219.773 | + 116,35 | + 39,08 |
| 1968 | Bfrs 16.588.440 | + 121,26 | + 2,27 |
| 1969 | Bfrs 18.375.282 | + 145,10 | + 10,77 |
| 1970 | Bfrs 16.624.960 | + 122,17 | - 9,52 |
| 1971 | Bfrs 24.162.396 | + 222,20 | + 45,33 |
| 1972 | Bfrs 28.127.448 | + 275,19 | + 16,41 |
| 1973 | Bfrs 36.963.146 | + 393,04 | + 31,41 |
| 1974 | Bfrs 44.124.754 | + 488,57 | + 19,37 |
| 1975 | Bfrs 50.940.070 | + 579,48 | + 15,45 |
| 1976 | Bfrs 63.544.088 | + 747,70 | + 24,76 |
| 1977 | Bfrs 59.820.385 | + 697,93 | - 5,86 |
| 1978 | Bfrs 68.274.626 | + 810,70 | + 14,13 |
| 1979 | Bfrs 81.718.352 | + 990,14 | + 19,69 |

COURT OF AUDITORS

Summary table

EJA

I. Appropriations available

The appropriations entered in the Budget
for the Court of Auditors for 1979
amounted to 12.718.580

II. Utilization of appropriations

These appropriations were committed
as follows: 9.611.587,03

Percentage used: 75,57%
Percentage cancelled: 24,43%

III. Appropriations carried over from 1978 to
1979 amounted to 290.416,84

Payments made against the appropriations
carried over amounted to 234.336,14

Percentage used: 80,69%
Percentage cancelled: 19,31%

The following table gives a breakdown of the implementation of
appropriations Title by Title.

| TITLES | Carry-overs from 1978 to 1979 | Payments against appro- priations carried over | Cancellations | Total appropriations for 1979 | Commitments charged against 1979 | Payments made by 31.12.1979 | Carry-overs from 1979 to 1980 | Cancellations |
|--------|-------------------------------------|---|---------------|-------------------------------------|--|--------------------------------|-------------------------------------|---------------|
| 1 | 11.629,52 | 11.495,04 | 134,48 | 9.993.020 | 7.742.723,54 | 7.590.211,74 | 152.511,80 | 2.250.296 |
| 2 | 278.787,32 | 222.841,10 | 55.946,22 | 2.331.260 | 1.868.863,49 | 1.384.779,41 | 484.084,08 | 462.396 |
| 3 | - | - | - | - | - | - | - | - |
| 4 | - | - | - | - | - | - | - | - |
| 10 | - | - | - | 394.300 | - | - | - | 394.300 |
| TOTAL | 290.416,84 | 234.336,14 | 56.080,70 | 12.718.580 | 9.611.587,03 | 8.974.991,15 | 636.595,88 | 3.106.992 |
| % | 100 | 80,69 | 19,31 | 100 | 75,57 | 70,57 | 5,01 | 24,43 |

1. Overall assessment

1.1 Appropriations available in 1979

The 1979 Budget included a total appropriation of 12,718,580 EJA for the Court of Auditors.

It should be pointed out that a large proportion of these appropriations constituted contingency funds concerning the following budget headings:

| | |
|-------------|---------|
| Article 109 | 75.324 |
| Article 119 | 570.140 |
| Article 129 | 60.000 |
| Chqpter 100 | 400.000 |
| Chapter 101 | 400.000 |

Total 1,505,464

These appropriations, which were included to meet any contingencies which might arise, could only be used after external decisions were known, or for the rental of new building. They were basically used by means of transfer to bolster the budget headings to which they had been assigned

544,200

The remainder was not used.

961,264

1.2 Utilization of appropriations

1.2.1 Appropriations for the year

A total of 75,6% of the total appropriations allocated to the Court of Auditors was used in the form of payment of commitments.

The following table gives a breakdown of the implementation of appropriations Chapter by Chapter.

1.2.2 Appropriations carried over from 1978

80,69% of the appropriations carried over from 1978 to 1979 were used.

COMPARATIVE TABLE

The table below gives a Chapter-by-Chapter breakdown of the principal increases in expenditure in 1979, compared with the expenditure for the financial year 1978.

| Chapter | Heading | 1 9 7 9 EUA | 1 9 7 8 EUA |
|---------|--|----------------|----------------|
| 10 | Members of the institution | 933.489 | 899.451 |
| 11 | Staff | 6.317.579 | 4.047.320 |
| 12 | Allowances and expenses on entering and on leaving the service and on transfer | 148.947 | 437.883 |
| 13 | Expenditure relating to missions and duty travel | 239.445 | 162.489 |
| 14 | Expenditure on social welfare and on further vocational training of staff | 32.880 | 16.270 |
| 15 | Cost of organizing internal training courses | 70.384 | 44.235 |
| | <u>TITLE 1</u> | 7.742.724 | 5.607.648 |
| 21 | Rental of buildings and incidental expenditure | 1.018.390 | 625.490 |
| 22 | Movable property and associated expenses | 285.286 | 481.084 |
| 23 | Current administrative expenditure | 263.583 | 210.808 |
| 24 | Entertainment and representation expenses | 28.557 | 34.475 |
| 25 | Expenditure for formal and other meetings | 1.334 | 1.028 |
| 26 | Expenditure on studies, surveys and consultations | 91.368 | 36.506 |
| 27 | Expenditure on publishing and information | 180.345 | 114.313 |
| | <u>TITLE 2</u> | 1.868.863 | 1.503.704 |
| | GRAND TOTAL | 9.611.587 | 7.111.352 |

2. Analysis of the implementation of appropriations and most significant changes compared with 1978

2.1 Title 1 - Expenditure relating to persons working with the institution 7.742.724 EUA

77,48% of the appropriations under Title 1 were used in the form of payments or commitments.

Three factors accounted for the actual rate of utilization of appropriations:

- (a) the number of posts filled,
- (b) the level of pay actually authorised by the Council,
- (c) the date of the Council's decisions on pay adjustments.

As regards posts, initially the Court of Auditors gradually filled a number of urgent posts but deferred further recruitment until the internal procedures provided for by Article 29 of the Staff Regulations had been completed.

Hence, a number of posts created for 1978 and 1979 were not filled in the year under consideration.

It should also be noted that the Council decision on pay adjustments for the second half of 1979 took effect in January 1980 and so could not be implemented against the 1979 appropriations.

The staggering of recruitment influenced the rate of utilization of appropriations under Chapters 11 and 12.

2.2 Chapter 13 - Mission expenses 239.445 EUA

Expenditure increased by 47,36% over 1978 as a result of the gradual engagement of staff by the Court of Auditors and the greater number of inspection visits.

2.3 Title 2 - Buildings, equipment and miscellaneous operating expenditure 1.868.863 EUA

80,2% of the appropriations under Title 2 were used in the form of payments or commitments.

2.3.1 Chapter 21 - Rental of buildings and associated expenditure 1.018.390 EUA

Expenditure charged against this Chapter was 62,81% higher than in 1978 as a result of the - staggered - rental of new offices to accommodate Court staff.

2.3.2 Chapter 22 - Movable property and associated expenditure 285.286 EUA

Expenditure under this Chapter was 40,70% lower owing to the fact that the main purchases had been made in 1978, the year in which the administrative machinery of the Court of Auditors was set up.

2.3.3 Chapter 27 - Expenditure on publishing and information 180.345 EUA

The 57,76% increase in expenditure over 1978 is a direct result of the number of contributions of the Court of Auditors published in the Official Journal of the European Communities.

COMMISSION

(Breakdown following the budget nomenclature)

OVERALL ASSESSMENT

1. Appropriations available in 1979

1.1 Appropriations available under the 1979 Budget

(m EUA)

| Section III - COMMISSION - of the 1979 Budget | Initial Budget | First Supplement- ary and Amending Budget 1979 | Second Amending Budget 1979 (1) | Third Supplement- ary and Amending Budget 1979 | Total |
|---|-------------------|--|--|--|------------|
| . Total appropriations for commitments | 14.327.367 | 90.373 | - | 731.280 | 15.149.020 |
| . Total appropriations for payments | 13.245.047 | 191.373 | - | 731.280 | 14.167.700 |

(1) Concerns only the European Parliament (Section I of the Budget).

Three Amending Budgets have modified the initial Budget adopted on 15 December 1978 (1).

The First Supplementary and Amending Budget for 1979, adopted on 25 April 1979 (2), was intended to create the budgetary framework required for the measures designed to reduce economic divergence within the Community under the European Monetary System (interest relief grants: 200 m EUA; financial compensation to the United Kingdom: 45,4 m EUA); it set the allocation to the Regional Fund at 945 m EUA in appropriations for commitment and 499 m EUA in appropriations for payment (instead of 1.000 m EUA).

The Second Supplementary Budget for 1979, adopted on 11 May 1979 (3), concerns the European Parliament and does not affect the Commission's appropriations.

(1) OJ L 23, 31 January 1979.

(2) OJ L 124, 21 May 1979.

(3) OJ L 157, 25 June 1979.

The Third Supplementary and Amending Budget for 1979, adopted on 13 December 1979 (1), was brought in to deal with the appreciable changes on some agricultural markets and the effects on expenditure of the Council's decisions of 22 June 1979 on agricultural prices and related measures: the resulting increase in appropriations mainly involved expenditure relating to the EAGGF Guarantee Section. The increase in the appropriations for the milk and milk products sector alone accounted for 61%.

1.2 Appropriations available from 1978

Appropriations for commitment outstanding (differentiated appropriations)

| Commission | (EUA) |
|---------------------|--------------------|
| Agriculture | 250.277.140 |
| Social sector | 7.019.594 |
| Regional sector | 43.476.462 |
| Research | 236.151.273 |
| Energy and industry | 264.100.567 |
| Total | 801.025.036 |

Non-differentiated and differentiated appropriations carried over automatically

| Commission | (EUA) |
|---|----------------------|
| Agriculture | 786.238.740 |
| Social sector | 304.847.195 |
| Regional sector | 353.191.484 |
| Research, energy, industry, transport | 159.034.620 |
| Development cooperation | 234.837.492 |
| Administrative expenditure | 29.770.460 |
| Repayment to the Member States of the costs incurred in collecting own resources (1%) | 60.816.193 |
| Total | 1.928.736.184 |

(1) OJ L 41 of 18 February 1980.

Non-automatic carryovers (non-differentiated appropriations)

| Commission | (EUA) |
|--------------------------------------|--------------------|
| Agriculture | 152.651.794 |
| Industry and transport | 17.000.000 |
| Repayments and aids to Member States | 430.000 |
| Development cooperation | 6.000.000 |
| Total | 176.081.794 |

2. Transfers of appropriations between Chapters

(EUA)

| Commission | Non-differen- tiated appropriations | Differentiated appropriations | |
|--|---|-------------------------------|-------------------------------|
| | | for commitment | for payment |
| | (1) | (2) | (3) |
| <u>TITLE 1</u> | | | |
| - Persons working with the institution | - 5.243.000 + 813.000 | - - | - - |
| Title 1 - Total change | - 4.430.000 | - | - |
| <u>TITLE 2</u> | | | |
| - Buildings, equipment, etc. | + 7.426.965 - 822.965 | - - | - - |
| Title 2 - Total change | + 6.604.000 | | |
| <u>TITLE 3</u> | | | |
| - Social and agricultural sectors, energy, (research, scientific information, transport, etc.) | (+ 1.050.000) + 5.435.000 | (- 1.050.000) + 37.708.000 | (- 1.050.000) + 19.188.200 |
| Title 3 - Total change | + 6.485.000 | + 36.658.000 | + 18.138.200 |

2. Transfers of appropriations between Chapters (continued)

(EUA)

| Commission | Non-differentiated appropriations | Differentiated appropriations | |
|---|------------------------------------|-------------------------------|----------------------------|
| | | for commitment | for payment |
| | (1) | (2) | (3) |
| <u>TITLE 4</u> | | | |
| - Repayments and aids to Member States | - | - | - |
| <u>TITLE 5</u> | | | |
| - Social Fund | - | + 77.000.000 | + 27.500.000 |
| - Regional Fund | - | - | - |
| - Convergence of economies (Chapter 57) | +245.373.000 | - | - |
| Change in appropriations | +245.373.000 | + 77.000.000 | + 27.500.000 |
| <u>TITLES 6 AND 7</u> | | | |
| - EAGGF Guarantee Section | +170.411.964,05 -167.423.975,91 | - | - |
| Change in appropriations | + 2.987.938,14 | | |
| <u>TITLE 8</u> | | | |
| - EAGGF Guidance Section (excluding fisheries structures) | - | - 30.360.000 | - 30.360.000 |
| - Fisheries structures (Chapter 86) | - | + 15.000.000 | + 15.000.000 |
| - Fishery products (Chapter 88) | - 2.987.988,14 | - | - |
| - Fishing rights (Chapter 89) | + 5.460.000 | - | - |
| Change in appropriations | + 2.472.011,86 | - 15.360.000 | - 15.360.000 |
| <u>TITLE 9</u> | | | |
| - Development aid | + 47.700.000 (- 467.000) | - 1.000.000 (+ 467.000) | - 1.000.000 (+ 467.000) |
| Change in appropriations | (*) 47.233.000 | - 533.000 | - 533.000 |

(*) Including 30 million EUA transferred from appropriations outstanding in Title 8 from the financial year 1978.

2. Transfers of appropriations between Chapters (continued)

(EUA)

| Commission | Non-differen- tiated appropriations | Differentiated appropriations | |
|---|---|--------------------------------|------------------------------|
| | | for commitment | for payment |
| | (1) | (2) | (3) |
| TITLE 10 | | | |
| - Provisional appropriations | - 250.573.000 | - 123.208.000 | - 55.188.200 |
| - Contingency reserve | - 709.000 | - | - |
| Change in appropriations | - 251.282.000 | - 123.208.000 | - 55.188.200 |
| Balance of transfers in the financial year | + 483.669.929,05 - 428.226.929,05 | + 130.175.000 - 155.618.000 | + 62.155.200 - 87.598.200 |
| | + 55.443.000 (**) | - 25.443.000 (***) | - 25.443.000 (***) |

(**) This amount is the increase in the non-differentiated appropriations for the financial year by means of a transfer from outstanding appropriations (30 million (*)) and from differentiated appropriations (25.443.000 EUA: columns 2 and 3 (***)).

The transfers of appropriations authorized between Chapters involved 482.619.929,05 EUA in non-differentiated appropriations; a transfer of 1.050.000 EUA was also made within Chapter 32 between differentiated and non-differentiated appropriations.

The transfers authorized for differentiated appropriations amounted to 129.708.000 EUA in appropriations for commitment and 61.688.200 EUA in appropriations for payment; a transfer of 467.000 EUA was also made within Chapter 94 between non-differentiated and differentiated appropriations.

The details of these operations are given in Annex 2 to this report.

In all, 96,83% of the non-differentiated appropriations in Chapter 100 (Provisional appropriations) have been drawn on, compared with 23,65% of the appropriations for commitment and 25,37% of the appropriations for payment in the case of the differentiated appropriations.

3. Overall review of the utilization of appropriations in 1979

The tables in Annexes 1 and 3 give a Chapter-by-Chapter rundown of the implementation of the appropriations for the financial year (Annex 1) and appropriations carried over (Annex 3).

3.1 Implementation of the appropriations for the 1979 financial year

3.1.1 Non-differentiated appropriations

The situation is very satisfactory in the case of commitments.

The rate of utilization for non-differentiated appropriations is 99,6% for commitments and 97% for payments.

The 97% figure for the utilization of the appropriations for payment conceals a weak point - Title 3 (Community policies relating to various sectors) for which only 38,90% of the appropriations have been used. This concerns intervention appropriations in respect of programmes for which the payments are made several months after commitment. In addition, as 92,2% of these appropriations (41,82 m EUA) have been committed, only 7,8% of them are likely to lapse, the remainder being automatically carried over.

Differentiated appropriations

The situation in respect of these appropriations - where a distinction is made between appropriations for commitment and appropriations for payment - is less satisfactory, especially as concerns the appropriations for payment. The rate of utilization for the latter was 39,5% compared with 79,7% for the appropriations for commitment (1).

The Chapter-by-Chapter analysis below reveals the reasons for the low utilization rate for certain appropriations. It should be noted that the appropriations for commitment which are not committed at the end of the financial year automatically remain available for the following financial year; the appropriations for Chapter 33 (Expenditure on research and investment) remain available until cancelled by budgetary procedure (Article 88(3) of the Financial Regulation).

Non-utilized appropriations for payment are automatically carried over to the next financial year.

(1) See Annex 1.

3.2 Implementation of appropriations carried over from the 1978 financial year

3.2.1 Automatic carryovers

(a) Non-differentiated appropriations

The overall rate of utilization for non-differentiated appropriations carried over (1) (appropriations committed but not yet paid) is 93,62%, with the exception of the appropriations of the EAGGF Guidance Section for financial years previous to 1977 which are still payable under commitments made (and which may be automatically carried over for at least five years) (2), and the appropriations of Chapter 58 (Aid for disaster victims in Friuli) which may be carried over under the same conditions (3). The rate of utilisation for these two items remains low (20,95% and 18,40% respectively). The automatic carryovers of the outstanding appropriations amount to 23,85 m EUA for Friuli and 355,51 m EUA for the EAGGF Guidance Section.

(b) Differentiated appropriations

The rate of utilization for the unused appropriations for payment which were automatically carried over was 85,81%. Utilization is 99,78% for the Social Fund and 100% for the Regional Fund, compared with 72,56% for the appropriations of Title 3 (Energy, research, transport, etc.), 69,06% for the EAGGF Guidance Section and 65,52% for Title 9 (Development aid).

3.2.2 Non-automatic carryovers

The rate of utilization of the carryovers authorized in respect of non-differentiated appropriations (not yet committed) was 98,48%; this represents 86,82% for Title 3 and 100% in commitments for the EAGGF Guarantee Section and appropriations for previous financial years in the EAGGF Guidance Section; the rate for payments in these latter two cases is 100% and 14,83% respectively (the appropriations for the Guidance Section can be carried over again). Finally, 100% of the non-automatic carryovers in Title 9 have been committed and paid.

(1) See Annex 3.

(2) Article 108(3)(a) of the Financial Regulation.

(3) Council Regulations No 1505 and No 1506 of 21 June 1976; OJ L 168, 28 June 1976.

CHAPTER-BY-CHAPTER ANALYSIS

TITLE 1 - EXPENDITURE RELATING TO PERSONS WORKING WITH THE INSTITUTION

The definitive appropriations in Title 1 (Chapters 10 to 15) amounted to 405,13 m EUA. The following proportions were utilized in commitments and payments.

| | <u>Commitments</u> | <u>Payments</u> |
|---|--------------------|-----------------|
| Chapter 10 Members of the Institution | 98,7 % | 98,7 % |
| Chapter 11 Staff | 94,5 % | 94,1 % |
| Chapter 12 Allowances and expenses on entering and on leaving the service and on transfer | 92,1 % | 90,1 % |
| Chapter 13 Expenditure relating to missions and duty travel | 91,8 % | 69,4 % |
| Chapter 14 Expenditure on social welfare | 99,0 % | 80,0 % |
| Chapter 15 Internal training courses and vocational training of staff | 97,1 % | 76,7 % |
| <u>Title 1 - Total</u> | <u>94,4 %</u> | <u>93,1 %</u> |

Some of the commitments entered into under Title 1 had not given rise to payments by 15 January 1980, and the appropriations in question were carried over automatically. As in previous financial years, no non-automatic carry-over was requested.

The appropriations carried over from 1978 (automatic carry-overs) amount to 2,97 m EUA. The rate of payment against these carry-overs - broken down by Chapter - is as follows:

| | <u>No carry-overs</u> |
|---|-----------------------|
| Chapter 10 Members of the Institution | 94,4 % |
| Chapter 11 Staff | |
| Chapter 12 Allowances and expenses on entering and on leaving the service and on transfer | 86,7 % |
| Chapter 13 Expenditure relating to missions and duty travel | 95,5 % |
| Chapter 14 Expenditure on social welfare | 80,6 % |
| Chapter 15 Internal training courses and vocational training of staff | 77,9 % |
| <u>Title 1 - Total</u> | <u>92,0 %</u> |

The appropriations entered in Chapters 10, 11 and 12 have been determined in the light of:

- (a) the number of Members of the Commission;
- (b) the number of staff authorized in the establishment plan;

- (c) the number of persons in receipt of pensions and various allowances;
- (d) the level of remunerations, pensions and allowances authorized when the 1979 Budget was being drawn up (February/March 1978) and a forecast of any adjustments to remunerations to be decided upon by the Council in 1978 and 1979.

All foreseeable requirements are thus covered.

The actual utilization of appropriations, however, depends primarily on:

- (a) the number of posts occupied,
- (b) the level of remunerations actually authorized by the Council.

The number of posts authorized rose from 8.378 to 8.580 compared with 1978, an increase of 202 or 2.4%.

The number of vacant posts was as follows

on 31 December 1978: 223 (including 59 L/A)

on 31 December 1979: 173 (including 102 L/A).

The number of posts made vacant as a result of staff movements in 1979 rose to 245 (including 43 L/A).

Recruitment procedures therefore involved $223 + 202 + 245 = 670$ posts.

The fact that these posts remained unfilled, for varying lengths of time, is one of the two main reasons why appropriations were available at the end of the financial year, especially in Chapters 11 and 12.

As to Council Decisions on the adjustment of remunerations, it should be recalled that requirements for appropriations are determined on the bases of estimates, whereas authorized appropriations are only utilized on the basis of the decisions which the Council actually adopts.

The summary below gives an overall picture of this point in respect of staff employed in Belgium and Luxembourg:

| Reference period | Adjustment with effect from | Estimated rates incorporated in the 1979 appropriations | Rates actually decided on by the Council in 1979 | Gap |
|-------------------------|-----------------------------|---|--|---------|
| <u>Purchasing power</u> | | | | |
| 1.7.1977 - 30.6.1978 | 1.7.1978 | 0 % | 2,5 % | + 2,5 % |
| 1.7.1978 - 30.6.1979 | 1.7.1979 | 0 % | - | - |
| <u>Cost of living</u> | | | | |
| 1.7. - 31.12.1977 | 1.1.1978 | 2,3 % | 2,3 % | - |
| 1.1. - 30.6.1978 | 1.7.1978 | 3,4 % | 1,8 % | - 1,6 % |
| 1.7. - 31.12.1978 | 1.1.1979 | 3,2 % | 2,1 % | - 1,1 % |
| 1.1. - 30.6.1979 | 1.7.1979 | 2,8 % | - | - 1,4 % |
| | | | | - 1,6 % |

The above comparison shows that the Commission's allocation of appropriations for remunerations, pensions and allowances was 1,6% higher than the actual requirements in 1979.

It should be mentioned in this connection that there was a delay in the Council Decision concerning the adjustment of remunerations, pensions and allowances (annual review for 1979). The Council Decision was adopted on 21 January 1980, backdated to 1 January 1979 for some of the adjustments and to 1 July 1979 for the remainder. The back pay could not therefore be charged to the appropriations for 1979. The payments in question could not be made until 1980.

For information purposes it should also be noted that savings have been possible for the same reasons in the appropriations set aside for:

- (a) the Supply Agency (Article 280)
- (b) the Publications Office (Article 287)
- (c) the European Schools (Article 289)
- (d) the EAC (Article 943)
- (e) the Berlin Centre (Item 3010)
- (f) the Dublin Foundation (Article 359).

In order to coordinate and harmonize the way in which requirements for staff appropriations are calculated, the Commission has proposed to the other Institutions that they should base their estimates on the same criteria. Where they have accepted this proposal, they will have the same percentage of excess appropriations as the Commission.

The commitment of appropriations under Chapter 13 (Expenditure relating to missions and duty travel) was affected by the fact that the Council - contrary to the Commission's proposal - did not backdate the entry into force of the adjustment to the rates for the daily mission allowance. The dates on which it was proposed that they should enter into force were

- (i) 1 July 1979 for missions in Belgium, France and Luxembourg and
- (ii) 1 October 1979 for missions in the other Member States.

However, the Council adopted the date of 1 January 1980. As a result, the adjustment of the rates of the daily allowance did not affect the amount of expenditure in 1979.

TITLE 2 - BUILDINGS, EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURE

Utilization of non-differentiated appropriations

| TITLE 2 | Appropriations available in 1979 (EUA) | | Utilization (%) | | | |
|---|--|-------------|-----------------|-------|----------------|------|
| | | | for commitments | | for payments | |
| | | | Financial year | | Financial year | |
| | | | 1978 | 1979 | 1978 | 1979 |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| TOTAL | 171.649.040 | 205.044.518 | 93,5 | 96,4 | 79,1 | 83,9 |
| * <u>Article 200</u> Acquisition of immovable property | token entry | 490.000 | - | 100,0 | - | 0,0 |
| * <u>Chapter 24:</u> Entertainment and representation expenditure | 651.000 | 776.197 | 91,8 | 80,2 | 74,0 | 61,7 |
| * <u>Chapter 25:</u> Expenditure on formal and other meetings | 12.095.600 | 13.472.973 | 74,7 | 81,2 | 71,7 | 67,3 |
| * <u>Chapter 26:</u> Expenditure on studies, surveys and consultations | 12.500.000 | 21.952.349 | 93,9 | 98,0 | 58,1 | 53,6 |
| (1) Initial appropriations, including Supplementary or Amending Budgets. (2) Including transfers in 1979 and carryovers from 1978. | | | | | | |

*Budget heading for which the rate of implementation is appreciably lower than average.

Overall, the difference between the total amount of appropriations available in Title 2 and the initial appropriations is as follows (in EUA):

| | | |
|---|-----------|------------------|
| (a) initial appropriations | | 171.649.040 |
| (b) transfers to the following Articles: | | |
| - 224: Computer Centre | 4.430.000 | |
| - 264: Statistical studies and surveys | 2.000.000 | |
| - 290: Subsidies to institutions of higher education | 124.000 | |
| - 298: Contribution to administrative expenditure connected with international agreements | 50.000 | |
| | <hr/> | 6.604.000 |
| (c) automatic carryovers from 1978 (Article 6(1)(c) of the Financial Regulation) | | <hr/> 26.791.478 |
| (d) total appropriations for 1979 | | 205.044.518 |

As shown by the table above, the rate for commitments (96,4% of the appropriations) is close to complete utilization. Since 83,9% of the appropriations for payment have been used, 12,5% will be automatically carried over to 1980 while 3,6% of the overall appropriations for 1979 will lapse.

As in previous years, transfers proved necessary within Chapters to cover the most urgent requirements. These concerned the expenditure associated with the rental of buildings (Chapter 21) and the purchase, hire and maintenance of movable property (Chapter 22).

Article 200 - Acquisition of immovable property

The appropriation set aside for the acquisition of immovable property was committed in full for the purchase of the building occupied by the Press and Information Office which the Commission opened in Lisbon in 1978. This transaction is still in progress and the payment will be made as soon as the notarial act is signed; this explains why the rate of payment is currently zero.

Item 2100 - Rent

A total appropriation of 279.800 EUA to cover the cost of renting buildings and the associated expenditure for the Vienna and Bangkok offices was included in the appropriation entered under this Item in accordance with an amendment made by Parliament. When Parliament was informed of the reason for the existence of these new offices, this appropriation was distributed - by means of a transfer on 5 April 1979 - to the appropriate headings in Chapter 21 so that the planned expenditure could be carried out.

Article 224 - Hire of equipment, operating costs and cost of services relating to the Computer Centre and the running of the information and documentary research system (CIRCE)

The utilization of the appropriations of Article 224 merits special comment. The appropriation of 11.293.000 EUA entered in the 1979 Budget to cover the costs of the Commission's Computer Centre reached 15.774.000 EUA by the end of the financial year 1979 (a rise of 39,7%). As 2.305.936 EUA was carried over from 1978, the total amount of appropriations available in 1979 amounted to 18.079.936 EUA, of which 99% was utilized.

An explanation of this increase in appropriations was submitted to the Budgetary Authority in support of transfer 5/79 involving a sum of 4.430.000 EUA. Summing up, the following factors were involved:

- (a) the need to conduct work under contract because of the staff shortage;
- (b) the need for additional staff because of the considerable increase in the computing capacity installed (an eightfold increase since 1976), the operating costs of which had been underestimated;
- (c) the extension of the period of overlap between the old IBM configuration and the new ICL configuration, owing to the shortage of the ICL computer staff available to convert the programmes.

Chapter 24 - ENTERTAINMENT AND REPRESENTATION EXPENDITURE

The restrictions imposed by the Commission on its Members and its departments as regards entertainment and representation expenditure have led to a lower rate of utilization for these appropriations in 1979 than in 1978.

Chapter 25 - EXPENDITURE ON FORMAL AND OTHER MEETINGS

The difference between the rate of commitment and the rate of payment is due to the delay in formally clearing expenditure. Payment is actually made in cash for almost all the expenses refunded and charged to a non-budgetary suspense account.

Chapter 26 - EXPENDITURE ON STUDIES, SURVEYS AND CONSULTATIONS

Utilization of non-differentiated appropriations

| CHAPTER 26 | Appropriations available in 1979 (EUA) | | Utilization (%) | | | |
|---------------|--|------------|--------------------|------|-----------------|------|
| | | | for commitments | | for payments | |
| | | | Appropriations | | Appropriations | |
| | | | 1978 | 1979 | 1978 | 1979 |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| TOTAL | 12.500.000 | 21.952.349 | 93,9 | 98,4 | 58,1 | 56,3 |

(1) Initial appropriations, including Supplementary or Amending Budgets.
 (2) Including transfers and carryovers from 1978.

The Commission has updated its study programme for 1979, leading to the commitment of expenditure amounting to 98,4% of the appropriations available.

The payments made in this connection correspond to 56,3% of the budgetary funds.

The rather striking difference between the rate of payments and the rate of commitments is due to the internal procedure used for the management of study appropriations, in particular the formalities required for finalizing contracts.

TITLE 3 - COMMUNITY POLICIES RELATING IN PARTICULAR TO RESEARCH, TECHNOLOGY, INDUSTRY, THE SOCIAL SECTOR, THE ENVIRONMENT AND THE SUPPLY OF ENERGY AND RAW MATERIALS

Chapter 30 - EXPENDITURE IN THE SOCIAL SECTOR

This Chapter contains both differentiated and non-differentiated appropriations.

1. Non-differentiated appropriations

These concern all the Articles in this Chapter with the exception of Articles 303 and 306, dealt with below.

| Chapter 30 | Appropriations available in 1979 (EUA) | | Utilization (%) | | | |
|------------|--|-----------|-----------------|------|----------------|------|
| | | | For commitments | | For payments | |
| | | | Appropriations | | Appropriations | |
| | | | 1978 | 1979 | 1978 | 1979 |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| TOTAL | 6.170.000 | 6.820.000 | 84 | 97 | 67 | 62 |

(1) Initial appropriations, including Supplementary or Amending Budget.
 (2) Includes transfers and/or carryovers.

Analysis of the use of appropriations

(a) Appropriations for the financial year

The expenditure concerns the European Centre for the Development of Vocational Training, exchanges of young workers, measures under the employment policy and the European Trade Union Institute. Commitments for all these measures accounted for nearly 97% of available appropriations on 31 December; 62% of commitments have already been paid.

In Item 3020 (Exchanges of young workers), a transfer of 650.000 EUA from Chapter 100 was made with the approval of the Budgetary Authority after the second exchange programme was adopted(1); by the end of the financial year nearly all this had been committed.

(1) Council Decision of 16 July 1979, OJ L 185 of 21 July 1979.

(b) Appropriations carried over

In all, 86% of the 0,95 m EJA carryover had been used up by 31 December. The remainder, divided among several Items, has lapsed.

2. Differentiated appropriations

These concern Article 303 - Community measures to improve migrant and handicapped workers' living conditions and Article 306 - Pilot research projects on action to combat poverty.

| CHAPTER 30 | Appropriations available in 1979 (EJA) | | | |
|------------|---|------------|--------------|-----------|
| | For commitments | | For payments | |
| | (1) | (2) | (3) | (4) |
| TOTAL | 6.950.000 | 11.834.292 | 4.765.000 | 6.145.575 |

(1) (3) Initial appropriations, including Supplementary or Amending Budgets.
 (2) Includes outstanding appropriations and transfers.
 (4) Includes transfers and carryovers.

| CHAPTER 30 | Utilization (%) | | | |
|------------|----------------------------------|------|-------------------------------|------|
| | 1978 | 1979 | 1978 | 1979 |
| | Appropriations for commitment | | Appropriations for payment | |
| | (1) | (2) | (3) | (4) |
| TOTAL | 27 | 89 | 58 | 81 |

Article 303

The implementation in commitments for Article 303 is almost complete (93%). The implementation in payments is not (54%, which includes automatic carryovers from 1978). The difference between the utilization rate for commitments and that for payments shows how sound it was to include this type of expenditure (housing) among the differentiated appropriations as from 1978 - thanks to the amendments made by the European Parliament.

Article 306 - Pilot research projects on action to combat poverty

The use in commitments (89%) and payments (86%), including automatic carryovers from 1978, has reached a satisfactory level. Activity in this area has been of two kinds: continuing with projects in progress, most of which were agreed upon in the first programme of 1975(1), and preparing the final report on the implementation of the programme, which will stop on 1 December 1980. The latter is a report which the Commission is obliged to submit as soon as the programme is completed - at the latest by 30 June 1981.

To cover the period between the end of the programme and the time when the Council's conclusions about the implementation thereof are put into effect, the Commission put forward an interim programme on 27 November(2) so that research and action on combating poverty may continue. If the Council agrees, the outstanding appropriation of 1,17 m EJA could be used for this purpose.

(1) An interim report was put forward by the Commission in October 1979.
(2) COM(79)657 final.

Chapter 31 - EXPENDITURE IN THE AGRICULTURAL SECTOR

Utilization of non-differentiated appropriations

| TITLE 3, CHAPTER 31 | Appropriations available in 1979 (EUA) | | Utilization (%) | | | |
|------------------------|---|------------|-----------------|------|----------------|------|
| | | | For commitments | | For payments | |
| | | | Appropriations | | Appropriations | |
| | | | 1978 | 1979 | 1978 | 1979 |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| TOTAL | 7.209.000 | 11.094.000 | 76 | 81 | 25 | 27 |

(1) Initial appropriations, including Supplementary or Amending Budgets.
 (2) Including transfers and/or carryovers.

(1) Implementation of the appropriations for the financial year

(a) Analysis of the use of appropriations

By 31 December 1979, 81% of available appropriations (8.944.478 EUA) had been committed. Payments (2.415.298 EUA) had been made in respect of 27% of the commitments. The use of appropriations has improved therefore compared with 1978, when the rates were 76% and 25% respectively.

Nevertheless, the rate of payments compared with that for commitments is still relatively low. There are several reasons for this, chief among which are:

(i) the operations covered by the commitments and payments are outside the Commission's direct control. Thus, if a measure late in the year or the file is sent late, as happened with Item 3101 - Campaign against African swine fever and Item 3102 - Community action in the event of outbreaks of epizootic disease, it is impossible to make the payments in the year in which the commitments are made;

(ii) the nature of these appropriations is that of differentiated appropriations: with regard to expenditure under Article 313 - Farm Accountancy Data Network and Item 3141 - Research programmes, the normal gap between commitments and payments is from two to three years.

It is therefore proposed to settle the commitments entered into in 1979 under Item 3141 normally in the course of 1980 and those under Article 313 by 1981 at the latest.

(b) Use of appropriations

All - or at least 95% - of the appropriations were used up in the case of the following budget headings:

- 3103: Contribution towards the campaign against foot-and-mouth disease outside the Community: 300.000 EUA allocated to the FAO for the purchase of vaccines against this disease.
- 3121: Preparation of land for comparative trials of seedlings and seeds: 141.880 EUA allocated to the introduction of a Community control system, a central feature of which are these sample tests.
- 313: Farm Accountancy Data Network: 1.490.000 EUA. This involves the monitoring of the main features of Community farms on the basis of a representative sample.
- 314: Agricultural research: 2.832.923 EUA. The utilization of these appropriations has made it possible to continue the agricultural research programmes adopted by the Council and to keep and update the permanent inventory of agricultural research programmes in the EEC.
- 316: Community action relating to the vocational training of farmers: 135.000 EUA. This subsidy has been paid to CEPFAR which is responsible for a number of activities of general interest as regards the vocational training of farmers.
- 317: Community supervision of the application of agricultural rules: 8.000 EUA to cover the fees, analysis costs and travel and subsistence expenses of authorized experts.

Less than 95% of the appropriations were used in the following budget headings:

- 3101: EEC participation in the campaign against African swine fever; local measures: 2.500.000 EUA out of 3.500.000 EUA. The sum of 1.000.000 EUA not utilized was intended to finance the eradication of swine fever in Spain on the basis of an eradication plan which Spain submitted to the Community in late 1979. Some changes proved necessary and the plan was not approved by the Commission until May 1980. An application for a non-automatic carry-over of 1.000.000 EUA has been made to the Council.
- 3102: Community action in the event of outbreaks of epizootic disease: 1.462.150 EUA out of 2.500.000 EUA. This has enabled the Community to make an emergency financial contribution to preventive measures and to the campaign against the contagious diseases which threatened European livestock in 1979.
- 3111: Veterinary inspection of the application of Community rules and regulations. No commitment could be made out of the 36.300 EUA entered under this heading since the Member States have not taken advantage of the possibilities offered by it.

- 3112: Veterinary inspection in non-member countries: 33.162 EUA of the 60.000 EUA entered under this heading, i.e. 55% of the appropriation, have been utilized for authorized veterinary experts.
- 3122: Measures to check the equivalence of systems of certification: 8.254 EUA, i.e. 92% of the appropriations entered under this heading, have been used to cover the travel and subsistence expenses of Community experts sent to non-member countries.
- 315: Training of officials responsible for monitoring EAGGF expenditure: 33.109 EUA, i.e. 32% of the appropriations, have been utilized. This under-utilization is due to the difficulties involved in organizing seminars to train EAGGF inspectors.

(2) Utilization of carry-overs

Of the 4.549.473 EUA carried over, 4.200.004 EUA - i.e. 92% - have been paid. There are three main headings in which the carry-over has not been fully utilized:

- (a) Item 3103: Contribution towards the campaign against foot-and-mouth disease outside the Community: Some of the activities involving the Ankara Institute have had to be postponed because of the economic difficulties of the Turkish State (59% rate of utilization).
- (b) Article 313: Farm Accountancy Data Network: The payments made against commitments entered into in the year n are made in years (n + 1) and (n + 2) as the findings obtained have to be checked (92% rate of utilization).
- (c) Article 314: Agricultural research: This involves contracts with research institutes whereby some of the work has not been carried out at all or has not been completed (98% rate of utilization).

Chapter 32 - EXPENDITURE UNDER THE ENERGY POLICY

Utilization of available appropriations
(differentiated appropriations)

| CHAPTER 32 | Appropriations available in 1979 (EJA) | | | |
|------------|---|-------------|--------------|------------|
| | For commitments | | For payments | |
| | (1) | (2) | (3) | (4) |
| TOTAL | 57.000.000 | 122.722.597 | 50.000.000 | 95.637.033 |
| 3200 | 20.000.000 | 42.241.643 | 31.000.000 | 59.950.000 |
| 3201 | token entry | 15.000.000 | token entry | 5.000.000 |
| 3240 | 16.000.000 | 21.576.849 | 7.000.000 | 9.000.000 |
| 3241 | 16.000.000 | 28.400.000 | 9.500.000 | 13.500.000 |

(1),(3) Initial appropriations, including Supplementary or Amending Budgets.
(2),(4) Total appropriations available (including outstanding appropriations transfers and carry-overs).

| CHAPTER 32 | Utilization (% of appropriations available) | | | |
|------------|---|-----|----------------------------|-----|
| | 1978 | | 1979 | |
| | Appropriations for commitment | | Appropriations for payment | |
| | (1) | (2) | (3) | (4) |
| TOTAL | 32 | 56 | 25 | 30 |
| 3200 (*) | 58 | 78 | 34 | 29 |
| 3201 (*) | 0 | 23 | 0 | 21 |
| 3240 (*) | 1 | 34 | 0 | 5 |
| 3241 (*) | 0 | 70 | 0 | 23 |

(*) Budget heading where the rate of utilization is particularly low.

Utilization of
non-differentiated appropriations

| CHAPTER 32 Article 328 (Studies) | Appropriations available in 1979 (EJA) | | Utilization (%) | | | |
|--|--|-----------|-----------------|------|----------------|------|
| | | | For commitments | | For payments | |
| | | | Appropriations | | Appropriations | |
| | (1) | (2) | 1978 | 1979 | 1978 | 1979 |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| TOTAL | token entry | 1.050.000 | - | 98 | - | 32 |

(1) Initial appropriations, including Supplementary or Amending Budgets.
(2) Including transfers (there were no carry-overs).

Analysis of the utilization of appropriations

Few of the appropriations in Chapter 32 have been used in 1979, especially the appropriations for payment. This has been true of this Chapter for some years. The main reason is that the Council has been slow, or has even failed, to adopt the necessary decisions, without which the Commission cannot effect expenditure; a further reason is that the process of selecting and approving projects is hampered by the terms of the relevant regulations, added to which is the fact that a few years ago the need for appropriations for payment in Item 3200 was overestimated somewhat and the consequences of this are still be felt. The 1979 results, however, are better than those last year. Management procedures have been speeded up, and it was possible to start some measures in 1979 which still had no legal basis in 1978 (particularly under Items 3240 and 3241). As regards non-differentiated appropriations, a rate of commitment of 98% was recorded and a 32% payment rate; this is normal, since expenditure is intended for studies, and payment is only made once these have been completed.

Article 320 - Projects in the hydrocarbons sector

Item 3200 - Community technological development projects

In 1979, this Item alone accounted for roughly one-third of the appropriations for commitment and nearly two-thirds of the appropriations for payment in Chapter 32. The commitment rate of 78% (58% in 1978) is evidence of the very encouraging growth in the implementation of the programme of support for undertakings but the low utilization of payment appropriations (29% of available appropriations) has had a considerable influence on the outturn for the whole Chapter. Again, requirements were overestimated a few years ago and considerable delays occurred between the preparation of projects for financial assistance and their adoption. To improve the situation, the Commission will tailor its requests for appropriations in future. It has already undertaken, moreover, to bring forward the different calls for submission of projects in order to speed up the adoption procedure.

Item 3201 - Joint hydrocarbon exploration projects

Despite the Commission's efforts in its dealings with the Council to establish agreement on the proposal for an outline regulation which the Commission put forward in 1974 (1), the discussions have still not yielded any results. There being no legal basis, it has been impossible to use the appropriations available for the financial year (15 m EJA outstanding from 1978). However, a Commission proposal (2) designed to finance a joint hydrocarbon exploration project in Greenland, which has been approved by the Council, has made it possible to commit 3.450.000 EJA, of which 1.034.000 have already been paid.

-
- (1) Proposal for a Council Regulation on support for joint hydrocarbon exploration projects (OJ C 18 of 25 January 1975 and OJ C 200 of 22 August 1978).
 - (2) Council Regulation No 1038 of 24 May 1979 on Community support for a joint hydrocarbon exploration project in Greenland (OJ L 132 of 30 May 1979).

Article 324 - Aid to demonstration projects under the Community energy programme

Items 3240 - Community energy-saving programme
and 3241 - Programmes for the development of new sources of energy

Only a small amount of the appropriations set aside for these headings was used, although the percentage was very favourable compared with 1978. Utilization of appropriations for commitment in Item 3240 went up from 1% in 1978 to 34% in 1979, and in Item 3241 from 0% to 70%.

This improvement reflects the late start of the measures in question. They were approved in principle in 1978 (1), but could not be carried out until the implementing regulations were adopted in April 1979 (2). Since then, some of the delay has been made up. In 1979 the Commission concluded support contracts for 21 demonstration projects in the field of energy saving and 19 demonstration projects involving alternative energy sources. Contracts for more than 40 demonstration projects were concluded in early 1980 or are about to be concluded. Activities will be stepped up in 1980 with the result that the initial delay will be completely made up for in the course of the year.

(1) Council Regulations Nos 1302/78 and 1303/78 of 12 June 1978 (OJ L 158 of 16 June 1978).

(2) Council Regulations Nos 725/79, 726/79, 727/79, 728/79, 729/79 of 9 April 1979 (OJ L 93 of 12 April 1979).

Article 329 - Euratom loans

In accordance with the Council Decision of 29 March 1977 (1), the Commission is authorized to contract loans, up to a ceiling of 500 m EUA, to finance nuclear power stations.

The following ten loans have been contracted since 1 January 1979 in national currencies:

| <u>Number of loans</u> | | <u>Currency</u> |
|------------------------|-----|-----------------|
| 1 | DM | 88.000.000 |
| 3 | FF | 230.000.000 |
| 3 | FS | 65.000.000 |
| 1 | Bfr | 1.500.000.000 |
| 2 | Lfr | 1.000.000.000 |

As a result, total Euratom loans on 31 December 1979 were equivalent to 322,92 m EUA.

The following table gives specific details:

| <u>Purpose</u> | <u>Amount of loan on</u> <u>31 December 1979</u> | <u>Recipient power</u> <u>stations</u> |
|-----------------------------------|---|---|
| | <u>m EUA</u> | |
| To finance nuclear power stations | 113,27 | Mülheim-Karlich (Germany) |
| | 89,18 | Creys-Maville (France) |
| | 69,83 | Alto Lazio (Italy) |
| | <u>50,64</u> | Doel (Belgium) |
| Total | <u>322,92</u> | |

On 1 August 1979 the Commission put forward a proposal to the Council which would raise the ceiling of authorized loans to a total of 1.500 m EUA. The Council raised the ceiling to 1.000 m EUA in its Decision of 18 December.

(1) OJ L 88 of 6 April 1977.

Chapter 33 - RESEARCH AND INVESTMENT APPROPRIATIONS

**Utilization of available appropriations
(differentiated appropriations)**

m EUA

| CHAPTER 33 | Appropriations available in 1979 | | | |
|----------------------|----------------------------------|---------|--------------|---------|
| | For commitments | | For payments | |
| | (1) | (2) | (3) | (4) |
| Direct action | 115,213 | 152,477 | 113,670 | 161,004 |
| Indirect action | 27,176 | 93,637 | 65,691 | 124,109 |
| Participation in JET | - | 84,518 | 17,000 | 32,996 |
| TOTAL | 142,389 | 330,632 | 196,361 | 318,109 |
| 3353 | - | 3,155 | 0,123 | 2,848 |
| 3354 | 0,677 | 11,387 | 2,977 | 9,745 |
| 3357 | 1,241 | 17,218 | 9,744 | 28,994 |

(1) and (3) Initial appropriations, including Amending and Supplementary Budgets.
 (2) Including appropriations outstanding, transfers and revenue from services rendered to third parties.
 (4) Including transfers, carryovers and revenue from services rendered to third parties.

| | Utilization (%) | | | |
|----------------------|---------------------|------|---------------------|------|
| | Approps for commit. | | Approps for payment | |
| | 1978 | 1979 | 1978 | 1979 |
| Direct action | 82 | 88 | 71 | 75 |
| Indirect action | 58 | 57 | 52 | 59 |
| Participation in JET | 10 | 73 | 24 | 98 |
| TOTAL | 54 | 75 | 58 | 71 |
| 3353 (*) | 81 | 27 | 56 | 31 |
| 3354 (*) | 21 | 42 | 39 | 39 |
| 3357 (*) | 73 | 43 | 39 | 59 |

(*) Budget heading in respect of which the implementation rate is particularly low.

The 1979 appropriations for Chapter 33 were spread over the current JRC programmes, projects and activities forming part of the 1977-80 four-year programme (direct action) and a series of multiannual research programmes contracted out to specialist bodies in the Member States (indirect action), of which the biggest is the JET Project under the fusion and plasma physics programme.

Taken as a whole the rate of utilization for the 1979 appropriation, in commitments and payments, is more satisfactory than in 1978.

Where direct action is concerned, there has been no significant change in the pattern of utilization as 1979 is the third year of the multiannual 1977-1980 programme.

Given the methods now used in accounting for appropriations and expenditure on non-programme activities (ESSOR and work for third parties), the utilization rates for 1979 represent a de facto upper limit (4,6 million of the 99,3 million EJA included for the programme are still available for 1980).

The utilization rate for indirect and concerted action was not as high but it should be noted that large amounts of appropriations outstanding and carried over for certain recent programmes, as well as appropriations transferred from Chapter 100 to the budget headings for programmes approved by the Council late during the year, were still available in 1979. The table below gives details relating to these activities:

m EJA

| Item | Heading | Date of programme decision | Approps for commit. | Approps for payment | Date of approval of transfers from Chapter 100 |
|------|---------------------------------|----------------------------|---------------------|---------------------|--|
| 3353 | Reference materials and methods | 09.10.1979 | 2,187 | 2,017 | 05.12.1979 |
| 3354 | Environment | 09.10.1979 | 4,800 | 2,400 | 05.12.1979 |
| 3357 | Energy research and development | 11.09.1979 | 4,000 | 2,000 | 29.11.1979 |

As regards the JET Project, the Council Decision of 30 May 1978 provides for a joint undertaking within the meaning of Chapter V of the Euratom Treaty to be set up under the fusion and plasma physics programme, and for 80% of the expenditure to be financed by the Community.

In accordance with Article 174 of the Treaty and Article 9 of the statute of the joint undertaking, Community participation will be entered on the expenditure side of the research and investment budget.

In 1979 JET used up three-quarters of the appropriations for commitment that had accumulated since 1976 and were still available, and almost all the appropriations for payment. It may be said that the financial management of the JET project is now running smoothly.

Chapter 34 - EXPENDITURE RELATING TO SAFEGUARDS

**Utilization of available appropriations
(non-differentiated appropriations)**

| CHAPTER 34 | Appropriations for 1979 (EUA) | | Utilisation (%) | | | |
|------------|----------------------------------|-----------|-----------------|------|----------------|------|
| | | | for commitments | | for payments | |
| | | | Appropriations | | Appropriations | |
| | | | 1978 | 1979 | 1978 | 1979 |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| TOTAL | 1.500.000 | 1.954.086 | 98 | 76 | 70 | 47 |
| 340(*) | 650.000 | 726.000 | 97 | 69 | 80 | 50 |

(1) Initial appropriations including Supplementary and Amending Budgets (calculation basis for columns 3 and 4).
 (2) Including transfers and/or carryovers (calculation basis for columns 5 and 6).
 (*) Budget heading in respect of which the implementation rate is particularly low.

Summary of implementation of appropriations

The rate of utilization of appropriations in Chapter 34 was high but less satisfactory than in 1978. The main reasons for this were the fact that engaging the additional staff for on-the-spot inspections (Article 340) took longer than expected and the fact that some of the inspections could not be carried out as a result of the delay in concluding the tripartite agreements between (i) France, (ii) the United Kingdom, and (iii) the Community and the International Atomic Energy Agency.

Chapter 35 - PROTECTION OF MAN AND HIS ENVIRONMENT

**Utilization of available appropriations
(non-differentiated appropriations)**

| CHAPTER 35 | Appropriations available in 1979 (EUA) | | Utilization (%) | | | |
|------------|--|-----------|-----------------|------|----------------|------|
| | | | For commitments | | For payments | |
| | | | Appropriations | | Appropriations | |
| | | | 1978 | 1979 | 1978 | 1979 |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| TOTAL | 7.792.000 | 7.792.000 | 85 | 90 | 43 | 45 |

(1) Initial appropriations including Supplementary and Amending Budgets.
 (2) Including transfers and/or carryovers.

Summary of implementation of the appropriations

(a) Appropriations for the financial year

A total of 90% of available appropriations had been committed by 31 December. Payments represented 45% of available appropriations; this is normal, as the appropriations are for studies many of which are begun late in the financial year; the balance is carried over automatically to the next financial year.

In a series of amendments involving 0,35 million EUA, the European Parliament reinstated the appropriations under headings 3530 (Public health studies and measures), 3543 (Measures required to implement the Directives on the environment), 3544 (Permanent inventory of sources of information on the environment in the Community), 3550 (Consumer protection studies) and 3552 (Consumer protection and information measures). On average, 90% of the appropriations for these headings have been committed and in no case is the percentage lower than 85% except in Item 3530 (65%) where postponement of the meeting of Health Ministers, scheduled for autumn, resulted in work slowing down.

(b) Appropriations carried over

By 31 December, 96% of the 2,98 million EUA carried over had been settled.

Chapter 36 - EXPENDITURE ON SCIENTIFIC AND TECHNICAL INFORMATION AND ON INFORMATION MANAGEMENT

**Utilization of available appropriations
(differentiated appropriations)**

| CHAPTER 36 | Appropriations 1979 (EUA) | | | |
|--|------------------------------|-----------|--------------|-----------|
| | For commitments | | For payments | |
| | (1) | (2) | (3) | (4) |
| TOTAL | 4.500.000 | 8.659.829 | 4.825.000 | 6.885.801 |
| 3620 | 2.800.000 | 6.675.818 | 3.350.000 | 4.951.741 |
| (1) and (3) Initial appropriations, including Amending and Supplementary Budgets. | | | | |
| (2) and (4) Total appropriations available (including outstanding appropriations, carryovers and transfers). | | | | |

| CHAPTER 36 | Utilization (%) | | | |
|---|-------------------------------|------|----------------------------|------|
| | 1978 | 1979 | 1978 | 1979 |
| | Appropriations for commitment | | Appropriations for payment | |
| | (1) | (2) | (3) | (4) |
| TOTAL | 39 | 69 | 57 | 52 |
| 3620 (*) | 30 | 60 | 57 | 41 |
| (*) Budget heading in respect of which the implementation rate is particularly low. | | | | |

Utilization of non-differentiated appropriations

| CHAPTER 36 | Appropriations for 1979 (EUA) | | | Utilization (%) | | | |
|---|----------------------------------|-----------|-----------|-----------------|------|----------------|------|
| | | | | For commitments | | For payments | |
| | | | | Appropriations | | Appropriations | |
| | | | | 1978 | 1979 | 1978 | 1979 |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| TOTAL | 1.680.000 | 1.680.000 | 2.470.735 | 96 | 100 | 60 | 70 |
| <p>(1) Initial appropriations including Supplementary and Amending Budgets. (2) Including transfers and non-automatic carryovers (calculation basis for columns 4 and 5). (3) Including transfers and total carryovers (calculation basis for columns 6 and 7).</p> | | | | | | | |

The - generally high - rate of utilization of the appropriations entered in this Chapter further improved in 1979 following the entry into force, in October 1978, of the second three-year action plan. Taken as a whole, the utilization rate for this Chapter is 100% for non-differentiated and 69% for differentiated appropriations, in terms of commitments. The second figure is largely the result of relatively low utilization (60%) of the appropriations for Item 3620 (Three-year plans of action) which account for 77% of the Chapter's differentiated appropriations. Of the remaining appropriations for commitment under this Chapter, 99% were used.

Article 362 - Documentary research, scientific and technical information and documentation

Item 3620 - Three-year plans of action

Although, there has been a considerable improvement in the utilization of the appropriations for commitment, the relatively low rate of 60% is due to the delay in the Council's adopting the second three-year plan of action (October 1978) (1). This means that, in practice, 1979 is the first year of implementation. In spite of this, the Commission managed to catch up on part of the delay in 1979 by using all the outstanding appropriations and part of the appropriations for 1979.

(1) OJ L 311 of 4 November 1978.

Chapter 37 - EXPENDITURE IN THE INDUSTRIAL AND TRANSPORT SECTORS

**Utilization of available appropriations
(differentiated appropriations)**

| CHAPTER 37 | Appropriations for 1979 (EUA) | | | |
|------------|----------------------------------|------------|--------------------|------------|
| | For commitments | | For payments | |
| | (1) | (2) | (3) | (4) |
| TOTAL | 22.000.000 | 53.045.262 | 11.700.000 | 28.463.377 |
| 3702 | 2.000.000 (*) | 2.000.000 | 1.000.000 (*) | 1.000.000 |
| 3710 | token entry | 15.000.000 | token entry | 1.000.000 |
| 3750 | 20.000.000 (**) | 35.000.000 | 10.000.000 (**) | 24.500.000 |

(1) and (3) Initial appropriations, including Amending and Supplementary Budgets.
 (2) and (4) Total appropriations available (including outstanding appropriations, carryovers and transfers).
 (*) Entered in Chapter 100.
 (**) Entered in Chapter 100, shared between Item 3750 and Article 512.

| CHAPTER 37 | Utilization (%) of available appropriations | | | |
|------------|---|------|----------------------------|------|
| | 1978 | 1979 | 1978 | 1979 |
| | Appropriations for commitment | | Appropriations for payment | |
| | (1) | (2) | (3) | (4) |
| TOTAL | 3 | 28 | 1 | 54 |
| 3702 (*) | - | 1 | - | 0 |
| 3710 (*) | 0 | 0 | 0 | 0 |
| 3750 (*) | 0 | 40 | 0 | 57 |

(*) Budget heading in respect of which the implementation rate is particularly low.

Utilization of non-differentiated appropriations

| CHAPTER 37 | Appropriations for 1979 (EUA) | | | Utilization (%) | | | |
|------------|----------------------------------|-----------|-----------|-----------------|------|----------------|------|
| | | | | Commitments | | Payments | |
| | | | | Appropriations | | Appropriations | |
| | | | | 1978 | 1979 | 1978 | 1979 |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| TOTAL | 2.191.000 | 2.191.000 | 3.401.631 | 100 | 99 | 45 | 61 |
| 3741 | 500.000 | 498.650 | 498.650 | - | 99 | - | 28 |

(1) Initial appropriations including Supplementary and Amending Budgets.
 (2) Including transfers and non-automatic carryovers (calculation basis for columns 4 and 5).
 (3) Including transfers and total carryovers (calculation basis for columns 6 and 7).

Summary of implementation of appropriations

Almost all the non-differentiated appropriations for this Chapter have been committed but the position in respect of differentiated appropriations, which constitute the major portion of this Chapter, is quite different. The reason for the low rate of utilization (28%) is the fact that in almost all cases the requisite legal basis for the measures involved has either not been adopted or was adopted late. Although the position looks better in 1979 than it was in 1978, this is only because the Council decisions taken at the end of the year made it possible to launch the first measures provided for in Items 3702 and 3750.

Article 370 - Projects in the data-processing sector

Item 3702 - Community projects for the development of data processing

It was not possible to make a start on this measure, which was first entered in the 1979 Budget, because the Council did not adopt the programme until September 1979 (1). Consequently the programme's first year of implementation will be 1980.

(1) Council Decision of 11 September 1979 adopting a multiannual programme in the field of data processing (OJ L 231 of 13 September 1979).

Article 371 - Operations in the aerospace sector

Item 3710 - Technological research

Again, it has not been possible to use the available appropriations in 1979 (15 million EUA in appropriations for commitment and 1 million in appropriations for payment, carried over from 1978 to 1979) as the Council did not adopt the first series of measures proposed by the Commission on 2 August 1977 (1).

Item 3741 - Harmonization of industrial laws

Almost all of the non-differentiated appropriation of 500.000 EUA entered at the initiative of the European Parliament has been committed (99%). The relevant payments are proceeding at a normal rate and the appropriations set aside for this purpose will be used up in the course of 1980.

Article 375 - Community aid for industrial restructuring and conversion operations

Item 3750 - Aid for certain crisis-hit industrial sectors

A large appropriation was set aside for this Item: 20 million EUA in appropriations for commitment and 17 million in appropriations for payment carried over from 1978, and a large proportion of the 20 million EUA in appropriations for commitment (15 million EUA) and of the 15 million EUA in appropriations for payment (7,5 million EUA) entered in Chapter 100 of the Budget for 1979 which was shared between Article 512 and Item 3750.

The proposal for a framework regulation submitted by the Commission to the Council on 31 October 1978 (2) with a view to setting out what Community measures should be taken, was not approved by the Council in spite of the Commission's efforts. To permit utilization of the appropriations outstanding from 1978, which would otherwise lapse, the Commission submitted a further proposal for priority action in the man-made fibres sector (3). This was approved by the Council on 20 December 1979. On this basis it has been possible to commit and pay out an appropriation of 14 million EUA.

The unused appropriations for the financial year 1979 (20 million EUA in appropriations for commitment and 10 million in appropriations for payment) shared between Item 3750 and Article 512 have been transferred from Chapter 100 to the two headings concerned with the approval of the Budgetary Authority, 15 million EUA in appropriations for commitment and 7,5 million in appropriations for payment going to Item 3750. This means that these sums remain available in 1980.

(1) COM(77)362 final.

(2) Proposal for a Council Regulation on Community aid for industrial restructuring and conversion operations (OJ C 272 of 16 November 1978).

(3) Council Regulation No 2914/79 of 20 December 1979 on Community aid for industrial restructuring and conversion operations in the man-made fibres sector (OJ L 326 of 22 December 1979).

Chapter 39 - OTHER EXPENDITURE ON SPECIFIC PROJECTS UNDERTAKEN BY THE INSTITUTION

Utilization of non-differentiated appropriations

| CHAPTER 39 | Appropriations available in 1979 (EUA) | | | Utilization (%) | | | |
|------------|--|------------|------------|-----------------|------|----------------|------|
| | | | | Commitments | | Payments | |
| | | | | Appropriations | | Appropriations | |
| | | | | 1978 | 1979 | 1978 | 1979 |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| TOTAL | 8.955.000 | 10.955.000 | 14.302.368 | 78 | 85 | 52 | 47 |
| 390 (*) | token entry | 2.000.000 | 2.000.000 | 0 | 43 | 0 | 39 |
| 3930 | 240.000 | 240.000 | 254.681 | 100 | 99 | 92 | 70 |
| 396 (*) | 500.000 | 500.000 | 500.000 | - | 0 | - | 0 |

(1) Initial appropriations including Supplementary and Amending Budgets.
 (2) Including transfers and non-automatic carryovers (calculation basis for columns 4 and 5).
 (3) Including transfers and total carryovers (calculation basis for columns 6 and 7).
 (*) Budget heading for which the implementation rate is particularly low.

Summary of implementation of non-differentiated appropriations

Some 85% of the (non-differentiated) appropriations entered in this Chapter have been committed; this is an improvement on the previous year (78%). Except in Articles 390 and 396, almost all the available appropriations have been committed. Although lower, the 47% rate of payment may be regarded as normal in view of the large volume of appropriations carried over (37%), 75% of which have been used and the remainder, which were entered in Article 390 as a non-automatic carryover, have lapsed.

Article 390 - Research projects in the field of technology and industry

There was some delay in starting the research covered by this Article as there were certain difficulties in adopting the studies programme in 1978. In 1979 it was not possible to begin using the non-automatic carryovers until the summer because of the deadlines involved in the non-automatic carryover of appropriations. As a result 1,1 million EUA will lapse.

Article 393 - Cultural measures and events

Item 3930 - Expenditure on cultural projects

The appropriations entered under this heading (40.000 EUA of which were the result of a European Parliament initiative) have been almost entirely committed and 70% have been paid, which represents a normal rate of utilization given the measures financed by this Item (scholarships, subsidies and cultural exchanges). The appropriations for payment carried over have been entirely used up.

Article 396 - European Foundation

As the European Foundation has not yet been established it has not been possible to use the appropriations set aside for the purpose.

TITLE 4 - REPAYMENTS AND AID TO MEMBER STATES AND MISCELLANEOUS

Chapter 40 - FLAT-RATE REPAYMENT TO THE MEMBER STATES OF THE COSTS INCURRED IN COLLECTING OWN RESOURCES

All the appropriations for 1979 - 721,1 m EUA - have been committed. The payments made - 666,1 m EUA - correspond to eleven months of repayments; the repayments in respect of the own resources collected in December 1979 will be charged to the appropriations automatically carried over from 1979 to 1980, except for 12,5 m EUA which will have to be charged to the appropriations for 1980. The reason why the appropriations for 1979 are inadequate is that more own resources have been collected than forecast in the Budget (1).

Chapter 42 - COMMUNITY LOANS

Within the maximum amount of US \$3.000 million fixed by Council Regulation (EEC) No 397/75 of 17 February 1975 (2), the Community raised a number of loans in 1976 and 1977 for the purpose of helping Member States to overcome their balance-of-payments difficulties. Pursuant to Council Decision 76/322/EEC of 15 March 1976 (3), the Community granted loans, on the same terms as the amounts borrowed, to Italy and Ireland.

These loans were as follows:

* 1st loan (March, April 1976)

| | |
|--------------------|--------------------|
| US \$1.000 million | Recipient: Italy |
| US \$ 300 million | Recipient: Ireland |
| <hr/> | |
| US \$1.300 million | |
| <hr/> | |

* 2nd loan (May 1977)

| | | |
|-------------------|---|------------------|
| US \$ 200 million | } | Recipient: Italy |
| US \$ 300 million | | |
| <hr/> | | |
| US \$ 500 million | | |
| <hr/> | | |

(1) See the relevant comments in the section on revenue.

(2) OJ L 46, 20 February 1975.

(3) OJ L 77, 24 March 1976.

The total amount of these loans has not changed. On 31 December 1979, it was still equivalent to 1.370 m EUA.

Chapter 43 - LOANS FOR THE PROMOTION OF INVESTMENT IN THE COMMUNITY
(THE NEW COMMUNITY INSTRUMENT)

Within the maximum amount of 1.000 m EUA fixed by the Council Decision of 16 October 1978 (1), the Commission is authorized to raise loans to finance investment projects of benefit to the Community in the energy sector and industrial conversion and infrastructure sectors.

Under the Council's implementing Decision of 14 May 1979 (2) concerning the first tranche of 500 m EUA of loans raised, two loans equivalent to 174,5 m EUA were issued during the year - one loan of US \$125 million and a second loan of DM 225 million. These loans raised were on-lent as follows:

| | |
|----------------|-------------|
| Ireland | 86,7 m EUA |
| Italy | 39,6 m EUA |
| United Kingdom | 48,2 m EUA |
| | <hr/> |
| Total | 174,5 m EUA |

(1) OJ L 298, 25 October 1978.

(2) OJ L 125, 22 May 1979.

TITLE 5 - SOCIAL AND REGIONAL FUNDS

CHAPTERS 50, 51, 52 and 53 - EUROPEAN SOCIAL FUND

A. SALIENT FEATURES OF BUDGET IMPLEMENTATION IN 1979

Following the pattern of previous years, the Social Fund focused its efforts in 1979 on measures to help young people find jobs and on help for less-developed or declining regions (ERDF regions). These two aspects accounted for over two-thirds of the aid authorized from the Fund (three-quarters of actual payments). It should be noted that for the first time the Fund paid out aid in 1979 to promote the employment of people under twenty-five, either in firms or through the creation of jobs of public interest (see Chapter 53).

The tables on the following pages give an analysis of budget implementation in this sector. Implementation can be summarized as follows:

- (a) Commitments entered into during the financial year amounted to 774,45 m EUA of the available appropriation of 823,76 m EUA - an implementation rate of 94%;
- (b) Payments made during the financial year amounted to 595,70 m EUA of the available appropriation of 829,52 m EUA, i.e. 71,8%;
- (c) Total commitments entered into but not paid rose from 1.221,15 m EUA on 1 January 1979 to 1.341,35 m EUA by the end of the year.

The following conclusions may be drawn from these figures:

- (a) An extremely large proportion of commitments were implemented. This shows how much is required in this field - applications in most cases (including those for the largest amounts) far exceeded the available resources;
- (b) Implementation of payments speeded up noticeably compared with previous years, as the system of advances, which has been in force since 1978, really got under way in 1979;
- (c) Apart from the backlog of payments, the volume of commitments entered into but not yet paid is an indication of the volume and growth of the appropriations allocated to the Social Fund by the Budgetary Authority.

B. ANALYSIS OF IMPLEMENTATION IN 1979

The three tables on the following pages provide the basis for an analysis of each of the main aspects of implementation in 1979, i.e. commitments, payments and obligations in the course of being settled.

The analysis which follows applies particularly to headings which have been amended by Parliament.

1. UTILIZATION OF APPROPRIATIONS FOR COMMITMENT

m. ECUA

| Budget nomenclature | Appropriations available for 1979 | | | | Utilization in 1979 | | |
|--|---|--------------------------------|-------------|----------------------------------|----------------------------|--------------------------------------|--|
| | Approps. (1) entered in the 1979 Budget | Approps. outstanding from 1978 | Total | Commitments entered into in 1979 | Percentage used (Col 4)(2) | Approps. available on 31.12.1979 (3) | |
| | 1 | 2 | 3 | 4 | 5 | 6 | |
| 500 - Agricultural and textile sectors | 26 | 7,13 | 33,13 | 26,07 | 78,7(98,2) | 7,06 | |
| 501 - Young people | 230 | 14,86 | 244,86 | 230,99 | 94,3(99,9) | 13,87 | |
| 502 - Handicapped persons | - | 0,15 | 0,15 | 31,94 | 100 (100) | - | |
| 503 - Migrant workers | 32 | 0,06 | 31,94 | 18,48 | 99,6(96,1) | 0,06 | |
| 505 - Women | 18 | 0,55 | 18,55 | 18,48 | | | |
| 506 - Industrial conversion | token entry | - | token entry | | | | |
| 50 | 306 | 22,63 | 328,63 | 307,49 | 93,6(99,6) | 20,99 | |
| 510 - Regions, economic sectors or groups of companies | 327,39 | 26,78 | 354,17 | 333,39 | 94,1(100) | 20,78 | |
| 511 - Handicapped persons | 59,61 | 1,21 | 60,82 | 59,93 | 98,5(99) | 0,89 | |
| 512 - Industrial conversion | 5 | - | 5 | - | 0 | 5 | |
| 51 | 392 | 27,99 | 419,99 | 393,32 | 93,6(99,8) | 26,67 | |
| 52 - Pilot schemes and preparatory studies | 2,5 | 0,63 | 3,13 | 3,08 | 98,3(100) | 0,05 | |
| 53 - Promotion of youth employment | 72 | | 72 | 70,56 | 98 | 1,44 | |
| TOTAL 50-52-53 | 772,5 | 51,26 | 823,76 | 774,45 | 94(99,7) | 49,15 | |

(1) Including transfers.

(2) Figures in brackets relate to 1978.

(3) These appropriations are still available for the financial year 1980. (Article 6(2)(a) of the EEC Social Regulation of 21 December 1977).

2. UTILIZATION OF APPROPRIATIONS FOR PAYMENT

EU A

| Budget nomenclature | Appropriations for payment available in 1979 | | Payments made in 1979 | | Used (Col 6) (4) 3 | Appropriations not used by 31.12.1979 | | | |
|--|--|-----------------------|------------------------------|---------------------------|-----------------------|---------------------------------------|-------------------------------|-------------|-------------|
| | Carryovers from 1978 | Approps. for 1979 (1) | Against carryovers from 1978 | Against approps. for 1979 | | Against carryovers from 1978 (2) | Against approps. for 1979 (3) | | |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 500 - Agricultural and textile sectors | 40,26 | 38 | 78,26 | 40,17 | - | 40,17 | 51,3(35,3) | - | 38 |
| 501 - Young people | 49,10 | 135 | 184,10 | 49,10 | 100,94 | 150,04 | 81,5(60,4) | - | 34,06 |
| 502 - Handicapped persons | 1,11 | 1,60 | 2,71 | 1,11 | 1,43 | 2,54 | 93,7(94,8) | - | 0,17 |
| 503 - Migrant workers | 14,34 | 30,40 | 44,74 | 14,34 | 19,14 | 33,48 | 74,8(48,8) | - | 11,26 |
| 505 - Women | 2,50 | 10 | 12,50 | 1,92 | - | 1,92 | 15,4(0) | - | 10 |
| 506 - Ind. conversion | - | token entry | token entry | token entry | token entry | token entry | token entry | token entry | token entry |
| 50 | 107,31 | 215 | 322,31 | 106,65 | 121,51 | 228,15 | 70,8(54,5) | 0,66 | 93,49 |
| 510 - Regions, economic sectors or groups of companies | 175,63 | 245 | 420,63 | 175,63 | 146,15 | 321,78 | 76,5(42,7) | - | 98,85 |
| 511 - Handicapped persons | 15,65 | 40 | 55,65 | 15,65 | 27,65 | 43,30 | 77,8(61,6) | - | 12,35 |
| 512 - Ind. conversion | - | 2,5 | 2,5 | - | - | - | 0 | - | 2,5 |
| 51 | 191,28 | 287,50 | 478,78 | 191,28 | 173,81 | 365,09 | 76,2(44,9) | - | 113,69 |
| 52 - Pilot schemes and preparatory studies | 0,93 | 2,50 | 3,43 | 0,93 | 0,17 | 1,10 | 32,1(34) | - | 2,33 |
| 53 - Promotion of youth employment | - | 25 | 25 | - | 1,36 | 1,36 | 5,4 | - | 23,64 |
| TOTAL 50-52-53 | 299,52 | 530 | 829,52 | 298,86 | 296,84 | 595,70 | 71,8(48,7) | 0,66 | 233,15 |

(1) Including transfers.

(2) These appropriations have lapsed.

(3) These appropriations will be carried over automatically to the financial year 1980.

(4) Percentages in brackets relate to 1978.

3. PROGRESS WITH REGARD TO COMMITMENTS MADE

in ECU

| Budget nomenclature | COMMITMENTS | | | PAYMENTS MADE IN 1979 | | | | COMMITMENTS STILL TO BE SETTLED ON 31.12.1979 | | |
|--|-------------------------------------|--------------------------|----------|-------------------------------|-------------------------------|--------|-------------------------------|---|----------|--|
| | Still to be settled on 1.1.1979 (1) | Entered into in 1979 (2) | Total | Against commitments in Col. 1 | Against commitments in Col. 2 | Total | Against commitments in Col. 1 | Against commitments in Col. 2 | Total | |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | |
| 500 - Agriculture and textile sectors | 129,21 | 26,07 | 155,28 | 32,93 | 7,24 | 40,17 | 88,28 | 18,83 | 107,11 | |
| 501 - Young people | 307,29 | 230,99 | 538,28 | 93,60 | 56,44 | 150,04 | 198,43 | 174,54 | 372,97 | |
| 502 - Handicapped persons | 9,40 | - | 9,40 | 2,54 | - | 2,54 | 6,64 | - | 6,64 | |
| 503 - Migrant workers | 76,99 | 31,94 | 108,93 | 29,62 | 3,86 | 33,48 | 47,36 | 28,08 | 75,44 | |
| 505 - Women | 7,69 | 18,48 | 26,17 | 0,57 | 1,35 | 1,92 | 6,88 | 17,13 | 24,02 | |
| 50 | 530,59 | 307,49 | 838,06 | 159,26 | 68,90 | 228,16 | 347,59 | 238,58 | 586,18 | |
| 510 - Regions, economic sectors or groups of companies | 616,66 | 333,39 | 952,05 | 250,70 | 71,08 | 321,78 | 334,35 | 262,31 | 596,67 | |
| 511 - Handicapped persons | 70,72 | 59,93 | 130,65 | 27,90 | 15,40 | 43,30 | 41,63 | 44,53 | 86,15 | |
| 51 | 689,38 | 393,32 | 1,082,70 | 278,60 | 86,48 | 365,08 | 375,98 | 306,84 | 682,82 | |
| 52 - Pilot schemes and preparatory studies | 1,18 | 3,08 | 4,26 | 0,34 | 0,76 | 1,10 | 0,83 | 2,32 | 3,15 | |
| 53 - Promotion of youth employment | - | 70,56 | 70,56 | - | 1,36 | 1,36 | - | 69,20 | 69,20 | |
| TOTAL 50-52-53 | 1,221,15 | 774,45 | 1,995,58 | 438,20 | 157,50 | 595,70 | 724,40 | 616,95 | 1,341,35 | |

(1) Updated ECU rates.
 (2) See Column 4 of Table No 1 "Utilization of appropriations for commitment".

1. Commitments

The original allocation to the Social Fund for 1979 was 695,5 m EUA, to which the following amounts have been added:

- (a) 2,15 m ~~EUA~~ as outstanding appropriations from 1978 (1978 appropriations not committed) at the beginning of the financial year;
- (b) 77 m EUA transferred from Chapter 100: 72 m EUA for measures to promote the employment of young people (Chapter 53) in June and 5 m EUA in December for the consequences of industrial conversion (Article 512).
- (c) 49,15 m EUA: three-quarters as 1978 appropriations made available again, especially towards the end of the financial year, as a result of sums being released, and one-quarter from the end-of-year reassessment of the commitments from previous financial years still to be settled.

These various sums total 823,7 m EUA; one must remember that these elements were never all available at the same time and that the total could only be checked subsequently, once the financial year had been closed.

Of this total, 774,5 m EUA - i.e. 94% - have been committed and the outstanding 49 m EUA remain available for the following financial year in accordance with Article 6(2)(a) of the Financial Regulation.

The volume of appropriations outstanding (49 m EUA compared with 2,15 m EUA at the end of 1978) generally reflects the amount of appropriations from the previous financial year which are available again after being released.

In 1978 1,15 m EUA were released compared with 38,4 m EUA in 1979. This increase is mainly due to the fact that, in contrast to the situation in 1978, the Commission was able to obtain details, from the operators concerned, of the programmes or parts of programmes which would be cancelled, in sufficient time to allow the corresponding appropriations to be made available again to the Fund after release, i.e., in the case of appropriations committed in 1978, before the end of 1979.

In most cases they were not released until well towards the end of the year and did not, therefore, enable any additional commitments to be contracted in 1979. However, the surplus appropriations available in relation to commitments have been charged to the appropriations for the financial year so that they can be used in 1980 as "outstanding appropriations".

2. Payments

The financial year was marked by a significant increase in the volume of payments made; it more than doubled, from 284,8 m EUA in 1978 to 595,70 m EUA in 1979. The 299,5 m EUA carried over were virtually all used up (298,9 m EUA) and 296,8 m EUA of the 530 m EUA appropriations for the year were used up. The rate of utilization for the total appropriations available (829,5 m EUA) is thus 71,8% compared with 48,7% in 1978. Both the volume and rate of utilization of the appropriations have increased, therefore.

Although this increase was not uniform for all headings, there were no major variations. The rate of payment varied within the same heading and from one heading to another. The overall rate should, therefore, be considered except in cases where these have been constant and lengthy delays within a heading.

One of the reasons for the noteworthy increase in the rate of payments is that the advances method (30% at the beginning and 30% in the middle of an operation), which was introduced in 1978, is beginning to operate satisfactorily. Over half the payments (365 m EUA out of 595,7 m EUA) were made under this scheme. The corresponding commitments were entered into either in 1979 (157,5 m EUA) or in previous financial years (207,5 m EUA including 190 m EUA in 1978).

The 5 m EUA in appropriations for commitment and 2,5 m EUA in appropriations for payment under Article 512 were transferred from Chapter 100 so that they would not lapse, and could thus be available for use in 1980.

Carryovers to 1980

The appropriations for payment for the year which were not used in 1979 (233,2 m EUA) were automatically carried over to 1980.

Because of the considerable improvement in the volume of payments made, this figure is appreciably lower than that of the previous year (nearly 300 m EUA). In relative terms the sums carried over now represent only 44% of the appropriations for the financial year under consideration compared with 55,6% for the previous year.

3. Volume of commitments still to be settled

The volume of these commitments rose from 1.221,1 m EUA at the end of 1978 to 1.341,3 m EUA at the end of 1979 (an increase of 120,2 m EUA).

It should, however, be noted that the 1979 commitments still to be settled (concerning which one can scarcely say that a delay is involved) account for as much as 617 m EUA (46%) of this figure.

Commitments entered into in 1979 were over 200 m EUA higher than in 1978, a much larger increase than in the volume of commitments still to be settled, which has been fairly well absorbed owing to the high level of payments.

CHAPTERS 55 AND 56 - EUROPEAN REGIONAL DEVELOPMENT FUND

Utilization of differentiated appropriations

| Chapters 55 and 56 | Appropriations available in 1979 (EUA) | | | |
|--|--|---------------|--------------|-------------|
| | For commitments | | For payments | |
| | (1) | (2) | (3) | (4) |
| TOTAL | 945.000.000 | 1.010.326.624 | 499.000.000 | 852.191.484 |
| Chapter 55 | 900.000.000 | 965.326.624 | 483.000.000 | 836.191.484 |
| Chapter 56 | 45.000.000 | 45.000.000 | 16.000.000 | 16.000.000 |
| (1), (3) Initial appropriations, including Supplementary or Amending Budgets. (2) Including outstanding appropriations and transfers. (4) Including transfers and/or carryovers. | | | | |

| Chapters 55 and 56 | Utilization (%) | | | |
|-----------------------|-------------------------------|------|----------------------------|------|
| | 1978 | 1979 | 1978 | 1979 |
| | Appropriations for commitment | | Appropriations for payment | |
| | (1) | (2) | (3) | (4) |
| TOTAL | 93 | 95 | 42 | 60 |
| Chapter 55 | 93 | 100 | 42 | 61 |
| Chapter 56 | - | - | - | - |

Summary of the implementation of appropriations

As usual, almost all the appropriations for commitment available for the quota section (Chapter 55) were utilized while the appropriations for commitment for the non-quota section (Chapter 56) were not touched as the Council had not reached a decision on the proposals which the Commission had presented to it in October 1979.

As no expenditure could be committed in this section in 1979 - because no legal basis existed - it was proposed that the appropriations for commitment outstanding from 1978 (29 m EUA) reserved for this section be utilized for the quota section so that they would not lapse. In return, the Commission will replenish these appropriations during 1980 by transferring the same sum from the quota section. None of the appropriations available in 1979 would then lapse in 1980.

As regards the appropriations for payment, the payments made in 1979 are approximately double the payments made in 1978. This improvement, due mainly to the adoption of the "accelerated payments" system, is, however, less marked than had been hoped.

The delays may be largely attributed to a lack of applications for payment by certain Member States. However, it should be stressed that - to the extent that the appropriations carried over from 1978 to 1979 were 200 m EUA higher than expected when the 1979 Budget was being drawn up and were completely used up in 1979 - the rate of utilization for the appropriations for payment (60%) does not reflect the improvement in the situation which has actually occurred.

Appropriations for commitment

Total appropriations available for commitment in 1979 amounted to 1,010 m EJA of which 945 m EJA were entered in the Budget, 43 m EJA were outstanding from 1978 and 22 m EJA had been made available as a result of sums relating to previous financial years being released.

No commitment could be entered into in the non-quota section (Chapter 56) because the basic Regulation setting up this new section was not approved until 6 February 1979 and the rules to be introduced involve an extremely complicated procedure (the Commission must propose "specific" measures and the Council must decide unanimously).

The first phase of this very complex procedure - involving numerous prior consultations between the Commission and Member States - was completed on 17 October when the Commission adopted five proposals for regulations. The Council has not yet, however, been able to give its view on these proposals.

Appropriations available in the non-quota section totalled approximately 74 m EJA of which 45 m EJA were entered in the Budget, and 29 m EJA were outstanding from 1978. The 45 m EJA will still be available in 1980 and will be used for the non-quota section once the relevant regulations have been adopted. The 29 m EJA outstanding from 1978 were used in the quota section to ensure that they did not lapse at the end of 1979. The same amount will be transferred in 1980 from the quota to the non-quota section.

Appropriations available in the quota section (Chapter 55) thus totalled approximately 965 m EJA (900 m EJA entered in the Budget, 14 m EJA outstanding from 1978, 22 m EJA from sums released and 29 m EJA from the non-quota section). Commitments entered into for this section of the Fund stood at approximately 962 m EJA on 31 December 1979 (i.e. nearly all the available appropriations).

The breakdown of commitments by type of investment and Member State is given on page 119. Italy and the United Kingdom slightly exceeded their quotas as the quotas for projects approved for most Member States were not used in full. The quotas will, therefore, have to be adjusted accordingly in the following financial year.

Appropriations for payment

Payments totalling 513 m EJA were made in the non-quota section representing approximately 61% of the available appropriations of 836 m EJA (of which 353 m EJA had been carried over from 1978 and 483 m EJA had been entered in the Budget). This figure, which is double that of 1978, is a considerable improvement, and is due to the introduction of the system of accelerated payments provided for by the revised Regional Fund Regulation adopted by the Council on 6 February 1979 (1). The appropriations carried over from 1978 (353 m EJA) were much higher than originally estimated when the Budget was being drawn up (160 m EJA).

The rate of implementation of payments is, however, disappointing. The delays are due mainly to the lack of requests for payment by Member States, as can be seen from the table on page 120. The percentages given in the last column of the table are the breakdown by Member State of the ratio of payments made in 1979 to current commitments in 1979. The Community average is 31% but three Member States (Belgium, Italy and Luxembourg) are well below this figure. Italy's quota accounts for almost 40% of the Fund's resources, so this country plays a major role in this area.

(1) OJ No L 35 of 9 February 1979.

COMMITMENTS SITUATION ON 31 DECEMBER 1979

III. EJA

| Member State | Commitments entered into from 1.1.1979 to 31.12.1979 | | | | | | | | | | Grand total | Appropriations entered in the Budget and outstanding | Approps available on 31.12.79 |
|-------------------|--|--------|----------------|--------|--------|---|-------|----------------------|--------|---------|-------------|--|-------------------------------|
| | A | B | Industry total | C | D | E | F | Infrastructure total | | | | | |
| Belgium | 4,01 | 1,52 | 5,53 | - | 2,03 | - | 1,52 | 3,55 | 9,08 | 14,60 | 5,52 | | |
| Denmark | - | 1,93 | 1,93 | 1,03 | 8,18 | - | - | 9,21 | 11,14 | 12,81 | 1,67 | | |
| Germany | 27,51 | 14,42 | 41,93 | - | 17,11 | - | - | 17,11 | 59,04 | 59,10 | 0,06 | | |
| France | 45,00 | 18,51 | 63,51 | 50,86 | 43,53 | - | 1,49 | 95,88 | 159,39 | 167,72 | 8,33 | | |
| Ireland | 16,93 | 12,54 | 29,47 | 4,59 | 26,26 | - | 1,89 | 32,74 | 62,21 | 61,61 | (0,60) | | |
| Italy | - | 50,48 | 50,48 | 179,08 | 145,22 | - | 13,30 | 337,60 | 388,08 | 376,17 | (11,91) | | |
| Luxembourg | - | - | - | - | 0,81 | - | - | 0,81 | 0,81 | 0,84 | 0,03 | | |
| Netherlands | - | - | - | 3,37 | 7,97 | - | - | 11,34 | 11,34 | 15,31 | 3,97 | | |
| United Kingdom | 70,25 | 5,96 | 76,21 | 69,98 | 112,00 | - | 2,83 | 184,81 | 261,02 | 257,17 | (3,85) | | |
| Non-quota section | 163,70 | 105,36 | 269,06 | 308,91 | 363,11 | - | 21,03 | 693,05 | 962,11 | 965,33 | 3,22 | | |
| Total | - | - | - | - | - | - | - | - | - | 45,00 | 45,00 | | |
| | 163,70 | 105,36 | 269,06 | 308,91 | 363,11 | - | 21,03 | 693,05 | 962,11 | 1010,33 | 48,22 | | |

A : Investment in industry, craft + trades or services of 10 m EJA or more.
 B : Investment in industry, craft + trades or services of less than 10 m EJA.
 C : Infrastructure investment of 10 m EJA or more.
 D : Infrastructure investment of less than 10 m EJA.
 E : Infrastructure investment in hill-farming areas of 10 m EJA or more.
 F : Infrastructure investment in hill-farming areas of less than 10 m EJA.

DETAILED PAYMENTS SITUATION ON 31 DECEMBER 1979

m EUA

| Member State | Commitments still to be settled on 31.12.78 | Commitments entered into in 1979 | Total current commitments in 1979 | Payments made in 1979 | Commitments still to be settled on 31.12.79 | Ratio of payments to current commitments |
|----------------|---|----------------------------------|-----------------------------------|-----------------------|---|--|
| Belgium | 13,00 | 9,08 | 22,08 | 3,09 | 18,99 | 14 |
| Denmark | 9,42 | 11,14 | 20,56 | 9,13 | 11,43 | 44 |
| Germany | 50,93 | 59,04 | 109,97 | 46,03 | 63,94 | 42 |
| France | 139,93 | 159,39 | 299,32 | 103,61 | 195,71 | 35 |
| Ireland | 36,49 | 62,21 | 98,70 | 32,89 | 65,81 | 33 |
| Italy | 249,17 | 388,08 | 637,25 | 143,73 | 493,52 | 23 |
| Luxembourg | 0,96 | 0,81 | 1,77 | 0,30 | 1,47 | 17 |
| Netherlands | 15,83 | 11,34 | 27,17 | 8,64 | 18,53 | 32 |
| United Kingdom | 168,18 | 261,02 | 429,20 | 165,73 | 263,47 | 39 |
| Total | 683,91 | 962,11 | 1.646,02 | 513,15 | 1.132,87 | 31 |

CHAPTER 57 - MEASURES TO REDUCE ECONOMIC DISPARITIES IN THE COMMUNITY IN THE CONTEXT OF THE EUROPEAN MONETARY SYSTEM

Utilization of non-differentiated appropriations

| CHAPTER 57 | Appropriations available in 1979 (EUA) | | Utilization (%) | | | |
|---------------|--|-------------|-----------------|------|----------------|------|
| | | | For commitments | | For payments | |
| | | | Appropriations | | Appropriations | |
| | | | 1978 | 1979 | 1978 | 1979 |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| TOTAL | * token entry | 245.373.000 | - | 100 | - | 71 |

(1) Initial appropriations, including Supplementary or Amending Budgets.
 (2) Including transfers and/or carryovers.
 * A sum of 200.000.000 EUA is entered in Chapter 100.

Article 570 - Interest rate subsidies on Community loans to the less prosperous Member States participating in the European Monetary System

As part of the provisions of the Resolution of the European Council of 5 December 1978 and Council Regulation No 3181/78 of 18 December 1978 (1), interest rate subsidies were granted on loans approved in accordance with the Council Decision of 16 October 1978 (2) (loans intended to promote investment in the Community) and loans granted by the EIB. These subsidies, currently limited to Ireland and Italy (which are considered the less prosperous Community countries participating in the EMS) may not amount to more than 1.000 m EUA for a five-year period. The total amount authorized for 1979 - 200 m EUA - has been committed and the sum of 158.332.401 EUA has been paid.

The following amount of loans qualify for interest rate subsidies (3%) under the EMS:

| <u>Purpose</u> | <u>Amount</u> | <u>Recipient</u> |
|---|--------------------------|------------------|
| Strengthening of the economies of the less prosperous Member States | 619,0 million EUA | Italy |
| | <u>259,3 million EUA</u> | Ireland |
| | <u>878,3 million EUA</u> | |

(1) OJ L 379, 30.12.1978.
 (2) OJ L 298, 25.10.1978.

Article 571 - Financial compensation to the United Kingdom

Under the same legal provisions governing Article 570, financial compensation is to be paid to that Member State which, not participating effectively and fully in the mechanisms of the European Monetary System, should not shoulder the burden involved in implementing this System. As utilization of these appropriations is linked to the payments of the appropriations of Article 570, the total amount (45.373.000 EUA) has been committed, of which 14.998.654 EUA have been paid. The payment of these compensations depends on the completion of the formalities concerning the interest rate subsidies granted under the EMS.

Chapter 59 - AID TO DISASTER VICTIMS IN THE COMMUNITY

Utilization of non-differentiated appropriations

| Appropriations available in 1979 (m EUA) | | Utilization of appropriations (%) | | | |
|---|--|-----------------------------------|------|--------------|------|
| | | For commitments | | For payments | |
| Initial appropriation | Appropriations after transfers or carryovers | 1978 | 1979 | 1978 | 1979 |
| 5 | 5 | 74,8 | 56 | 74,8 | 56 |

The appropriation for Chapter 59 is an allocation fixed by Parliament. Because of its purpose, it is not covered by the normal criteria concerning estimates and utilization. No management-related conclusion can therefore be drawn from the rate of utilization or the change in this rate from one year to the next.

In 1979 the Community granted the following aids:

| Recipient country | Reason | Aid granted | |
|--|-----------------|-------------|-------------------|
| | | Date | Amount (m ECU) |
| Overseas departments: Martinique Guadeloupe | Harricane David | Sept. 79 | 1,0 |
| Italy: Umbria | Earthquake | Oct. 79 | 1,0 |
| Italy: Latium Marche | Earthquake | Oct. 79 | 0,2 0,1 |
| United Kingdom (Scotland): Shetland Orkneys Western Isles | Floods | Déc. 79 | 0,5 |

The Commission generally reserves these measures for cases involving natural disasters recognized as having exceptionally widespread and serious consequences. It also feels that these aids should be sent as directly as possible to the disaster victims and cover measures aiming at the urgent protection of human life.

These aids, which by their very purpose should permit the immediate provision of emergency assistance, may be accumulated with the - often higher - payments which may be made available from other appropriations (in particular, the EAGGF Guidance Section and the Regional Fund).

TITLES 6 and 7 - EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND

I. GENERAL REMARKS

A. Observations

1. Compared with 1978, expenditure on supporting agricultural markets went up by 20,3% from 8.673,0 m EUA in 1978 to 10.434,5 m EUA in 1979. The 20,3% increase is less than the average annual rate of increase in expenditure for the period 1975-79 (23,1%).

However, if monetary compensatory amounts are not taken into account, the increase between 1978 and 1979 (24,8%) is higher than the average annual increase for the period 1975-79 (22,8%).

2. The overall increase in 1979 resulted from the stepping-up of Community expenditure on milk (+ 506,7 m EUA), cereals (+ 453,1 m EUA), fruit and vegetables (+ 340,8 m EUA), oils and fats (+ 281,4 m EUA), and beef and veal (+ 109,1 m EUA). However, there was a slight decrease in expenditure compared with 1978 on monetary compensatory amounts (- 172 m EUA), accession compensatory amounts (- 26,1 m EUA) and wine (- 2,4 m EUA).

In terms of expenditure on each market as a proportion of total expenditure for the EAGGF Guarantee Section, this means an increase in the sums involved for cereals, oils and fats and fruit and vegetables and a decrease in expenditure on milk, sugar, beef and veal and monetary compensatory amounts.

| | Share of agricultural expenditure 1978 % | Share of agricultural expenditure 1979 % |
|-------------------------------|---|---|
| Cereals | 12,8 | 15 |
| Milk | 46,4 | 43,4 |
| Oils and fats | 3,8 | 5,8 |
| Sugar | 10,1 | 9,0 |
| Beef and veal | 7,4 | 7,2 |
| Fruit and vegetables | 1,2 | 4,2 |
| Monetary compensatory amounts | 10,2 | 6,8 |
| Other | 8,1 | 8,6 |
| | 100,0 | 100,0 |

3. It should be noted that neither the above observations nor those below relate to the payment in 1979 of 203 m EUA which will be charged against the appropriations for 1980.

B. Analysis of the appropriations for the EAGGF Guarantee Section in 1979

The increase in EAGGF Guarantee Section expenditure between 1978 and 1979 is chiefly attributable to the following sectors (see also the Table on p. 135):

1. Cereals (+ 453,1 m EUA)

The main reason for the increase in expenditure in 1979 was the increase in quantities produced, as the harvests in 1978/79 and 1979/80 were better than in 1977/78. Hence larger quantities had to be exported and expenditure on export refunds rose. The quantities produced were as follows:

| Product | Agricultural Year | | |
|---------------------------------|-------------------|---------------|---------------|
| | 1977/1978 | 1978/1979 (*) | 1979/1980 (*) |
| Common wheat | 35,9 | 43,6 | 42,3 |
| Barley | 37,2 | 39,1 | 38,7 |
| Maize | 15,5 | 16,3 | 17,3 |
| Other | 13,8 | 16,3 | 14,7 |
| TOTAL | 102,4 | 115,3 | 113,0 |
| BUDGET CHARGES (approximate) | | | |
| 1978 Budget | 75 % | 25 % | - |
| 1979 Budget | | 75 % | 25 % |

(*) Estimate.

2. Milk products (+ 506,7 m EUA)

The outlay by the EEC in 1979 to support the milk products market was still considerable. The desire to improve a market with a structural surplus resulted in the efforts to encourage sales being continued both internally (aid for human and animal consumption) and externally (export refunds). However, unlike in 1978, the emphasis was on export refunds and the use of funds from the co-responsibility levy.

| MEASURE | 1978 m EUA | 1979 m EUA | Difference m EUA |
|---|------------------|------------------|---------------------|
| Refunds | 1.565,0 | 2.073,4 | + 508,4 |
| Intervention - skimmed milk | 1.814,1 | 1.664,0 | - 150,1 |
| Intervention - butter | 618,8 | 646,3 | + 27,5 |
| Intervention - other | 119,5 | 121,5 | + 2 |
| Balance between the co-responsibility levy and the utilization thereof | - 102,7 | 16,2 | + 118,9 |
| | 4.014,7 ===== | 4.521,4 ===== | + 506,7 ===== |

This outlay made it possible to reduce public stocks of milk powder by almost 450.000 tonnes to a level of some 225.000 tonnes by the end of 1979. However, despite the steps taken, public stocks of butter still rose from 117.000 tonnes at the end of 1977 to some 230.000 tonnes at the end of 1978 and approximately 270.000 tonnes at the end of 1979.

3. Oils and fats (+ 281,4 m EUA)

This increase arises:

- (a) in the case of olive oil, from the aid to consumers granted from March 1979 and from the rate of payments by the Italian intervention agency being speeded up (+ 206,4 m EUA);
- (b) in the case of colza, rape, sunflower and other seeds, from the 1979 harvest being better than the 1978 one (+ 75 m EUA).

4. Sugar (+ 61,8 m EUA)

The increase in expenditure in 1979 was only slight compared with the increases in recent years.

Production during the 1978/79 sugar year was slightly up and this resulted in an increase in expenditure on refunds and storage; also, as from the second half of 1979, world sugar prices rose significantly which meant that the refund rates dropped. It should be noted that, for the first time in years, world production is lower than consumption.

5. Beef and veal (+ 109,1 m EUA)

The situation on the Community market in 1979 - chiefly characterized by higher imports of beef and veal than in 1978 - pushed up intervention buying-in. Most of the additional quantities bought-in were sold outside the Community, and so refund expenditure were higher than in 1978.

6. Fruit and vegetables (+ 340,8 m EUA)

The main reason for the increase in expenditure is the processing premium granted as from 1979 for products processed from fruit and vegetables (+ 282,3 m EUA) and an increase in financial compensation for withdrawal operations and the cost of buying-in (+ 60,2 m EUA).

7. Monetary compensatory amounts (- 172 m EUA)

The European Monetary System came into operation on 13 March 1979 and had a stabilizing effect on the Member States' currencies and reduced the MCA rates to a level considerably lower than at the beginning of the year.

In addition, the recovery of the market rate for the pound (which is not in the European Monetary System) and the various changes that occurred during 1979 in the representative rates for the various currencies reduced MCA expenditure as compared with 1978.

| | RATES | | | |
|---------|--------|---------|--------|---------|
| | 1978 | | 1979 | |
| | Lowest | Highest | Lowest | Highest |
| DM | + 7,2 | + 11,1 | + 9,8 | + 10,8 |
| BFR/LFR | + 1,4 | + 1,4 | + 1,9 | + 3,3 |
| NFL | + 1,4 | + 1,4 | + 1,9 | + 3,3 |
| DK | - | - | - | - |
| FF | - 2,9 | - 23 | - 3,7 | - 10,6 |
| LIT | - 10,2 | - 26 | - 2,3 | - 17,7 |
| UKL | - 22,6 | - 39,9 | 0 | - 28,2 |
| IRL | - 0,8 | - 10,7 | 0 | 0 |

II. IMPLEMENTATION OF THE 1979 BUDGET

A. Appropriations authorized

1. The initial Budget for the EAGGF Guarantee Section adopted by Budgetary Authority totalled 9.602 m EUA.
2. A non-automatic carry-over from 1978 to 1979 of 30,4 m EUA was authorized in Item 6240 (Premiums for non-marketing of milk and premiums for conversion).
3. On 16 October the Commission forwarded a Preliminary Draft Supplementary Budget to the Budgetary Authority as it was estimated that a further 802 m EUA would be required in 1979. The Budgetary Authority adopted this Supplementary Budget on 13 December 1979.

4. Finally, towards the end of March 1980, the Council adopted a batch of transfers between Chapters of the EAGGF Guarantee Section.

B. Final implementation as at 31 December 1979

1. General

The Table on page 135 gives an overall and sector-by-sector view of the implementation of the 1979 Budget.

In terms of both commitments and payments, the overall and sector-by-sector rate of utilization is 100%.

In 1979, actual expenditure (10.434,4 m EUA) was 8,3% up on the initial appropriations (9.632,5 m EUA), giving a total of 802 m EUA.

This is the result of varying trends in the various Chapters of the EAGGF Guarantee Section:

- (a) there was a total saving of 571,9 m EUA over 7 Chapters;
- (b) there was a shortfall of 1.373,9 m EUA over 9 others.

The total shortfall of 802 m EUA was the result of the Council's decisions on agricultural prices for 1979/80 taken on 22 June 1979 and developments on the agricultural markets.

Price decisions of 22 June 1979 (+ 200 m EUA)

The Council decisions on agricultural prices and related measures resulted in significant additional expenditure which led on 6 July 1979 to the presentation of a Letter of Amendment to the 1980 Budget involving 1,300 million EUA. The effects on the 1979 Budget were estimated at about 200 m EUA, some 150 m of which related to butter consumption aid and the remainder to other adjustments concerning prices and related measures.

Developments on the agricultural markets (+ 600 m EUA)

See the next point.

2. Sector-by-sector analysis

- (a) Chapters where savings were made (-571,9 m EUA)

Cereals (-308,6 m EUA)

The overall reduction of 308,6 m EUA in this sector is the result of changes concerning different items, particularly export refunds (257,6 m EUA) and intervention (51 m EUA).

Export refunds (-257,6 m EUA)

The reduction of 257,6 m EUA in expenditure on export refunds is due mainly to rising world market prices

since June 1979 which have held firm since August 1979; as a result, the refund rates dropped considerably.

Intervention (- 51 m EUA)

The 51 m EUA reduction is mainly the result of changes in expenditure on:

Production refunds for starch other than potato starch (+ 20 m EUA).

The quantities eligible for this aid exceeded the 500.000 tonnes expected.

Carry-over payments (- 60,2 m EUA)

Because of a 1,5% price increase and the movements in the representative rates decided on by the Agricultural Council in June 1979, carry-over payments for eligible stocks laid in during the 1978/79 agricultural year were much lower than initially expected.

Public storage costs (+ 28,3 m EUA).

Special measures (- 26,4 m EUA)

No special measures were adopted in 1979.

Aid to durum wheat (- 11 m EUA).

Sugar (- 64,8 m EUA)

The main reason for the 64,8 m EUA reduction is the drop in expenditure on refunds as compared with the initial estimate (- 66,7 m EUA).

The refund rates began to drop in the second quarter of 1979.

Wine (- 58,1 m EUA)

The 1978 wine harvest was smaller than had been expected when the Budget was being drawn up. As a result, there was a drop in expenditure on refunds, storage, distillation and compulsory distillation of the by-products of wine-making.

Tobacco (- 36,5 m EUA)

This decrease in expenditure is partly the result of the actual 1978 harvest being smaller than expected on the basis of previous harvests, and partly to sales by the intervention agency being lower than initially expected. The effect is a saving of 1,7 m EUA on refunds and 34,8 m EUA on intervention.

Monetary compensatory amounts (- 100,9 m EUA)

The overall saving of 100,9 m EUA is the end-product of upward and downward movements in the Items of this Chapter:

| | Art. | Item | Initial approps | Expenditure as at 31.12.1979 | Difference |
|---|------|------|--------------------|------------------------------------|------------|
| - MCAs on intra-Community trade: | 780 | | 681,8 | 458,7 | - 223,1 |
| . MCAs on imports paid or charged by importing Member States | | 7800 | - 108,7 | - 241,9 | - 133,2 |
| . MCAs on imports into countries with depreciated currencies paid by exporting Member States on behalf of importing Member States | | 7801 | 1.000,2 | 736,9 | - 263,3 |
| . MCAs on exports paid or charged by exporting Member States | | 7802 | - 209,7 | - 36,3 | + 173,4 |
| - MCAs on external trade: | 781 | | 127,4 | 249,6 | + 122,2 |
| . Portion of MCAs granted on imports over and above the levy | | 7810 | 104,6 | 57,1 | - 47,5 |
| . MCAs paid on exports | | 7811 | 22,8 | 192,5 | + 169,7 |
| MCAs - TOTAL | | | 809,2 | 708,3 | - 100,9 |

There are two main causes where these changes are concerned:

- (1) market movements of each currency, in particular :
 - (a) the rise of the DM and Benelux currencies at the end of 1978, followed by monetary readjustments at the end of September 1979,
 - (b) fluctuations in the lira and the pound, especially the latter;
- (2) the decisions to alter the representative rates of the various currencies during 1979, causing MCAs to fall.

Other (- 3 m EUA)

This concerns fisheries (- 2,9 m EUA) and accession compensatory amounts (- 0,1 m EUA).

(b) Chapters where the appropriations were inadequate (+ 1.373,9 m EUA)

Milk products (+ 773,4 m EUA)

Expenditure in 1979 relating to milk products is compared with the initial estimates in the table below:

| m EUA | | | |
|---|---|---|-------------------------|
| Operations | Initial approps 1979 Budget (a) | Expenditure as at 31.12.1979 (b) | Difference (b) - (a) |
| Refunds | 1.572,9 | 2.073,4 | + 500,5 |
| Intervention - skimmed milk | 1.554,0 | 1.664,0 | + 110,0 |
| Intervention - butter | 469,8 | 646,3 | + 176,5 |
| Co-responsibility levy and utilization thereof | 0 | 16,2 | + 16,2 |
| Other expenditure | 151,3 | 121,5 | - 29,8 |
| | 3.748 | 4.521,4 | + 773,4 |

The table shows the main causes for changes in expenditure on milk products.

Export refunds: + 500,5 m EUA

The volume of butter and butteroil exported rose from 150.000 to around 400.000 tonnes because of many unforeseeable opportunities for sales on the world market. Refunds therefore rose by 510 m EUA.

Intervention in respect of skimmed milk: + 110 m EUA

Intervention in respect of skimmed milk increased as a result of:

- (a) the very sharp rise in direct aid to disposal (156,3 m EUA) partly offset by the fall in storage costs (- 103,4 m EUA);
- (b) an increase of 57,1 m EUA in expenditure on aid to skimmed milk used in the production of casein which covered much greater quantities than initially expected.

Intervention in respect of butter: + 176,5 m EUA

The increase in intervention in respect of butter was spread over all the budget headings concerned as follows:

- . private storage: +17,2 m EUA

. public storage and special measures for the disposal of butter from public stocks: + 44,9 m EUA

. special measures for absorbing surpluses of butterfats: 114,4 m EUA.

This mainly concerns expenditure on butter consumption aid - a direct result of the decision taken by the Council (Agriculture) on 22 June 1979.

Co-responsibility levies and utilization thereof: + 16,2 m EUA

Contrary to expectations, co-responsibility expenditure exceeded the proceeds of the levies in 1979 because of the overlap from one year to another.

Other expenditure: - 29,8 m EUA

The saving of 29,8 m EUA related mainly to cheese storage costs (- 7,6 m EUA) and the EAGGF Guarantee Section's contribution towards the premiums for the non-marketing of milk and conversion premiums (- 23 m EUA).

Oils and fats: + 83,4 m EUA

The shortfall in appropriations is mainly the result of:

- (a) the speeding-up of the rate of payments by the Italian intervention agency (+ 67 m EUA) for olive oil;
- (b) an increase in aid for the production of colza, rape and sunflower seed (+ 29,1 m EUA) as production was underestimated when the 1979 Budget was being drawn up;
- (c) a small saving on intervention in respect of other seeds (- 6,3 m EUA).

Beef and veal: + 259,5 m EUA

The increase in beef and veal expenditure is due to three factors:

- (a) a fairly marked deterioration in stock movements: purchases were much higher and sales much lower than expected. The end-product was a 123,1 m EUA increase in storage expenditure;
- (b) a higher level of exports than expected (+ 147,6 m EUA);
- (c) a drop in premiums for orderly marketing and slaughtering of beef cattle and for the reconstitution of livestock herds (- 11,2 m EUA).

Pigmeat: + 19,4 m EUA

Pigmeat quantities exceeded expectations, causing an increase in refunds (+ 9,3 m EUA) and intervention (+ 10,1 m EUA).

Eggs and poultrymeat: (+ 38,3 m EUA)

Expenditure was 38,3 m EUA higher than expected because exports exceeded the initial estimates by 8,4 m EUA in the case of eggs and 29,9 m EUA in the case of poultrymeat.

Fruit and vegetables: (+ 115 m EUA)

The increase of 115 m EUA is attributable to a sharp rise in premiums for the processing of fruit and vegetables (+ 122,3 m EUA) and savings in refunds (- 2,5 m EUA), intervention in respect of fresh fruit and vegetables (- 0,8 m EUA) and aid for tinned pineapple (- 4 m EUA).

The rise in processing premiums is due mainly to a sharp increase in tomato production in 1979.

Refunds on certain goods obtained by processing agricultural products (+ 75,9 m EUA)

The shortfall in appropriations is the result of a sharp increase in exports of processed products to non-Community countries.

Other (+ 9 m EUA)

This concerns rice (+ 1,3 m EUA) and other common market organizations (+ 7,7 m EUA) (in particular intervention in respect of peas and field beans (+ 9 m EUA)).

| | Initial approps 1979 m EUA | Suppl. Budget m EUA | Transfers m EUA | Total Suppl. Budget + transfers m EUA | Expenditure 1979 | | Expenditure 1978 | | Change in expenditure 1978 - 1979 m EUA |
|---------------------------------|-------------------------------|------------------------|--------------------|--|------------------------|-------------|------------------|-------------|--|
| | | | | | Final approps m EUA | % breakdown | m EUA | % breakdown | |
| | a | b | c | d = b + c | e = a + d | f | g | h | |
| 60 - Cereals | 1.874,2 | - 300 | - 8,6 | - 308,6 | 1.565,6 | 15 | 1.112,5 | 12,8 | + 453,1 |
| 61 - Rice | 41,4 | - | + 1,3 | 1,3 | 42,7 | 0,4 | 17,9 | 0,2 | + 24,8 |
| 62 - Milk | 3.748,0 ^(*) | + 742 | + 31,4 | + 773,4 | 4.521,4 | 43,3 | 4.014,7 | 46,3 | + 506,7 |
| 63 - Oils and fats | 522,9 | + 70 | + 13,4 | + 83,4 | 606,3 | 5,8 | 324,9 | 3,7 | + 281,4 |
| 64 - Sugar | 1.004,6 | - | - 64,8 | - 64,8 | 939,8 | 9,0 | 878 | 10,1 | + 61,8 |
| 65 - Beef and veal | 488,3 | + 220 | + 39,5 | + 259,5 | 747,8 | 7,1 | 638,7 | 7,4 | + 109,1 |
| 66 - Pigmeat | 84,9 | + 10 | + 9,4 | + 19,4 | 104,3 | 1,0 | 45,0 | 0,5 | + 59,3 |
| 67 - Eggs and poultrymeat | 41,2 | + 25 | + 13,3 | + 38,3 | 79,5 | 0,8 | 38,1 | 0,4 | + 41,4 |
| 68 - Fruit and vegetables | 326,5 | + 90 | + 25,0 | + 115,0 | 441,5 | 4,2 | 100,7 | 1,2 | + 340,8 |
| 69 - Wine | 119,4 | - 25 | - 33,1 | - 58,1 | 61,3 | 0,6 | 63,7 | 0,7 | - 2,4 |
| 70 - Tobacco | 262,0 | - 50 | + 13,5 | - 36,5 | 225,5 | 2,2 | 216,1 | 2,5 | + 9,4 |
| 71 - Fisheries | 20,0 | - | - 2,9 | - 2,9 | 17,1 | 0,2 | 15,4 | 0,2 | + 1,7 |
| 72 - Alcohol | token entry | - | - | - | token entry | - | - | - | - |
| 73 - Other CMOs | 112,5 | - | + 7,7 | + 7,7 | 120,2 | 1,2 | 91,3 | 1,1 | + 28,9 |
| 74 - Non-Annex II products | 176,2 | + 60 | + 15,9 | + 75,9 | 252,1 | 2,4 | 208,5 | 2,4 | + 43,6 |
| CMOs - TOTAL | 8.822,1 | + 842 | + 61,0 | 903,0 | 9.725,1 | 93,2 | 7.765,5 | 89,5 | +1959,6 |
| 75 - ACAS | 1,2 | - | - 0,1 | - 0,1 | 1,1 | - | 27,2 | 0,3 | - 26,1 |
| 78 - MCAS | 809,2 | - 40 | - 60,9 | - 100,9 | 708,3 | 6,8 | 880,3 | 10,2 | - 172 |
| EAGGF Guarantee - TOTAL Section | 9.632,5 | + 802 | - | + 802,0 | 10.434,5 | 100,0 | 8.673,0 | 100,0 | 1761,5 |

(*) Including 30,4 m EUA carried over from 1978.

TITLE 8 - EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE

FUND - GUIDANCE SECTION (*)

I. GENERAL SURVEY OF IMPLEMENTATION IN 1979

The objective appraisal of implementation in 1979 is based on the observations in the detailed analysis given in the following pages. One should however first take a general view of implementation purely on the accounting level.

The tables on the following pages give an overall view of budget implementation in this particular area, which can be summarized as follows:

- (i) the commitments entered into in the financial year amounted to 455,2 m EUA, or roughly 70,5% of the available appropriations totalling 645,6 m EUA;
- (ii) payments made amounted to 402,7 m EUA out of an available sum of 1.142,6 m EUA (of which 853,5 were carryovers and 289,1 appropriations for 1979);
- (iii) the commitments entered into up to and including 1979 amounted to 1.314,6 m EUA; 402,7 m EUA of these were paid, leaving therefore a balance of 900,3 m EUA to be settled (3) (including 464,9 against new appropriations for payment to be entered in future Budgets).

Leaving aside the detailed explanations given later on, the main features of implementation can be summarized as follows:

- (a) The implementation of commitments was more satisfactory than in 1978 for more than 70% of the appropriations available were used (compared with roughly 50% in 1978).
- (b) There are two observations to be made on the implementation of payments: (a) It is unsatisfactory insofar as only 91 m EUA - i.e. 31,5% - was paid out of an initial allocation of 289 m EUA (1). This low rate of utilization is largely the direct result of not using appropriations for commitment for common measures of the refund type (it should be remembered that with these measures commitments and payments are virtually in parallel). (b) It is, however, more satisfactory than in 1978 as total payments (2) in 1979 were 58% higher than in 1978.
- (c) The volume of commitments entered into but not yet paid is attributable to the large number of multiannual operations (individual projects) in progress in the Member States.

(1) Appropriations for 1979, including Supplementary and Amending Budgets and transfers.

(2) Payments made against appropriations for the financial year and carryovers (differentiated appropriations).

(3) Including adjustments arising from fluctuations in EUA rates and cancellations and sums released.

(*) Excluding fisheries policy.

UTILIZATION OF APPROPRIATIONS FOR COMMITMENT

TABLE A

(Differentiated appropriations)

m EUA

| Article or Item | Appropriations available in 1979 | | | Utilization in 1979 | | | |
|---|---|-------------------------------|-------------|----------------------------------|-----------------------|---------------------------------|-------------------------------|
| | Approps entered in the 1979 Budget including transfers and Supplementary and Amending Budgets | Approps outstanding from 1978 | Total | Commitments entered into in 1979 | Rate of utilization % | Approps outstanding on 31.12.79 | Approps cancelled on 31.12.79 |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 800 Individual projects | - | 71,806 ⁽¹⁾ | 71,806 | 69,754 ⁽¹⁾ | 97 | - | 2,052 |
| 810 Modernization | 80,920 | 6,918 | 87,838 | 54,277 | 62 | 33,621 | - |
| 811 Cessation of farming | 1,150 | 0,432 | 1,602 | 0,354 | 22 | 1,150 | 0,098 |
| 812 Socio-economic guidance | 1,700 | 2,886 | 4,586 | 3,902 | 85 | 0,682 | - |
| 813 Mountain and hill farming | 87,500 | 26,708 | 114,208 | 82,534 | 72 | 31,674 | - |
| 819 Emergency measure (OD*) | 12,120 | - | 12,120 | 12,115 | 100 | 0,005 | - |
| 81 | 183,450 | 36,962 | 220,412 | 153,183 | 70 | 67,131 | 0,098 |
| 8200 Producer groups | token entry | - | token entry | - | 0 | - | - |
| 8201 Egg producer groups | 1,600 | 0,534 | 2,184 | 2,116 | 97 | 0,068 | - |
| 821 Marketing and processing: | | | | | | | |
| 8210 General measure | 80,000 | 1,526 | 81,526 | 77,385 | 97 | 2,141 | - |
| 8211 Mediterranean regions | 42,000 | 19,531 | 61,531 | 53,516 | 87 | 8,015 | - |
| 82 | 123,600 | 21,641 | 145,241 | 135,077 | 93 | 10,224 | - |
| 8310 Beef and veal encouragement premiums | 4,500 | 8,967 | 13,467 | 10,837 | 80 | 2,630 | - |
| 8322 Re-org. of fruit production | 4,000 | 0,254 | 4,254 | 0,589 | 12 | 4,000 | 0,275 |
| 8350 Wine sector conv. premium | 9,400 | 6,240 | 15,640 | 9,694 | 62 | 5,947 | - |
| 8360 Non-marketing of milk | 23,040 | 65,903 | 88,943 | 59,505 | 67 | 23,040 | 6,397 |
| 8370 Eradication of certain cattle diseases | 7,100 | - | 7,100 | 7,068 | 100 | 0,012 | - |
| 83 | 48,040 | 81,975 | 130,015 | 87,713 | 67 | 35,428 | 6,673 |
| 8400 Irrigation in the Mezzogiorno | 17,700 | - | 17,700 | - | 0 | 17,700 | - |
| 8410 Public services, less-favoured areas | 25,000 | - | 25,000 | - | 0 | 25,000 | - |
| 842 Vineyards, Languedoc-Roussillon | 8,100 | - | 8,100 | - | 0 | 8,100 | - |
| 8440 Drainage, Ireland | 3,850 | - | 3,850 | 3,826 | 99 | 0,024 | - |
| 84 | 54,650 | - | 54,650 | 3,326 | 7 | 50,824 | - |
| 850 Fruit & veg. prod. groups | 3,495 | 2,277 | 5,772 | 0,774 | 13 | 3,495 | 1,503 |
| 852 Grubbing fruit trees | 0,005 | - | 0,005 | 0,005 | 100 | 0 | - |
| 853 Improvement citrus fruits | token entry | 17,736 | 17,736 | 4,948 | 28 | - | 12,788 |
| 85 | 3,500 | 20,013 | 23,513 | 5,727 | 24 | 3,495 | 14,291 |
| TOTAL (80-85) | 413,240 | 232,596 | 645,836 | 455,219 | 71 | 167,303 | 23,114 |

(1) Plus 45,736 m EUA in appropriations released in accordance with Regulation (EEC) 3171/75 (OJ L 315, 5 December 1975) in financial years 1970-1977 and recommitted in 1979.

UTILIZATION OF APPROPRIATIONS FOR PAYMENT
(Differentiated appropriations)

TABLE B

m EUA

| Article or Item | Approps for payment available in 1979 | | | Payments made in 1979 | | | | Approps unused on 31.12.79 | |
|---|---|------------------|-------------|------------------------------|--------------------------|---------|-----|----------------------------|--------------|
| | Carryovers from 1978 (& prev. fin. years) | Approps for 1979 | Total | Against carryovers from 1978 | Against approps for 1979 | Total | % | Cancelled | Carried over |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 800 Individual projects | 25,000 | 20,000 | 46,000 | 11,177 | - | 11,177 | 24 | 14,823 | 20,000 |
| 810 Modernization | 6,918 | 63,880 | 70,798 | 6,918 | 47,359 | 54,277 | 77 | - | 16,521 |
| 811 Cessation of farming | 0,452 | 0,750 | 1,202 | 0,354 | - | - | 29 | 0,098 | 0,750 |
| 812 Socio-economic guidance | 2,884 | 1,100 | 3,984 | 2,884 | 1,018 | 3,902 | 98 | - | 0,082 |
| 813 Mountain and hill farming | 54,908 | 69,000 | 123,908 | 54,908 | 27,626 | 82,534 | 67 | - | 41,374 |
| 819 Emergency measure (ODs) | - | 9,720 | 9,720 | - | 7,985 | 7,985 | 81 | - | 1,735 |
| 81 | 65,162 | 144,450 | 209,612 | 65,064 | 83,989 | 149,052 | 71 | 0,098 | 60,462 |
| 8200 Producer groups | - | token entry | token entry | - | - | - | - | - | - |
| 8201 Non-producer groups | 0,584 | 1,600 | 2,184 | 0,584 | 1,532 | 2,116 | 97 | - | 0,068 |
| 821 Marketing and processing: | | | | | | | | | |
| 8210 General measure | 31,994 | 12,000 | 43,994 | 14,722 | - | 14,722 | 33 | 17,272 | 12,000 |
| 8211 Mediterranean regions | - | 2,000 | 2,000 | - | - | - | 0 | - | 2,000 |
| 82 | 32,578 | 15,600 | 48,178 | 15,306 | 1,532 | 16,838 | 35 | 17,272 | 14,068 |
| 8310 Beef and veal encouragement premiums | 8,967 | 4,500 | 13,467 | 8,967 | 1,870 | 10,837 | 80 | - | 2,530 |
| 8322 Re-org. of fruit production | 0,864 | 4,000 | 4,864 | 0,589 | - | 0,589 | 12 | 0,275 | 4,000 |
| 8350 Wine sector conv. premium | 23,040 | 16,500 | 39,540 | 9,694 | - | 9,694 | 25 | 13,347 | 16,500 |
| 8360 Non-marketing of milk | 65,903 | 23,040 | 88,943 | 59,506 | - | 59,506 | 67 | 6,397 | 23,040 |
| 8370 Eradication of certain cattle diseases | 39,000 | 17,300 | 56,300 | 7,088 | - | 7,088 | 13 | 31,912 | 17,300 |
| 83 | 137,775 | 65,340 | 203,114 | 85,842 | 1,870 | 87,713 | 43 | 51,931 | 63,470 |
| 8400 Irrigation in the Mezzogiorno | - | 14,400 | 14,400 | - | - | - | 0 | - | 14,400 |
| 8410 Public services, less-favoured areas | - | 15,000 | 15,000 | - | - | - | 0 | - | 15,000 |
| 842 Vineyards, Languedoc-Roussillon | - | 7,000 | 7,000 | - | - | - | 0 | - | 7,000 |
| 8440 Drainage, Ireland | - | 3,850 | 3,850 | - | 3,826 | 3,826 | 99 | - | 0,024 |
| 84 | - | 40,250 | 40,250 | - | 3,826 | 3,826 | 10 | - | 36,424 |
| 850 Fruit & veg. prod. groups. | 2,277 | 3,495 | 5,772 | 0,774 | - | 0,774 | 13 | 1,502 | 3,495 |
| 852 Grubbing fruit trees | - | 0,005 | 0,005 | - | 0,005 | 0,005 | 100 | - | 0 |
| 853 Improvement citrus fruits | 17,736 | token entry | 17,736 | 4,948 | - | 4,948 | 28 | 12,788 | - |
| 85 | 20,013 | 3,500 | 23,513 | 5,722 | 0,005 | 5,727 | 24 | 14,291 | 3,495 |
| TOTAL (80-85) | 281,528 | 289,140 | 570,668 | 183,112 | 91,222 | 274,334 | 48 | 98,415 | 197,919 |

PROGRESS WITH COMMITMENTS ENTERED INTO⁽¹⁾

TABLE C

■ EUA

| Budget nomenclature | COMMITMENTS | | | PAYMENTS MADE IN 1979 | | | COMMITMENTS STILL TO BE SETTLED ON 31.12.1979 | | |
|--|---------------------------------|--------------------|----------|------------------------------|------------------------------|---------|---|------------------------------|---------|
| | Still to be settled on 1.1.1979 | Contracted in 1979 | Total | Against commitments Column 1 | Against commitments Column 2 | Total | Against commitments Column 1 | Against commitments Column 2 | Total |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 ⁽³⁾ | 8 | 9 |
| 860 Individual projects (1) (a) | 570,329 ⁽²⁾ | - | 570,329 | 127,196 | - | 127,196 | 434,905 | - | 434,905 |
| (b) | 134,945 | 69,754 | 254,699 | 11,177 | - | 11,177 | 171,944 | 69,754 | 241,698 |
| 80 | 755,274 | 69,754 | 825,028 | 138,373 | - | 138,373 | 606,849 | 69,754 | 676,603 |
| 810 Modernization | - | 54,277 | 54,277 | - | 54,277 | 54,277 | - | - | - |
| 811 Rationalization of farming | - | 0,354 | 0,354 | - | 0,354 | 0,354 | - | - | - |
| 812 Socio-economic guidance | - | 3,902 | 3,902 | - | 3,902 | 3,902 | - | - | - |
| 813 Mountain and hill farming | - | 82,534 | 82,534 | - | 82,534 | 82,534 | - | - | - |
| 814 Emergency measure (ODs) | - | 12,115 | 12,115 | - | 7,985 | 7,985 | - | 4,130 | 4,130 |
| 81 | - | 153,183 | 153,183 | - | 149,052 | 149,052 | - | 4,130 | 4,130 |
| 8200 Producer groups | - | - | - | - | - | - | - | - | - |
| 8201 Producer groups | - | 2,116 | 2,116 | - | 2,116 | 2,116 | - | - | - |
| 8202 Marketing & processing: | | | | | | | | | |
| 8210 General measure | 102,463 | 79,385 | 181,848 | 14,051 | 0,672 | 14,722 | 86,687 | 78,713 | 165,599 |
| 8211 Mediterranean regions | - | 53,516 | 53,516 | - | - | 0 | - | 53,516 | 53,516 |
| 82 | 102,463 | 135,017 | 237,480 | 14,051 | 2,788 | 16,838 | 86,837 | 132,228 | 219,115 |
| 8300 Conv. in the salt-cod fish sector (1) (a) | 1,603 | - | 1,603 | 1,132 | - | 1,132 | 0,469 | - | 0,469 |
| 8301 Veal & veal enc. premiums | - | 10,837 | 10,837 | - | 10,837 | 10,837 | - | - | - |
| 8302 Org. of fruit production | - | 0,589 | 0,589 | - | 0,589 | 0,589 | - | - | - |
| 8303 Sector conv. premium | - | 9,694 | 9,694 | - | 9,694 | 9,694 | - | - | - |
| 8304 Marketing of milk | - | 59,505 | 59,505 | - | 59,505 | 59,505 | - | - | - |
| 8305 Vaccination of certain cattle diseases | - | 7,088 | 7,088 | - | 7,088 | 7,088 | - | - | - |
| 83 | 1,603 | 87,713 | 89,316 | 1,132 | 87,713 | 88,845 | 0,469 | - | 0,469 |
| 840 Drainage, Ireland | - | 3,826 | 3,826 | - | 3,826 | 3,826 | - | - | - |
| 84 | - | 3,826 | 3,826 | - | 3,826 | 3,826 | - | - | - |
| 850 Fruit & veg. prod. groups | - | 0,774 | 0,774 | - | 0,774 | 0,774 | - | - | - |
| 851 Pruning fruit trees | - | 0,005 | 0,005 | - | 0,005 | 0,005 | - | - | - |
| 852 Improvement citrus fruits | - | 4,948 | 4,948 | - | 4,948 | 4,948 | - | - | - |
| 85 | - | 5,727 | 5,727 | - | 5,727 | 5,727 | - | - | - |
| TOTAL (80-85) | 859,340 ⁽²⁾ | 655,219 | 1314,559 | 153,550 | 249,106 | 402,656 | 694,253 | 206,112 | 900,365 |

(1) (a) Before 1977: Non-differentiated appropriations.

(b) After 1977: Differentiated appropriations.

(2) Including 45,736 ■ EUA in re-commitments in 1979 against appropriations released from the financial years 1970-1977.

(3) Including cancellations and adjustments arising from fluctuations in EUA rates.

II. ADJUSTMENTS TO THE INITIAL APPROPRIATIONS

The changes to the appropriations indicated in the following tables should be taken into account when assessing budget implementation for the EAGGF Guidance Section:

1. Changes in the amounts entered under the individual headings

As a result of these changes, a total of 125,4 m EUA in appropriations for commitment and 120,4 m EUA in appropriations for payment were removed from this sector.

2. Changes in the amounts entered under Chapter 100

Only 5 m EUA of the total appropriations set aside in Chapter 100 for the financing of agricultural structures were transferred to the relevant heading (Article 860). A total of 23,3 m EUA was allocated to the Guarantee Section and the remainder was not used.

SUMMARY OF ALL THE CHANGES MADE TO APPROPRIATIONS IN 1979
(Transfers and Third Supplementary and Amending Budget)

| Chapter, Article, or Item | HEADING | APPROPRIATIONS FOR COMMITMENT | | | |
|--|---|-------------------------------|--------------------|-------------------------------|----------------------------|
| | | Initial approp. 1979 | Increase (+) | Reduction (-) | Approp. for 1979 |
| 80 | Projects for the improvement of agricultural structures provided for under Article 13 of Regulation No 17/64/EEC | token entry | | | token entry |
| 81 | Common measures for the reform of agricultural production structures | | | (*) | |
| Art. 810 - | Modernization of farms | 81.100.000 (7.600.000) | | - 120.000 (-5.700.000) | 80.980.000 (7.500.000) |
| Art. 811 - | Cessation of farming and reallocation of land for structural improvement | 1.700.000 (6.800.000) | | - 550.000 (-5.100.000) | 1.150.000 (1.700.000) |
| Art. 812 - | Vocational guidance and training | 3.100.000 (300.000) | | -1.400.000 | 1.700.000 (300.000) |
| Art. 813 - | Mountain and hill farming and farming in certain less-favoured areas | 99.500.000 (8.100.000) | | -12.000.000 (-6.100.000) | 87.500.000 (2.000.000) |
| Art. 819 - | Emergency measure (ODs) | | (1) +12.120.000 | | 12.120.000 |
| 82 | Common measures concerning the marketing and processing of agricultural products | | | (2) | token entry |
| Art. 820 | | | | | |
| Item 8200 - | Producer groups and associations thereof | 3.700.000 | (*) | -3.700.000 | token entry |
| Item 8201 - | Hop producer groups | 400.000 | + 1.200.000 | | 1.600.000 |
| 83 | Common measures in particular sectors | | | | |
| Art. 835 | | | | | |
| Item 8350 - | Conversion premium | 31.500.000 | | -22.100.000 | 9.400.000 |
| Art. 836 | | | | | |
| Item 8360 - | Premium for the non-marketing of milk and for the conversion of dairy herds | 73.400.000 | | (3) -50.360.000 | 23.040.000 |
| Art. 837 | | | | | |
| Item 8370 - | Eradication of brucellosis, tuberculosis and leucosis in cattle | 20.000.000 | | -12.900.000 | 7.100.000 |
| 84 | Common measures concerning agricultural infrastructures | | | (4) | |
| Art. 840 | | | | | |
| Item 8400 - | Collective irrigation works in the Mezzogiorno | 26.700.000 | | - 9.000.000 | 17.700.000 |
| Art. 842 - | Restructuring and conversion of vineyards in Languedoc-Roussillon and certain other regions | 21.700.000 | | -13.600.000 | 8.100.000 |
| Art. 843 - | Forestry measures in certain dry Mediterranean regions | token entry (16.000.000) | | token entry (- 6.400.000) | token entry (9.600.000) |
| Art. 844 | | | | | |
| Item 8440 - | Land drainage operations in Ireland | 3.500.000 | (*) + 350.000 | | 3.850.000 |
| 85 | Special measures | | | (*) | |
| Art. 850 - | Producer groups in the fruit and vegetable sector | 3.500.000 | (*) | - 5.550 | 3.494.450 |
| Art. 853 - | Premiums for grubbing fruit trees | token entry | + 5.550 | | 5.550 |
| 86 | Common measures to improve fisheries structures | | | | |
| Art. 860 - | Non-industrial inshore fisheries | token entry (5.000.000) | (*) +15.000.000 | 15.000.000 (-5.000.000) | 15.000.000 |
| GUIDANCE SECTION - TOTAL (Chapters 80-86) | | | +28.675.550 | -130.735.550 (-23.300.000) | |
| Net reduction | | | | -125.360.000 | |
| MEASURES RECEIVING AN INCREASE IN APPROPRIATIONS | | | | | |
| 31 | Expenditure in the agricultural sector (Items 3101 and 3103) | | + 2.800.000 | | |
| 62 | Milk and milk products (Items 6200 and 6211) | | +70.000.000 | | |
| 65 | Beef and veal (Items 6500 and 6511) | | +20.000.000 | | |
| 66 | Pigmeat (Article 661) | | +10.000.000 | | |
| 89 | Community responsibility for certain financial obligations arising from Agreements on fishing rights in the waters of other States (Articles 891 and 892) | | + 4.850.000 | | |
| 92 | Food aid (Article 923) | | + 3.700.000 | | |
| 95 | Exceptional measures to assist developing countries and other non-member countries (Article 950) | | + 9.000.000 | | |
| | | | +120.360.000 | | |

() Appropriations in Chapter 100.
(*) Transfers.
(1) Including a transfer of 120.000.

(2) Including a transfer of 1.200.000.
(3) Including transfers totalling 30.360.000.
(4) Including a transfer of 350.000.
(5) Including a transfer of 1.050.000.

SUMMARY OF ALL THE CHANGES MADE TO APPROPRIATIONS IN 1979

(Transfers and Third Supplementary and Amending Budget)

| Chapter, Article, or Item | H E A D I N G | APPROPRIATIONS FOR PAYMENT | | | Appropriation for 1979 |
|--|---|----------------------------|--------------------|-------------------------------|---------------------------|
| | | Initial approp. 1979 | Increase (+) | Reduction (-) | |
| 80 | Projects for the improvement of agricultural structures provided for under Article 13 of Regulation No 17/64/EEC | 40.000.000 | | - 20.000.000 | 20.000.000 |
| 81 | Common measures for the reform of agr. production structs. | | | (*) | |
| Art. 810 | - Modernization of farms | 64.000.000 | | - 120.000 (-5.700.000) | 63.880.000 |
| Art. 811 | - Cessation of farming and reallocation of land for structural improvement | 1.300.000 (5.100.000) | | - 550.000 (-5.100.000) | 750.000 |
| Art. 812 | - Vocational guidance and training | 2.500.000 (200.000) | | - 1.400.000 | 1.100.000 (200.000) |
| Art. 813 | - Mountain and hill farming and farming in certain less-favoured areas | 78.600.000 (6.100.000) | | - 9.600.000 (-6.100.000) | 69.000.000 |
| Art. 819 | - Emergency measures (ODs) | | (1) + 9.720.000 | | 9.720.000 |
| 82 | Common measures concerning the marketing and processing of agricultural products | | | (2) | |
| Item 8200 | - Producer groups and associations thereof | 3.700.000 | (*) | - 3.700.000 | Token entry |
| Item 8201 | - Hop producer groups | 400.000 | + 1.200.000 | | 1.600.000 |
| 83 | Common measures in particular sectors | | | | |
| Art. 835 | - Conversion premium | 31.500.000 | | - 15.000.000 | 16.500.000 |
| Art. 836 | - Premium for the non-marketing of milk and for the conversion of dairy herds | 73.400.000 | | (3) - 50.360.000 | 23.040.000 |
| Art. 837 | - Eradication of brucellosis, tuberculosis and leucosis in cattle | 20.000.000 | | - 2.700.000 | 17.300.000 |
| 84 | Common measures concerning agricultural infrastructures | | | (5) | |
| Item 8400 | - Collective irrigation works in the Mezzogiorno | 20.000.000 | | - 5.600.000 | 14.400.000 |
| Art. 842 | - Restructuring and conversion of vineyards in Languedoc Roussillon and certain other French regions | 17.000.000 Token entry | | - 10.000.000 | 7.000.000 Token entry |
| Art. 843 | - Forestry measures in certain dry Mediterranean regions | 12.800.000 | | (-6.400.000) | (6.400.000) |
| Art. 844 | - Land drainage operations in Ireland | 2.800.000 | (*) + 1.050.000 | | 3.850.000 |
| 85 | Special measures | | | | |
| Art. 850 | - Producer groups in the fruit and vegetable sector | 3.500.000 | (*) | - 5.500 | |
| Art. 853 | - Premiums for grubbing fruit trees | Token entry | + 5.550 | | 5.550 |
| 86 | Common measures to improve fisheries structures | | | | |
| Art. 860 | - Non-industrial inshore fisheries | Token entry (5.000.000) | (*) +15.000.000 | (-5.000.000) | 15.000.000 |
| GUIDANCE SECTION - TOTAL (Chapters 80 - 86) | | | +26.975.550 | -124.035.550 - 23.300.000) | |
| MEASURES RECEIVING AN INCREASE IN APPROPRIATIONS | | | | -120.360.000 | |
| 31 | Expenditure in the agricultural sector (Items 3101 and 3103) | | + 2.800.000 | | |
| 62 | Milk and milk products (Items 6200 and 6211) | | +70.000.000 | | |
| 65 | Beef and veal (Items 6500 and 6511) | | +20.000.000 | | |
| 66 | Pigmeat (Article 661) | | +10.000.000 | | |
| 89 | Community responsibility for certain financial obligations arising from Agreements on fishing rights in the waters of other States (Articles 891 and 892) | | + 4.260.000 | | |
| 92 | Food aid (Article 923) | | + 3.700.000 | | |
| 95 | Exceptional measures to assist developing countries and non-member countries (Article 950) | | + 9.000.000 | | |
| | | | +120.360.000 | | |

() Appropriations in Chapter 100.

(*) Transfers.

(1) Including a transfer of 120.000.

(2) Including a transfer of 1.200.000.

(3) Including transfers totalling 30.360.000

(4) Including a transfer of 350.000.

(5) Including a transfer of 1.050.000.

III. Analysis of implementation

1. Utilization of differentiated appropriations

(Tables A and B above and Table D below)

(a) Assessment of the utilization of total appropriations available

TABLE D

| TITLE 8 CHAPTERS 80 TO 85 | Utilization (%) | | | |
|--|------------------------|------|---------------------|------|
| | 1978 | 1979 | 1978 | 1979 |
| | Approps for commitment | | Approps for payment | |
| | (1) | (2) | (3) | (4) |
| TOTAL (Chapters 80 to 85) | 52 | 71 | 34 | 48 |
| <u>Chapter 80</u> | 15 | 97 | 12 | 24 |
| <u>Chapter 81</u> | 64 | 70 | 50 | 71 |
| (+) Article 810 Modernization | 80 | 62 | 82 | 77 |
| (+) Article 811 Cessation | 36 | 22 | 36 | 29 |
| <u>Chapter 82</u> | 82 | 93 | 4 | 35 |
| (+) Item 8210 Marketing | 100 | 97 | 0 | 33 |
| (+) Item 8211 Mezzogiorno | 55 | 87 | 0 | 0 |
| <u>Chapter 83</u> | 47 | 67 | 37 | 43 |
| (+) Item 8322 Fruit | 79 | 12 | 79 | 12 |
| (+) Item 8350 Conversion, wine sector | 62 | 62 | 30 | 25 |
| (+) Item 8360 Milk | 50 | 67 | 50 | 67 |
| <u>Chapter 84</u> | | 7 | | 10 |
| <u>Chapter 85</u> | 20 | 24 | 20 | 24 |
| (+) Article 850 Fruit producer groups | 12 | 13 | 12 | 13 |
| (+) Article 853 Citrus fruit | 21 | 28 | 21 | 28 |

(*) Budget headings in which the rate of utilization is particularly low.

In assessing how the appropriations for the EAGGF Guidance Section have been utilized the following factors should be taken into account:

- (a) the large amount of appropriations carried over from the previous financial year (232 m EUA in appropriations for commitment and 282 m EUA in appropriations for payment);
- (b) the unreliability of budget forecasts because certain Member States have a tendency to overestimate the progress that will be made on the various measures they are in a position to implement;

Allowing for the above, budget implementation in 1979 is distinctly better than in 1978 (as indicated in Tables A, B and D above). In 1979, 71% of appropriations for commitment and 48% of appropriations for payment were used (in 1978: 52 and 34% respectively). Similarly, commitments increased by 63% and payments by 58% as compared with 1978.

Nevertheless there are still large areas of under-utilization in respect of both commitments and payments. Table D above shows the headings in which the rate of utilization of appropriations is below 70%.

In a few cases a satisfactory level of utilization of appropriations for commitment goes with a very low level of utilization of appropriations for payment. This applies to measures of the project type where the number of projects and the amount of aid is limited by an annual allocation (Article 800, Items 8210 and 8211) whilst payments are spread over several years and the rate of payment depends on the work completion timetable. Where measures of the refund type are concerned, this explanation usually applies to both commitments and payments (the only sums committed are those likely to be paid during the financial year).

Article 800 "Individual projects"

The main reasons for the low rate of utilization of the appropriations for payment (24%) are the large amount of appropriations carried over from 1978 to 1979 and the fact that work on some 250 dossiers could not be completed on time (requests for further information, etc.).

Article 810 "Modernization of farms"

When the Budget was drawn up, the intention was to commit a sum corresponding to all the applications for refunds in respect of expenditure incurred by Member States and to pay only the statutory 75% in 1979 and the remaining 25% in 1980. It then became clear that it would be more rational to commit and pay one and the same amount (= 75% of applications). Hence utilization of appropriations for commitment is lower than that for appropriations for payment.

Article 811 "Cessation of farming"

Of all the socio-structural measures this is the most difficult to implement. The reasons are the general economic situation, the drop in the number of farmers in the 60 to 65 age group and the fact that in some Member States the advantages offered by this measure are not sufficiently attractive.

Items 8210 and 8211 "Marketing and processing of agricultural products" (general measure in favour of Mediterranean regions)

As in Article 800, these are project-type measures where the fact that

little or none of the appropriations for payment have been used is due in one instance (Item 8210) to a carry-over being too large and in the other (Item 8211) to the commitment of the sums in respect of the projects - and consequently the starting of work - had taken place too recently for any applications for payment to have been made.

Chapter 83

Item 8322 - Reorganization of fruit production

One of the Member States concerned has not yet submitted its application for refunds although the trees were grubbed in application of the measure.

Item 8350 - Conversion in the wine sector

In spite of the large-scale vine grubbing project carried out by the same Member State two years ago, the Commission has not received an application for reimbursement.

Item 8360 - Non-marketing of milk and conversion of dairy herds

The low rate of utilization of appropriations (67%) is due to the large amount of carry-overs from 1978 to 1979 (66 m EUA) as a result of the Council's late decision to increase premiums.

Chapter 84 - Common measures concerning agricultural infrastructures

All the measures in this Chapter are new ones decided by the Council at the end of 1978 and the beginning of 1979. Implementation of the measures was delayed because of the delay in reaching agreement on an amendment to Council Regulation 729/70 of 8 May 1979 (1) (five-year limit) and the need to draw up outline programmes before activities began. Most of the appropriation set aside for these measures therefore remained unused. The following is a list of measures in respect of which no appropriations have been used:

- (a) Item 8400 "Irrigation in the Mezzogiorno"
- (b) Article 841 "Public services"
- (c) Article 842 "Vineyards in Languedoc-Roussillon"
- (d) Article 843 "Forestry measures in the Mediterranean" (the European Parliament entered an appropriation for this measure in Chapter 100).

The outline programmes for all these measures were sent to the Commission in late 1979 and were approved. The Commission has received the first applications for aid under measures of the project type (public services, Mediterranean forestry measures), with the exception of the irrigation operations in the Mezzogiorno; activities have begun in the vineyards of Languedoc-Roussillon and the first EAGGF refunds are planned for 1980.

(1) OJ L 117 of 12 May 1979.

Article 850 "Producer groups in the fruit sector"

The low rate of utilization (13%) is due to the fact that some surveys of producer groups were not completed in time, and so some 3 m EUA could not be paid out in 1979.

Article 853 "Citrus fruit"

All the appropriations available were due to the fact that carry-overs were excessively high in comparison with the utilization capacity (overestimated initially) of one Member State.

(b) Utilization of outstanding appropriations and carry-overs

(Tables A and B above)

Appropriations for commitment: Some 10% of the outstanding appropriations of 232,4 m EUA could not be committed and so lapsed on 31 December 1979. The operations affected are improvements in the citrus fruit sector (Article 853: 12,8 m EUA), the non-marketing of milk (Item 8360: 6,4 m EUA), individual projects (Article 800: 2,1 m EUA) and producer groups in the fruit and vegetable sector (Article 850: 1,5 m EUA). The non-utilization of these appropriations in the case of the individual projects is due mainly to the adjustments made as a result of fluctuations in EUA rates. Where the other measures are concerned, please consult the explanations in (a) above.

Appropriations for payment: 34% of the carry-overs of 289,1 m EUA were not used and lapse on 31 December 1979. Apart from the measures already mentioned above, the operations affected are the eradication of certain cattle diseases (Item 8370: 31,9 m EUA), the marketing and processing of agricultural products (Item 8210: 17,3 m EUA) and the conversion of vineyards (Item 8350: 13,3 m EUA). This high rate of non-utilization of the appropriations for payment carried over is due to the sort of measures involved. In the case of operations of the project type, the commitments differ from the payments, which are spread over several years; in the case of operations of the refund type, the commitments are the same as the payments during the financial year. Transfers of appropriations between Chapters in 1978 resulted in project-type operations having too many appropriations for payment compared with requirements and leaving the refund-type operations with appropriations for payment which were well in excess of the appropriations for commitment and could not, therefore, be used.

2. Utilization of non-differentiated appropriations

Before 1977 the system of non-differentiated appropriations applied to the EAGGF Guidance Section and, in accordance with Article 108(3) of the Financial Regulation of 21 December 1977, appropriations committed but not paid before 1977 are carried over automatically for a period of five years (automatic carry-over). On expiry of this period, a request for a carry-over may be made to the Council (non-automatic carry-over).

Only two operations were affected in 1979: Individual projects (Article 800) and salt-cod fisheries (Item 8300), the latter to the extent of less than 0,3% of the total amount of 571,9 m EUA carried over.

(a) Utilization of automatic carryovers:

98,8 m EUA of the 449,7 m EUA carried over automatically have been paid, i.e. 22%;

(b) Utilization of non-automatic carryovers:

29,5 m EUA of these appropriations have been paid, i.e. 24% of a total of 122,2 m EUA.

3. Progress with commitments entered into

(Table C)

The total commitments entered into in 1979 (differentiated and non-differentiated appropriations) amounted to 1.314,6 m EUA. 18% of this amount involved refund-type operations which were paid for in full (240,5 m EUA); the remaining 1.074,1 m EUA were for project-type operations and only 162,2 m EUA, i.e. 15%, were paid.

A sum of 45,7 m EUA was also released from the financial years 1966-1977 and re-committed in 1979 in accordance with Regulation (EEC) No 3171/75 (1). Priority will be given to spending this sum in the years to come.

A sum of 1,5 m EUA has also been cancelled.

Taking all this into account, as well as the adjustments due to fluctuations in EUA rates (-10,1 m EUA), the commitments still to be settled on 31 December 1979 amounted to 900,3 m EUA.

(1) OJ L 315, 5 December 1975.

Chapters 86 to 89 - FISHERIES POLICY

Utilization of appropriations (differentiated and non-differentiated)

| Chapters 86 to 89 | Appropriations available in 1979 (EUA) | | | |
|-------------------|--|------------|--------------|------------|
| | for commitments | | for payments | |
| | (1) | (2) | (3) | (4) |
| TOTAL | 60.100.000 | 98.784.864 | 36.100.000 | 74.784.864 |
| Chapter 86 | 100.000 | 20.312.852 | 100.000 | 20.312.852 |
| Chapter 87 | 40.000.000 | 56.000.000 | 16.000.000 | 32.000.000 |
| Chapter 88 (*) | 20.000.000 | 17.012.012 | 20.000.000 | 17.012.012 |
| Chapter 89 (*) | token entry | 5.460.000 | token entry | 5.460.000 |

(1),(3) Initial appropriations, including Amending and Supplementary Budgets.
 (2) Including appropriations outstanding and transfers.
 (4) Including transfers and/or carryovers.
 (*) Non-differentiated appropriations.

| Chapters 86 to 89 | Utilization (%) | | | |
|-------------------|------------------------|------|---------------------|------|
| | 1978 | 1979 | 1978 | 1979 |
| | Approps for commitment | | Approps for payment | |
| | (1) | (2) | (3) | (4) |
| TOTAL | 40 | 49 | 40 | 59 |
| Chapter 86 | 2 | 25 | 2 | 4 |
| Chapter 87 | - | 39 | - | 68 |
| Chapter 88 (*) | 86 | 100 | 86 | 100 |
| Chapter 89 (*) | 100 | 84 | 100 | 84 |

(*) Non-differentiated appropriations.

Summary of implementation of appropriations

Generally speaking the low rate of utilization of the appropriations (49% in the case of appropriations for commitment, 59% in the case of appropriations for payment) reflects the difficulties encountered in implementing the fisheries policy. Most of the delays occurred in structural measures (Chapters 86 and 87). Taken as a whole, there has been a slight improvement in implementation in 1979 as compared with 1978.

Article 860 - Common measures to improve the structures of non-industrial inshore fisheries

In 1979, 20 m EUA were available in appropriations for commitment and payment. The 5 m EUA outstanding from 1978 set aside for investment projects pursuant to Council Regulation No 1852/78 of 25 July 1978 (2), were committed following decisions on aid adopted by the Commission on 31 March 1979. During the 1979 financial year payments amounted to 0,5 m EUA. In view of the time required for making the investments, this sum would not appear to represent an abnormal rate of implementation.

As the Council, in Regulation No 592/79 of 26 March 1979 (3) decided to extend this measure, originally limited to 1978, to the 1979 financial year, the 5 m EUA entered in the 1979 Budget were increased to 15 m EUA by means of a transfer. This will remain an "outstanding" appropriation in 1980. Under the Council Regulation the Commission has until 31 March to adopt the decisions on aid.

Article 870 - Immediate measures to adjust capacity

As the Council has not yet approved the proposal submitted in 1977, the very small appropriation of 5 m EUA entered for the purpose in Chapter 100 was not used in 1979. It has therefore lapsed.

(1) OJ L 356 of 31 December 1977.
(2) OJ L 211 of 1 August 1978.
(3) OJ L 70 of 30 March 1979.

Article 871 - Financial participation in inspection and surveillance operations in the maritime waters of Denmark and Ireland

In 1979 the Commission adopted the decision required as a basis for implementing this measure. The first instalment, a sum of 22 m EJA, was committed and paid out of a total of 56 m EJA in appropriations for commitment (16 m EJA of which were outstanding) and 32 m EJA in appropriations for payment. This means that 34 m EJA will be outstanding for the financial year 1980 and 10 m EJA in appropriations for payment will be carried over automatically.

Chapter 89 - ASSUMPTION BY THE COMMUNITY OF CERTAIN FINANCIAL OBLIGATIONS PURSUANT TO AGREEMENTS ON FISHING RIGHTS IN NON-COMMUNITY WATERS

As the negotiations to extend the fishing agreement between Italy and Yugoslavia were not concluded until late in the financial year, it was not possible to make any payments in this connection by 31 December 1979. Hence the 430.000 EJA of appropriations carried over from the 1978 financial year by non-automatic procedure have been cancelled and an equivalent amount will have to be transferred in 1980; similarly, an application has been made to the Budgetary Authority for the non-automatic carryover of 560.000 EJA.

TITLE 9 - COOPERATION WITH DEVELOPING COUNTRIES AND OTHER NON-MEMBER STATES

Chapter 92 - FOOD AID

In accordance with Article 102 of the Financial Regulation, which lays down that "every food aid programme shall as soon as possible be made the subject of a proposal for commitment", the appropriations entered in the Budget and covered by an annual programme approved by the Council for each product supplied under the food aid schemes are committed as soon as the programme is approved.

As the 1979 programme was not approved until 8 May, the final stage of implementation, i.e. payment, will cover relatively limited appropriations only; this is mainly due to the procedures peculiar to the Community and Member States (delays in making the products available, system of advances similar to that operated by the EAGGF Guarantee Section, a minimum period of two months for charging the payments).

From the accounting point of view, we are therefore faced with a high level of commitments on one hand and payments considerably below the volume of operations actually carried out on the other. Neither commitments nor payments, therefore, give an accurate picture of the situation at any one moment in the year and, as in the past, it is considered more appropriate to discuss food aid in terms of the quantities distributed, or remaining to be distributed, under each programme.

Implementation in terms of quantities therefore breaks down as follows (the term "quantities supplied" means tonnes of product which have actually left Community territory):

| | | Quantities committed | Quantities supplied | % |
|--------------------|--------------------|----------------------|----------------------|------|
| <u>Cereals</u> | 1979 programme | 720.500 tonnes | 521.510 tonnes | 74,8 |
| | Earlier programmes | 86.913 tonnes | 82.413 tonnes | |
| | | <hr/> 807.413 tonnes | <hr/> 603.923 tonnes | |
| <u>Milk powder</u> | 1979 programme | 150.000 tonnes | 58.158 tonnes | 61,4 |
| | Earlier programmes | 138.735 tonnes | 119.010 tonnes | |
| | | <hr/> 288.735 tonnes | <hr/> 177.168 tonnes | |
| <u>Butteroil</u> | 1979 programme | 45.000 tonnes | 15.655 tonnes | 60,5 |
| | Earlier programmes | 36.280 tonnes | 33.450 tonnes | |
| | | <hr/> 81.280 tonnes | <hr/> 49.105 tonnes | |

It is therefore clear that, in addition to catching up on nearly all the backlogs of earlier programmes, much of the programme for the financial year has been implemented, especially in the case of cereals, even though it was adopted late.

Utilization of available appropriations

(Differentiated appropriations)

| TITLE 9 | Appropriations available in 1979 (EUA) | | | |
|--|--|-------------|----------------------|-------------|
| | For commitments | | For payments | |
| TOTAL | 1 | 2 | 3 | 4 |
| CHAPTER 93 | 139.120.000 | 184.332.063 | 60.120.000 | 100.598.242 |
| 93C | 133.620.000 | 178.338.709 | 55.620.000 | 93.341.004 |
| 93I | 5.500.000 | 5.993.354 | 4.500.000 | 7.257.238 |
| CHAPTER 94 Article 945 | 12.000.000 | 12.501.287 | 7.500.000 | 9.859.575 |
| CHAPTER 96 | 193.000 | 379.300 | 126.600 | 120.600 |
| 96I Malta | 2.500 | 10.000 | 3.000 | 6.000 |
| 962 Greece | 16.500 | 38.500 | 13.500 | 28.000 |
| 963 Turkey | 66.000 | 132.000 | 33.000 | 49.500 |
| 964 Cyprus | 4.000 | 7.000 | 2.200 | 3.400 |
| 965 Maghreb | 55.100 | 103.600 | 41.100 | 51.000 |
| 966 Mashreq | 42.900 | 88.200 | 27.800 | 44.200 |
| (1), (3) Initial appropriations including Amending and Supplementary Budgets. (2) Including appropriations outstanding and transfers. (4) Including transfers and/or carryovers. | | | | |
| | Utilization (%) | | | |
| | 1978 | 1979 | 1978 | 1979 |
| | Approps. for commitments | | Approps. for payment | |
| TOTAL | 1 | 2 | 3 | 4 |
| CHAPTER 93 | | | | |
| 93C (⌘) | 42 | 66 | 28 | 20 |
| 93I (⌘) | 70 | 98 | 31 | 65 |

(⌘) Budget heading in respect of which the implementation rate is very much below average.

| | Utilization (%) | | | |
|---------------------------|-------------------------|------|----------------------|------|
| | 1978 | 1979 | 1978 | 1979 |
| | Approps. for commitment | | Approps. for payment | |
| TOTAL | 1 | 2 | 3 | 4 |
| CHAPTER 94 Article 945 | 99 | 98 | 61 | 82 |
| CHAPTER 96 (⌘) | 0 | 55 | 0 | 14 |
| 961 Malta | 0 | 54 | 0 | 0 |
| 962 Greece | 0 | 67 | 0 | 5 |
| 963 Turkey | 0 | 92 | 0 | 31 |
| 964 Cyprus | 0 | 0 | 0 | 0 |
| 965 Maghreb | 0 | 23 | 0 | 0 |
| 966 Mashreq | 0 | 36 | 0 | 0 |

(⌘) Budget heading in respect of which the implementation rate is very much below average.

Utilization of non-differentiated appropriations

| TITLE 9 | Appropriations available in 1979 (EUA) | | Utilization (%) | | | |
|---------------------------|--|-----------|-----------------|------|----------------|------|
| | | | For commitments | | For payments | |
| | | | Appropriations | | Appropriations | |
| | | | 1978 | 1979 | 1978 | 1979 |
| | 1 | 2 | 3 | 4 | 5 | 6 |
| TOTAL | | | | | | |
| CHAPTER 93 Article 932 | 500.000 | 682.969 | 51 | 100 | 5 | 52 |
| CHAPTER 94 | 5.189.000 | 4.978.137 | 83 | 94 | 75 | 73 |
| 941 | 475.000 | 662.137 | 97 | 89 | 30 | 17 |
| 944 | 152.000 | 177.000 | 76 | 63 | 66 | 40 |
| 948 | 500.000 | 540.000 | - | 95 | - | 41 |

| TITLE 9 | Appropriations available in 1979 (EUA) | | Utilization (%) | | | |
|---------------------------|--|------------|-----------------|------|----------------|------|
| | | | For commitments | | For payments | |
| | | | Appropriations | | Appropriations | |
| | | | 1978 | 1979 | 1978 | 1979 |
| | 1 | 2 | 3 | 4 | 5 | 6 |
| TOTAL | | | | | | |
| CHAPTER 95 Article 950 | 3.000.000 | 42.000.000 | 100 | 100 | 100 | 93 |
| CHAPTER 96 | 10.690.900 | 16.690.900 | 11 | 68 | 3 | 57 |
| 967 | 2.100.000 | 2.100.000 | - | 36 | - | 4 |

- (1) Initial appropriations including Amending and Supplementary Budgets.
(2) Including appropriations outstanding and transfers.

Chapter 93 - FINANCIAL AND TECHNICAL COOPERATION WITH NON-ASSOCIATED DEVELOPING COUNTRIES

Article 930 - Financial cooperation with non-associated developing countries

Part of the appropriations for commitment (34%) was not used in 1979, owing mainly to the lack of a basic Regulation. Instead of being able to submit to the appropriate Committee parts of the action programme for the non-associated developing countries periodically, the Commission was obliged to present most of the programme at the end of the year, with the result that it was impossible to sign a financing agreement with a number of recipients before 31 December. It must be stressed that most of these appropriations were committed at the beginning of 1980.

Utilization of the appropriations in Article 930 presents more serious problems as regards payments: the low rate (20%) is due mainly to a far slower implementation of infrastructure investments in the recipient countries than was expected. The fact that the Community has no on-the-spot representatives in these countries - most of which are far away - makes it difficult to bring about any swift and significant improvement in this situation.

Article 931 - Promotion of trade between the Community and non-associated developing countries

Distance and the lack of on-the-spot Community representatives have a similar effect on appropriations for payment. However, the rate (65%) is a distinct improvement over the previous year's. It must be stressed that appropriations carried over were used in toto.

Chapter 94 - SPECIFIC MEASURES FOR COOPERATION WITH DEVELOPING COUNTRIES

The rate of utilization of commitments is very satisfactory for almost all headings. Though the rate is only 64% for Article 944 (Expenditure on the organization of seminars on the Community's generalized preferences system), this is due to the cancelling of several seminars (India, Sri Lanka, Salvador) because of organizational difficulties and because publication of the Guide was less expensive than expected.

The cancellation of some 18% of the appropriations in Article 941 was caused by the withdrawal - towards the end of the year - of a number of scholarship holders, for whom it proved impossible to find replacements before 31 December.

Except in Article 944 and two other headings (Article 941 and, to a lesser extent, Article 948), the situation as regards utilization of payments is not unsatisfactory. The rate for Article 941 reflects the fact that most commitments were not made until the end of the financial year, and so payments will not be made until 1980. As Article 948 covers the kind of specialist activities which usually involve months of work, a large proportion of the payments will inevitably be carried over to the next financial year.

Chapter 95 - EXCEPTIONAL MEASURES TO ASSIST DEVELOPING COUNTRIES AND OTHER NON-MEMBER COUNTRIES

Article 950 - Community aid to disaster victims in developing and other non-member countries

The appropriation entered in the Budget was 3 m EUA, but a number of transfers boosted the sum available to 42 m EUA. These increases made it possible to allot significant sums in aid: first to South-East Asian refugees (boat people) and then to the victims of events in Kampuchea. It must be stressed that these transfers were possible only because the financial protocols concluded with the countries of the Maghreb and the Mashreq were implemented more slowly than expected.

Chapter 96 - COOPERATION WITH NON-MEMBER COUNTRIES

For this Chapter, 1979 was in practice the first year of implementation as most of the Mediterranean protocols did not enter into force until 1 November 1978. Also, as the Chapter mainly involves Community contributions to investments in projects which will take a fairly long time to complete, only the utilization of appropriations for commitment is of interest. This varied a great deal from country to country - from 92% for Turkey, where two large-scale projects accounted for the entire appropriation, to 0% for Cyprus, where there is a political impasse, with fairly satisfactory rates for Greece (67%) and Malta (54%) and less satisfactory ones for the Maghreb (23%) and Mashreq (36%) countries in between.

There were several reasons for this slow rate of implementation in the Maghreb and the Mashreq:

In some cases, the investment projects which had been worked out were not enough to absorb the available appropriations (Tunisia, Egypt), while in other cases the political situation influenced the implementation of investment plans (Algeria, Morocco, Lebanon).

The result was that substantial amounts of appropriations for 1978 lapsed (42,2 m EUA) in appropriations for commitment and 13,1 m EUA in appropriations for payment) because they could not be used before 31 December 1979. It must be pointed out that the lengthy ratification procedures in the Member States were mainly responsible for this situation, for the investment plans initially drawn up by the recipient countries on the assumption that the aid in question would be available by 1 January 1978 had to be recast considerably when it became plain that it would not be available until 1 November 1978.

Implementation of the Financial Protocol with Portugal (Item 9601) is a different matter, as interest rebates on EIB loans - and hence non-differentiated appropriations - are involved: the 1978 appropriation (6 m EUA) was carried over non-automatically to 1979 during which it was used in toto. As for the 1979 appropriation (likewise 6 m EUA), only about 2 m EUA of it was used, for, pursuant to the agreement reached by the Portuguese and Community authorities when the Protocol was signed, priority must be given to EIB loans at the normal rate. The Commission will therefore apply for a non-automatic carry-over to 1980 for the remaining 4 m EUA, to ensure that the speeding-up of the Protocol, decided on in January 1980, is not jeopardized.

Article 967 - Cooperation with the Arab countries at regional level

The low rate of use in commitments and payments is a direct reflection of the lack of progress at political level in pursuing the original objectives.

UTILIZATION OF THE APPROPRIATIONS FOR
THE FINANCIAL YEAR
(Statistical tables)

SUMMARY TABLE - BY TITLE - OF THE IMPLEMENTATION OF THE STATEMENT
OF EXPENDITURE OF SECTION III (COMMISSION) OF THE GENERAL BUDGET
FOR THE FINANCIAL YEAR 1979

Situation on 31 December 1979

■ EUA

| Budgetary classification | Type of expenditure | Appropriations and commitments | | | | | | | % |
|------------------------------|--|--------------------------------|------------|------------|------------|-------------|-----------|---------|-------|
| | | 1 | 2 | 3 | 4 | 5 | 6 | (C) (P) | |
| Title 1 | Expenditure relating to persons working with the Institution | 409,563 | 409,563 | 405,133 | 382,322 | 377,408 | 22,511 | 94,4 | 93,1 |
| Title 2 | Buildings, equipment and misc. administrative expenditure | 171,649 | 171,649 | 178,253 | 172,461 | 146,875 | 5,792 | 96,8 | 82,4 |
| Title 3 | Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials | 208,039 | 208,039 | 512,077 | 334,328 | - | 177,749 | 65,3 | - |
| Title 4 Chapters 50/53 | Differentiated approps (Approps for commitment (Approps for payment | 256,451 | 256,451 | 285,631 | - | 146,759 | 138,872 | - | 51,4 |
| | Non-differentiated approps | 34,597 | 34,597 | 41,082 | 37,080 | 15,989 | 4,002 | 90,3 | 38,9 |
| Chapters 55/56 | Repayments and aids to Member States and miscellaneous Social Fund | 694,850 | 721,130 | 721,130 | 721,130 | (B) 666,139 | - | 100,0 | 92,4 |
| | Differentiated approps (Approps for commitment (Approps for payment | 695,500 | 695,500 | 823,757 | 774,455 | - | 49,302 | 94,0 | - |
| Title 5 | Regional Fund | 502,500 | 502,500 | 530,000 | - | 296,842 | 233,158 | - | 56,0 |
| | Differentiated approps (Approps for commitment (Approps for payment | 1,400,000 | 945,000 | 1,010,327 | 962,105 | - | 48,221 | 95,2 | - |
| Titles 6 and 7 | Social and Regional Funds | 553,600 | 499,000 | 499,000 | - | 159,956 | 339,044 | - | 32,1 |
| | Chapters 57 and 59 - Non-differentiated appropriations | 5,000 | 5,000 | 250,373 | 248,173 | 176,131 | 2,200 | 99,1 | 70,3 |
| Title 8 | European Agricultural Guidance and Guarantee Fund, Guarantee Section | 9,582,100 | 10,381,160 | 10,387,086 | 10,397,088 | 10,387,088 | - | 100,0 | 100,0 |
| | European Agricultural Guidance and Guarantee Fund, Guidance Section and fisheries policy | 565,400 | 483,700 | 721,949 | 482,099 | - | 239,850 | 66,8 | - |
| Title 9 | Differentiated approps (Approps for commitment (Approps for payment | 442,300 | 335,600 | 320,240 | - | 96,973 | 223,267 | - | 30,3 |
| | Non-differentiated approps | 20,000 | 20,000 | 22,472 | 21,589 | 21,589 | 0,883 | 96,1 | 96,1 |
| Title 10 | Cooperation with developing countries and other non-member countries | 338,420 | 338,420 | 575,529 | 344,607 | - | 231,527 | 59,9 | - |
| | Differentiated approps (Approps for commitment (Approps for payment | 188,220 | 188,220 | 187,687 | - | 25,951 | 161,735 | - | 13,8 |
| Title 10 | Provisional appropriations and contingency reserve | 306,716 | 306,716 | 353,949 | 347,110 | 204,740 | 6,839 | 98,1 | 57,8 |
| | Differentiated approps (Approps for commitment (Approps for payment | 184,688 | 161,388 | 38,180 | - | - | 38,180 | - | - |
| Grand totals | Differentiated approps | 97,236 | 73,956 | 18,764 | - | - | 18,768 | - | - |
| | Non-differentiated approps | 14,145 | 259,518 | 8,232 | - | - | 8,236 | - | - |
| Grand totals | (Approps for commitment | 3,091,747 | 2,831,747 | 3,681,820 | 2,636,994 | - | 781,826 | 79,7 | - |
| | (Approps for payment | 2,009,427 | 1,855,427 | 1,841,326 | - | 726,182 | 1,114,913 | - | 32,5 |
| Non-differentiated approps | 11,235,621 | 12,312,274 | 12,397,715 | 10,397,753 | 11,395,658 | - | 9,163 | 99,6 | 97,0 |

See notes on following page.

- (1) Including: - the appropriations for commitment outstanding at the close of the financial year 1978;
 - the outstanding appropriations for commitment deriving from any sums released in 1979 out of commitments still to be settled from previous financial years;
 - total adjustments in the balances of commitments still to be settled from previous financial years and arising from changes in the exchange rate for the EUA;
 - in Chapter 33, the appropriations corresponding to revenues from services for third parties.

- (2) (a) Unused non-differentiated appropriations are cancelled except those for which a request for a non-automatic carry-over has been made to the Budgetary Authority (9,307 m EUA).
 (b) The (differentiated) appropriations for commitment for the year not committed by 31 December 1979 are still available; the appropriations outstanding from the preceding financial year which have not been committed by the end of the current financial year are cancelled.

| | <u>available</u> | <u>cancelled</u> | <u>total</u> |
|---------------|------------------|------------------|----------------|
| Title 3 | 132,754 | 44,995 | 177,749 |
| Social Fund | 49,151 | 0,152 | 49,302 |
| Regional Fund | 48,221 | | 48,221 |
| Title 8 | 216,652 | 23,199 | 239,850 |
| Title 9 | 184,143 | 47,379 | 231,522 |
| Title 10 | | 38,180 | 38,180 |
| Total | 630,921 | 153,905 | 784,826 |

- (c) The (differentiated) appropriations for payment for the year not used by 31 December 1979 are still available, with the exception of 0,397 m EUA in Chapter 33 (Research and investment expenditure) and the appropriations in Title 10 (Provisional appropriations).

| | <u>automatic carry-over</u> | <u>cancelled</u> | <u>total</u> |
|---------------|-----------------------------|------------------|------------------|
| Title 3 | 138,475 | 0,397 | 138,872 |
| Social Fund | 233,158 | | 233,158 |
| Regional Fund | 339,044 | | 339,044 |
| Title 8 | 223,267 | | 223,267 |
| Title 9 | 161,736 | 18,768 | 161,736 |
| Title 10 | | | 18,768 |
| Total | 1.095,679 | 19,165 | 1.114,843 |

- (3) The Member States make over own resources two months after establishment and the flat-rate reimbursements are paid one month later. The sum of 666,139 m EUA thus corresponds to the flat-rate refunds made from February to December in respect of own resources established from November 1978 to September 1979 and made over by the Member States from January to November.

- (4) By definition, no operations are charged to this heading, which is a reserve.

SUMMARY TABLE OF THE IMPLEMENTATION OF THE STATEMENT
OF EXPENDITURE OF SECTION III (COMMISSION) OF THE
GENERAL BUDGET FOR THE FINANCIAL YEAR 1979

Single Accounting Centre XIX-C-3

Situation on 31 December 1979
i.e. for 12 months

■ EUA

| Budgetary classification | Type of expenditure | Number of twelfths used: | | | | | | | | | | | | Total |
|--------------------------|--|--------------------------|------|-------|---------|---------|---------|------|------|---------|------|---------|---------|-------|
| | | Jan. | Feb. | March | April | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | |
| Title 1 | Expenditure relating to persons working with the institution | C 9,0 | 0,0 | 0,1 | 0,0 | 0,2 | 6,0 | 1,5 | 0,1 | 0,2 | 0,3 | 0,1 | (-) 0,2 | 11,3 |
| | | P 0,9 | 0,9 | 0,9 | 0,9 | 0,9 | 0,9 | 0,9 | 0,9 | 1,0 | 1,0 | 1,0 | 1,0 | 11,2 |
| Title 2 | Buildings, equipment and miscellaneous administrative expenditure | C 4,4 | 1,7 | 0,5 | 0,3 | 1,1 | 0,5 | 0,7 | 0,4 | 0,5 | 0,8 | 0,3 | 0,4 | 11,6 |
| | | P 1,8 | 0,4 | 0,6 | 0,4 | 0,4 | 1,9 | 0,5 | 0,5 | 0,7 | 1,1 | 0,7 | 0,9 | 9,9 |
| Title 3 | Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials | C 0,0 | 1,4 | 0,8 | 0,1 | 1,6 | 0,7 | 0,3 | 0,2 | 0,7 | 0,7 | 0,3 | 1,0 | 7,8 |
| | | P 0,0 | 0,3 | 1,2 | (-) 0,3 | 0,7 | 1,5 | 0,1 | 0,2 | 0,9 | 0,4 | 0,6 | 0,6 | 6,2 |
| | Differentiated appropriations | C 0,6 | 1,2 | 0,2 | 1,2 | 0,7 | 0,9 | 1,5 | 0,3 | 0,0 | 1,0 | 0,5 | 2,7 | 10,8 |
| | Non-differentiated appropriations | P 0,0 | 0,4 | 0,1 | 0,4 | 0,6 | 0,4 | 0,3 | 0,2 | 0,1 | 0,6 | 0,5 | 1,1 | 4,7 |
| Title 4 | Repayments and aids to Member States and miscellaneous | C 0,0 | 1,1 | 1,2 | 0,9 | 0,9 | 1,1 | 1,1 | 1,1 | 1,1 | 1,0 | 1,1 | 1,4 | 12,0 |
| | | P 0,0 | 1,1 | 1,2 | 0,9 | 0,9 | 1,1 | 1,1 | 1,1 | 1,0 | 1,0 | 1,1 | 1,4 | 11,1 |
| Chapters 50/53 | Social Fund | C 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 2,4 | 0,0 | 0,0 | 0,0 | (-) 0,1 | 11,3 | |
| Chapters 55/56 | Regional Fund | C 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 6,7 | |
| Title 5 | Social and Regional Fund Chapters 57 and 59 - Non-differentiated appropriations (1) | C 1,2 | 1,0 | 1,1 | 1,1 | 1,4 | 1,3 | 1,2 | 1,2 | 1,3 | 0,9 | 0,3 | 0,0 | 12,0 |
| Title 6 and 7 | EAGGF, Guarantee Section | C 1,2 | 1,0 | 1,1 | 1,1 | 1,4 | 1,3 | 1,2 | 1,2 | 1,3 | 0,9 | 0,3 | 0,0 | 12,0 |
| Title 8 | EAGGF, Guidance Section and fisheries policy | C 0,2 | 0,4 | 0,1 | 0,0 | 0,1 | 0,0 | 1,8 | 0,1 | 0,7 | 0,1 | 0,2 | 4,3 | 8,0 |
| | | P 0,3 | 0,5 | 0,4 | (-) 0,1 | (-) 0,1 | (-) 0,3 | 0,0 | 0,1 | 0,1 | 0,0 | 0,2 | 2,2 | 3,6 |
| | Differentiated appropriations | C 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | (-) 0,3 | 0,0 | 2,4 | 0,6 | 0,0 | 1,4 | 5,9 | 11,5 |
| | Non-differentiated appropriations | P 0,0 | 0,0 | 0,0 | 0,0 | 0,3 | 1,0 | 0,0 | 2,0 | 0,4 | 0,6 | 0,0 | 2,2 | 11,5 |
| Title 9 | Cooperation with developing countries and other non-member countries | C 0,0 | 0,1 | 0,2 | 0,0 | 0,0 | 0,2 | 0,3 | 0,1 | 0,1 | 1,6 | 0,3 | 3,8 | 7,2 |
| | | P 0,0 | 0,1 | 0,3 | 0,3 | 0,2 | 0,1 | 0,1 | 0,1 | 0,2 | 1,2 | 0,2 | 1,7 | 7,2 |
| | Differentiated appropriations | C 0,4 | 1,3 | 2,1 | 0,7 | 1,0 | 5,8 | 0,2 | 0,0 | (-) 0,4 | 0,2 | 0,0 | 11,8 | 11,8 |
| | Non-differentiated appropriations | P 0,4 | 0,8 | 0,8 | 0,7 | 1,1 | 1,7 | 1,0 | 0,6 | 1,0 | 1,3 | 0,9 | (-) 2,4 | 6,9 |
| Title 10 | Provisional appropriations and contingency reserve | C - | - | - | - | - | - | - | - | - | - | - | - | - |
| | | P - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Differentiated approps | C 0,0 | 0,4 | 0,3 | 0,1 | 0,2 | 0,6 | 1,0 | 0,1 | 0,9 | 0,3 | 0,2 | 5,5 | 9,6 |
| | Appropriations for payment | P 0,1 | 0,1 | 0,3 | 0,0 | 0,1 | 0,2 | 0,1 | 0,3 | 0,5 | 0,5 | 0,4 | 2,3 | 4,7 |
| TOTALS | Non-differentiated appropriations | C 1,5 | 1,0 | 1,0 | 1,0 | 1,3 | 1,3 | 1,2 | 1,1 | 1,1 | 0,9 | 0,5 | 0,0 | 11,9 |
| | | P 1,1 | 1,0 | 1,1 | 1,0 | 1,3 | 1,2 | 1,2 | 1,1 | 1,2 | 0,9 | 0,5 | 0,0 | 11,6 |

(1) Chapter 59 from January to October only.

| Budgetary classification | Heading | Appropriations authorized in the Initial Budget | Adjustments via | | Final approps. | Commitments contracted | | Payments effected | |
|--------------------------|--|---|------------------------------------|-----------------------|----------------|------------------------|---------------|-------------------|---------------|
| | | | Supplementary and Amending Budgets | transfers of approps. | | Amount | % of approps. | Amount | % of approps. |
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| TITLE 1 | EXPENDITURE RELATING TO PERSONS WORKING WITH THE INSTITUTION | | | | | | | | |
| Chapter 10 | Members of the institution | 3,133 | | | 3,133 | 3,093 | 98,72 | 3,093 | 98,72 |
| Chapter 11 | Staff | 376,585 | | 5,243 | 371,342 | 351,054 | 94,54 | 349,271 | 94,06 |
| Chapter 12 | Allowances and expenses on entering and on leaving the service and on transfer | 14,671 | | | 14,671 | 13,507 | 92,07 | 13,216 | 90,08 |
| Chapter 13 | Expenditure relating to missions and duty travel | 11,274 | | | 11,274 | 10,344 | 91,75 | 7,829 | 69,44 |
| Chapter 14 | Expenditure on social welfare | 1,750 | | 0,813 | 2,563 | 2,536 | 98,95 | 2,051 | 80,02 |
| Chapter 15 | Organization of training courses and further vocational training of staff | 2,150 | | | 2,150 | 2,088 | 97,12 | 1,648 | 76,65 |
| | TITLE 1 - TOTAL | 409,563 | | 4,430 | 405,133 | 382,622 | 94,44 | 377,108 | 93,08 |

| Budgetary classification | Heading | Appropriations authorized in the initial Budget | Adjustments via | | Final approps. | Commitments contracted | | Payments effected | |
|--------------------------|---|---|------------------------------------|-----------------------|----------------|------------------------|---------------|-------------------|---------------|
| | | | Supplementary and Amending Budgets | transfers of approps. | | Amount | % of approps. | Amount | % of approps. |
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| TITLE 2 | BUILDINGS, EQUIPMENT AND MISCELLANEOUS ADMINISTRATIVE EXPENDITURE | | | | | | | | |
| Chapter 20 | Immovable property investments | 0,124 | | 0,510 | 0,634 | 0,610 | 96,21 | 0,112 | 17,67 |
| Chapter 21 | Rental of buildings and associated expenditure | 46,988 | | - 0,177 | 46,811 | 46,551 | 99,44 | 43,923 | 93,83 |
| Chapter 22 | Movable property and associated expenditure | 17,751 | | 4,291 | 22,042 | 21,883 | 99,28 | 18,366 | 83,32 |
| Chapter 23 | Current administrative expenditure | 14,754 | | - 0,194 | 14,560 | 14,142 | 97,13 | 12,485 | 85,75 |
| Chapter 24 | Entertainment and representation expenses | 0,651 | | | 0,651 | 0,531 | 81,57 | 0,388 | 59,60 |
| Chapter 25 | Expenditure on formal and informal meetings | 12,096 | | | 12,096 | 9,759 | 80,68 | 7,881 | 65,15 |
| Chapter 26 | Expenditure on studies, surveys and consultations | 12,500 | | 2,000 | 14,500 | 14,326 | 98,80 | 5,173 | 35,68 |
| Chapter 27 | Expenditure on publishing and Information | 21,552 | | | 21,552 | 21,289 | 98,78 | 16,189 | 75,12 |
| Chapter 28 | Subsidies for balancing budgets | 43,144 | | | 43,144 | 41,342 | 95,82 | 40,853 | 94,69 |
| Chapter 29 | Subsidies and financial contributions | 2,089 | | 0,174 | 2,263 | 2,028 | 89,62 | 1,506 | 66,55 |
| | TITLE 2 - TOTAL | 171,649 | - | 6,604 | 178,253 | 172,461 | 96,75 | 146,875 | 82,40 |

COMMISSION OF THE EUROPEAN COMMUNITIES
 SUMMARY TABLE - BY CHAPTER - OF THE IMPLEMENTATION OF THE STATEMENT OF EXPENDITURE OF SECTION III (COMMISSION) OF THE GENERAL BUDGET FOR THE FINANCIAL YEAR 1979 AS AT 31 DECEMBER 1979

Single Accounting Centre XIX-C-3

■ EUA

| Budgetary classification and heading | Appropriations for commitment | Commitments contracted | | Approps. for payment | Payments effected | | NB: Commitments for the financial year still to be settled |
|--|-------------------------------|------------------------|---------------|----------------------|-------------------|---------------|--|
| | | Amount | % of approps. | | Amount | % of approps. | |
| TITLE 3 COMMUNITY POLICIES IN REGARD, PARTICULARLY, TO RESEARCH, TECHNOLOGY, INDUSTRY, THE SOCIAL SECTOR, THE ENVIRONMENT, AND THE SUPPLY OF ENERGY AND RAW MATERIALS | | | | | | | |
| <u>DIFFERENTIATED APPROPS.</u> | | | | | | | |
| Chapter 30 ^a Expenditure in the social sector | | | | | | | |
| • <u>initial budget</u> | 6,950 | | | 4,765 | | | |
| • <u>outstanding (1)</u> | 4,834 | | | | | | |
| • total | 11,834 | 10,569 | 89,31 | 4,765 | 3,626 | 76,10 | 7,147 |
| Chapter 32 Expenditure under the energy policy | | | | | | | |
| • <u>initial budget</u> | 57,000 | | | 50,500 | | | |
| • <u>transfers</u> | 1,050 | | | 1,050 | | | |
| • <u>outstanding (1)</u> | 66,773 | | | - | | | |
| • total | 122,723 | 68,277 | 55,55 | 49,450 | 1,046 | 2,12 | 55,329 |
| Chapter 33 Expenditure on research and investments | | | | | | | |
| • <u>initial budget</u> | 142,389 | | | 196,361 | | | |
| • <u>transfers</u> | 17,908 | | | 9,688 | | | |
| • <u>outstanding (1)</u> | 156,239 | | | - | | | |
| • <u>outside services (2)</u> | 14,096 | | | 11,342 | | | |
| • total | 330,632 | 248,450 | 75,14 | 217,391 | 140,533 | 64,65 | 92,169 |

^a This Chapter also includes non-differentiated appropriations. See p.

(1) Including the appropriations deriving from sums released in 1979 out of commitments still to be settled from previous financial years, and the total adjustments to the remaining balances of commitments still to be settled from previous financial years and arising from changes in the exchange rate for the EUA.

(2) Appropriations corresponding to the revenue accruing from services rendered on behalf of outside bodies and institutions.

SUMMARY TABLE - BY CHAPTER - OF THE IMPLEMENTATION OF THE STATEMENT
OF EXPENDITURE OF SECTION III (COMMISSION) OF THE GENERAL BUDGET FOR THE
FINANCIAL YEAR 1979 AS AT 31 DECEMBER 1979

Single Accounting Centre XIX-C-3

■ EUA

| Budgetary classification and heading | Appropriations for commitment | Commitments contracted | | Approps. for payment | Payments effected | | NB: Commitments for the financial year still to be settled |
|--|-------------------------------------|------------------------|---------------------|------------------------------|-------------------|---------------------|--|
| | | Amount | % of approps. | | Amount | % of approps. | |
| Chapter 36 ¹⁰ Expenditure on scientific and technical information and on information management | 1,700 2,800 4,160 8,660 | 5,962 | 68,85 | 3,825 1,000 - 4,825 | 1,508 | 31,25 | 2,970 |
| • initial budget | | | | | | | |
| • transfers | | | | | | | |
| • outstanding (1) | | | | | | | |
| • total | | | | | | | |
| Chapter 37 ¹⁰ Expenditure in the industrial and transport sectors | - 17,000 21,045 38,045 | 1,070 | 2,81 | 0,700 8,500 - 9,200 | 0,045 | 0,50 | 0,680 |
| • initial budget | | | | | | | |
| • transfers | | | | | | | |
| • outstanding (1) | | | | | | | |
| • total | | | | | | | |
| TITLE 3 - TOTAL | 512,077 | 334,328 | 65,29 | 285,631 | 146,759 | 51,38 | 159,295 |

*These Chapters also contain
non-differentiated appropriations.
See next page.

(1) Including appropriations
deriving from sums released
in 1979 out of commitments
still to be settled from
previous financial years,
and total adjustments to the
balances remaining from
commitments still to be
settled from previous years
and arising from changes
in the rates of exchange
of the EUA.

| Budgetary classification | Heading | Approps. authorized in the Initial Budget | Adjustments via | | Final Approps. | Commitments contracted | | Payments effected | |
|--------------------------|--|---|------------------------------------|-----------------------|----------------|------------------------|---------------|-------------------|---------------|
| | | | Supplementary and Amending Budgets | transfers of approps. | | Amount | % of approps. | Amount | % of approps. |
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| TITLE 3 | COMMUNITY POLICIES RELATING IN PARTICULAR TO RESEARCH, TECHNOLOGY, INDUSTRY, THE SOCIAL SECTOR, THE ENVIRONMENT AND THE SUPPLY OF ENERGY AND RAW MATERIALS | | | | | | | | |
| | NON-DIFFERENTIATED APPROPRIATIONS | | | | | | | | |
| Chapter 30* | Expenditure in the social sector | 6,170 | 0,650 | | 6,820 | 6,641 | 97,38 | 4,274 | 62,67 |
| Chapter 31 | Expenditure in the agricultural sector | 7,209 | 3,885 | | 11,094 | 8,944 | 80,62 | 2,415 | 21,77 |
| Chapter 32* | Expenditure under the energy policy | token entry | 1,050 | | 1,050 | 1,033 | 98,38 | 0,338 | 32,19 |
| Chapter 34 | Expenditure relating to safeguards | 1,500 | | | 1,500 | 1,145 | 76,33 | 0,626 | 41,73 |
| Chapter 35 | Expenditure relating to the protection of man and his environment | 7,792 | | | 7,792 | 7,049 | 90,46 | 3,522 | 45,20 |
| Chapter 36* | Expenditure on scientific and technical information and on information management | 1,530 | 0,150 | | 1,680 | 1,669 | 99,35 | 1,056 | 62,86 |
| Chapter 37* | Expenditure in the industrial and transport sectors | 1,441 | 0,750 | | 2,191 | 2,161 | 98,63 | 0,877 | 40,03 |
| Chapter 39 | Other expenditure on specific projects undertaken by the Institution | 8,955 | | | 8,955 | 8,440 | 94,25 | 2,880 | 32,16 |
| | Total non-differentiated approps. - total | 24,507 | 2,495 | | 41,062 | 37,690 | 90,26 | 15,989 | 38,92 |

* These Chapters also include differentiated appropriations. See the two preceding pages.

COMMISSION OF THE EUROPEAN COMMUNITIES

Single Accounting Centre XIX-C-3

SUMMARY TABLE - BY CHAPTER - OF THE IMPLEMENTATION OF THE STATEMENT OF EXPENDITURE OF SECTION III (COMMISSION) OF THE GENERAL BUDGET FOR THE FINANCIAL YEAR 1979 AS AT 31 DECEMBER 1979

■ ECUA

| Budgetary classification | Heading | Appropriations authorized in the initial Budget | Adjustments via | | Final appropriations | Commitments contracted | | Payments effected | |
|--------------------------|--|---|------------------------------------|-----------------------------|----------------------|------------------------|---------------------|-------------------|---------------------|
| | | | Supplementary and Amending Budgets | Transfers of appropriations | | Amount | % of appropriations | Amount | % of appropriations |
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| TITLE 4 | REPAYMENTS AND AIDS TO MEMBER STATES AND OTHER AID | | | | | | | | |
| Chapter 40 | Flat-rate repayment to the Member States of costs incurred in collecting own resources | 691,850 | 29,280 | | 721,130 | 721,130 | 100,00 | (1) 666,139 | 92,37 |
| Chapter 41 | Application of the "financial mechanism" pursuant to the Council Decision of 17 May 1976 | token entry | | | token entry | | | | |
| Chapter 42 | Community loans for the purpose of giving balance of payments support | token entry | | | token entry | | | | |
| Chapter 43 | Loans to promote investment in the Community | token entry | | | token entry | | | | |
| Chapter 48 | Exchange differences and deficit carried over from preceding year | token entry | | | token entry | | | | |
| | TITLE 4 - TOTAL | 691,850 | 29,280 | - | 721,130 | 721,130 | 100,00 | 666,139 | 92,37 |

(1) The Member States make over own resources two months after establishment and the flat-rate repayments are made the following month. The sums entered above therefore correspond to the flat-rate repayments for February to December in respect of resources established from November 1978 to September 1979 and paid over by the Member States from January to November.

| Budgetary classification and heading | Appropriations for commitment | | Commitments contracted | | Appropriations for payment | | Payments effected | | Commitments for the financial year still to be settled |
|---|-------------------------------|---------------------|------------------------|---------------------|----------------------------|---------------------|-------------------|---------------------|--|
| | Amount | % of appropriations | Amount | % of appropriations | Amount | % of appropriations | Amount | % of appropriations | |
| TITLE 5 - SOCIAL AND REGIONAL FUNDS | | | | | | | | | |
| SOCIAL FUND | | | | | | | | | |
| DIFFERENTIATED APPROPRIATIONS | | | | | | | | | |
| Chapter 50 - Social Fund - Expenditure under Article 4 of the Council Decision of 1 February 1971 | | | | | | | | | |
| • Initial Budget | 306,000 | | | | 215,000 | | | | |
| • outstanding (1) | 22,632 | | | | | | | | |
| • Total | 328,632 | 93,57 | 307,489 | | 215,000 | 56,51 | 121,506 | | 238,585 |
| Chapter 51 - Social Fund - Expenditure under Article 5 of the Council Decision of 1 February 1971 | | | | | | | | | |
| • Initial Budget | 387,000 | | | | 285,000 | | | | |
| • transfers | 5,000 | | | | 2,500 | | | | |
| • outstanding (1) | 27,991 | | | | | | | | |
| • Total | 419,991 | 93,65 | 393,324 | | 287,500 | 60,45 | 173,806 | | 306,841 |
| Chapter 52 - Social Fund - Pilot schemes and preparatory studies | | | | | | | | | |
| • Initial Budget | 2,500 | | | | 2,500 | | | | |
| • outstanding (1) | 0,634 | | | | | | | | |
| • Total | 3,134 | 98,28 | 3,080 | | 2,500 | 6,72 | 0,168 | | 2,320 |
| Chapter 53 - Social Fund - Measures to promote the employment of young people | | | | | | | | | |
| • Initial Budget | token entry | | | | token entry | | | | |
| • transfers | 72,000 | | | | 25,000 | | | | |
| • Total | 72,000 | 98,00 | 70,562 | | 25,000 | 5,45 | 1,362 | | 69,201 |
| SOCIAL FUND - TOTAL | 823,757 | 94,01 | 774,455 | | 530,000 | 56,01 | 296,842 | | 616,946 |

(1) Including appropriations deriving from sums released in 1979 out of commitments still to be settled from previous financial years, and total adjustments to the balances remaining from commitments still to be settled from fluctuations in ECU exchange rates.

| Budgetary classification and heading | Appropriations for commitment | | Commitments contracted | | Appropriations for payment | | Payments effected | | NB: Commitments for the financial year still to be settled |
|---|-------------------------------|---------------------|------------------------|---------------------|----------------------------|---------------------|-------------------|---------------------|--|
| | Amount | % of appropriations | Amount | % of appropriations | Amount | % of appropriations | Amount | % of appropriations | |
| | | | | | | | | | |
| EUROPEAN REGIONAL DEVELOPMENT FUND | | | | | | | | | |
| Chapter 55 | | | | | | | | | |
| Community measures in support of national regional policies | | | | | | | | | |
| • initial Budget (1) | 900,000 | | | | 483,000 | | | | |
| • outstanding (3) | 55,327 | | | | | | | | |
| • Total | 965,327 | 99,67 | 962,105 | 99,67 | 483,000 | | 159,956 | 33,12 | 731,886 |
| Chapter 56 | | | | | | | | | |
| Specific Community measures | | | | | | | | | |
| • initial Budget (2) | 45,000 | | | | | | | | |
| • Total | 45,000 | 0,00 | - | 0,00 | 16,000 | | - | 0,00 | - |
| REGIONAL FUND - TOTAL | 1.010,327 | 95,23 | 962,105 | 95,23 | 499,000 | | 159,956 | 32,06 | 731,286 |

(1) Including Supplementary and Amending Budgets (Appropriations for commitment: 100,000 ■ EUA)
(Appropriations for payment: 35,000 ■ EUA)

(2) Including Supplementary and Amending Budgets (Appropriations for commitment: 55,000 ■ EUA)
(Appropriations for payment: 19,000 ■ EUA).

(3) Including appropriations deriving from sums released in 1979 out of commitments still to be settled from previous financial years, and total adjustments to the balances remaining from commitments still to be settled from previous years and arising from fluctuations in EUA exchange rates.

COMMISSION OF THE EUROPEAN COMMUNITIES
 SUMMARY TABLE - BY CHAPTER - OF THE IMPLEMENTATION OF THE STATEMENT
 OF EXPENDITURE OF SECTION III (COMMISSION) OF THE GENERAL BUDGET FOR
 THE FINANCIAL YEAR 1979 AS AT 31 DECEMBER 1979

Single Accounting Centre (IX-C-3)

| Budgetary classification | Heading | Appropriations authorized in the initial Budget | Adjustments via | | Final appropriations | Commitments contracted | | Payments effected | |
|--------------------------|---|---|------------------------------------|-----------------------------|----------------------|------------------------|---------------------|-------------------|---------------------|
| | | | Supplementary and amending Budgets | Transfers of appropriations | | Amount | % of appropriations | Amount | % of appropriations |
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| TITLE 5 | SOCIAL AND REGIONAL FUNDS | | | | | | | | |
| Chapter 57 | <u>NON-DIFFERENTIATED APPROPRIATIONS</u> Measures to reduce economic disparities in the Community in the context of the European Monetary System | - | | 245,373 | 245,373 | 245,373 | 100,00 | 173,331 | 70.54 |
| Chapter 59 | Aid to disaster victims in the Community | 5,000 | | | 5,000 | 2,800 | 56,00 | 2,800 | 55,00 |
| | TITLE 5 - TOTAL | 5,000 | - | 245,373 | 250,373 | 248,173 | 99,12 | 176,131 | 70.35 |

SUMMARY TABLE - BY CHAPTER - OF THE IMPLEMENTATION OF THE STATEMENT OF EXPENDITURE OF SECTION III (COMMISSION) OF THE GENERAL BUDGET FOR THE FINANCIAL YEAR 1979 AS AT 31 DECEMBER 1979

COMMISSION OF THE EUROPEAN COMMUNITIES

Single Accounting Centre XIX-C-3

EU A

| Budgetary classification | Heading | Appropriations authorized in the initial Budget | Adjustments via | | Final appropriations | Commitments contracted | | Payments effected | |
|--------------------------|--|---|------------------------------------|-----------------------------|----------------------|------------------------|---------------------|-------------------|---------------------|
| | | | Supplementary and Amending Budgets | Transfers of appropriations | | Amount | % of appropriations | Amount | % of appropriations |
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| TITLES 6 AND 7 | EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND, GUARANTEE SECTION | | | | | | | | |
| Chapter 60 | Cereals | 1,874,200 | - 300,000 | - 8,593 | 1,565,607 | 1,565,607 | 100,0 | 1,565,607 | 100,0 |
| Chapter 61 | Rice | 41,400 | | + 1,293 | 42,693 | 42,693 | 100,0 | 42,693 | 100,0 |
| Chapter 62 | Milk and milk products | 3,717,600 | 742,000 | + 31,406 | 4,491,006 | 4,491,006 | 100,0 | 4,491,006 | 100,0 |
| Chapter 63 | Oils and fats | 522,900 | 70,000 | + 13,444 | 606,344 | 606,344 | 100,0 | 606,344 | 100,0 |
| Chapter 64 | Sugar | 1,004,600 | | - 64,780 | 939,820 | 939,820 | 100,0 | 939,820 | 100,0 |
| Chapter 65 | Beef and veal | 488,300 | 220,000 | + 39,456 | 747,756 | 747,756 | 100,0 | 747,756 | 100,0 |
| Chapter 66 | Pigmeat | 84,900 | 10,000 | + 9,431 | 104,331 | 104,331 | 100,0 | 104,331 | 100,0 |
| Chapter 67 | Eggs and poultrymeat | 41,200 | 25,000 | + 13,286 | 79,486 | 79,486 | 100,0 | 79,486 | 100,0 |
| Chapter 68 | Fruit and vegetables | 326,500 | 90,000 | + 24,956 | 441,456 | 441,456 | 100,0 | 441,456 | 100,0 |
| Chapter 69 | Wine | 119,400 | - 25,000 | - 33,088 | 61,302 | 61,302 | 100,0 | 61,302 | 100,0 |
| Chapter 70 | Tobacco | 262,000 | - 50,000 | + 13,461 | 225,461 | 225,461 | 100,0 | 225,461 | 100,0 |
| Chapter 72 | Ethyl alcohol of agricultural origin | token entry | | | | | | | |
| Chapter 73 | Other sectors or products subject to common market organization | 112,500 | | + 7,711 | 120,211 | 120,211 | 100,0 | 120,211 | 100,0 |

Summary Table - BY CHAPTER - OF THE IMPLEMENTATION OF THE STATEMENT OF EXPENDITURE OF SECTION III (COMMISSION) OF THE GENERAL BUDGET FOR THE FINANCIAL YEAR 1979 AS AT 31 DECEMBER 1979

COMMISSION OF THE EUROPEAN COMMUNITIES

Single Accounting Centre XIX-C-3

■ EJA

| Budgetary classification | Heading | Appropriations authorized in the initial Budget | Adjustments via | | Final appropriations | Commitments contracted | | Payments effected | |
|--------------------------|--|---|------------------------------------|-----------------------------|----------------------|------------------------|---------------------|-------------------|---------------------|
| | | | Supplementary and Amending Budgets | Transfers of appropriations | | Amount | % of appropriations | Amount | % of appropriations |
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| Chapter 74 | Refunds on certain goods obtained by processing agricultural products | 176,200 | 60,000 | + 15,967 | 252,167 | 252,167 | 100,0 | 252,167 | 100,0 |
| Chapter 75 | Accession compensatory amounts granted in respect of Intra-Community trade | 1,200 | 842,000 | - 0,080 | 1,120 | 1,120 | 100,0 | 1,120 | 100,0 |
| | CHAPTERS 64-75 - SUB-TOTAL | 8,772,900 | | + 63,861 | 9,678,761 | 9,678,761 | 100,0 | 9,678,761 | 100,0 |
| Chapter 78 | Monetary compensatory amounts paid or levied in respect of trade in agricultural products Provisional coal levies which were not the subject of commitments under the Budget nomenclature | 809,200 | - 40,000 | - 60,873 | 708,327 | 708,327 | 100,0 | 708,327 | 100,0 |
| | TITLES 6 & 7 - TOTAL | 9,582,100 | 802,000 | + 2,988 | 10,387,088 | 10,387,088 | 100,0 | 10,387,088 | 100,0 |

SUMMARY TABLE - 3: CHAPTER - OF THE IMPLEMENTATION OF THE STATEMENT
OF EXPENDITURE OF SECTION III (COMMISSION) OF THE GENERAL BUDGET FOR
THE FINANCIAL YEAR 1979 AS AT 31 DECEMBER 1979

COMMISSION OF THE EUROPEAN COMMUNITIES

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■ EUA

| Budgetary classification and heading | Approps. for commitment | Commitments contracted | | Appropriations for payment | Payments effected | | NB: Commitments for the financial year still to be settled |
|---|-------------------------------|------------------------|------------------------|----------------------------------|-------------------|------------------------|--|
| | | Amount | % of appropriations | | Amount | % of appropriations | |
| TITLE 8 EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND, GUIDANCE SECTION AND FISHERIES POLICY | | | | | | | |
| <u>DIFFERENTIATED APPROPRIATIONS</u> | | | | | | | |
| Chapter 80 Projects for the improvement of agricultural structures provided for in Article 13 of Regulation No 177/64/EEC | - 71,806 71,806 | (5) 69,754 | 97,14 | 20,000 20,00 | - | 0,00 | 69,754 |
| Chapter 81 Common measures for the reform of agricultural production structures | 183,450 36,962 220,412 | 153,183 | 69,50 | 144,450 144,450 | 83,989 | 58,14 | 4,130 |
| Chapter 82 Common measures concerning the marketing and processing of agricultural products | 123,600 21,641 145,241 | 135,017 | 92,96 | 15,600 15,600 | 1,532 | 9,82 | 132,228 |

(1) Including Supplementary and Amending
Budgets (Approps for payment:
20,000 ■ EUA).

(2) Including Supplementary and Amending
Budgets (Approps for commitment:
1,950 ■ EUA;

approps for payment: 1,950 ■ EUA);

(3) Including Supplementary and Amending
Budgets (Approps for commitment:
2,500 ■ EUA;

approps. for payment: 2,500 ■ EUA).

(4) Including appropriations deriving from
sums released in 1979 out of
commitments still to be settled from
previous financial years, and total
adjustments to the balances remaining
from commitments still to be settled
from previous years and arising from
fluctuations in EUA exchange rates.

(5) Plus the sum of 44,872 ■ EUA from the
reutilization of appropriations for
the financial years 1968 to 1976
(Council Regulation No 3171/75).

| Budgetary classification and heading | Appropriations for commitment | Commitments contracted | | Appropriations for payment | Payments effected | | NB: Commitments for the financial year still to be settled |
|--|-------------------------------------|------------------------|------------------------|----------------------------------|-------------------|------------------------|--|
| | | Amount | % of appropriations | | Amount | % of appropriations | |
| Chapter 83 Common measures in particular sectors | | | | | | | |
| • initial Budget (1) | 78,400 | | | 95,700 | | | |
| • transfers (3) | 30,360 | | | 30,360 | | | |
| • outstanding | 81,975 | | | - | | | |
| • Total | 130,015 | 97,713 | 67,46 | 65,340 | 1,870 | 2,86 | - |
| Chapter 84 Common measures concerning agricultural infrastructure | | | | | | | |
| • initial Budget (2) | 54,650 | | | 40,250 | | | |
| • Total | 54,650 | 3,826 | 7,00 | 40,250 | 3,826 | 9,51 | - |
| Chapter 85 Special measures | | | | | | | |
| • initial Budget | 3,500 | | | 3,500 | | | |
| • outstanding (3) | 20,013 | | | 3,500 | | | |
| • Total | 23,513 | 5,727 | 24,36 | 289,140 | 0,005 | 0,14 | - |
| CHAPTERS 80 TO 85 - TOTAL | 645,636 | 455,219 | 70,51 | | 91,222 | 31,55 | 206,112 |
| Chapter 86 Common measures to improve fishery structures | | | | | | | |
| • initial Budget | 0,100 | | | 0,100 | | | |
| • transfers | 15,000 | | | 15,000 | | | |
| • outstanding (3) | 5,213 | | | | | | |
| • Total | 20,313 | 5,129 | 25,25 | 15,100 | - | 0,00 | 4,372 |
| GUIDANCE SECT - TOTAL | 665,949 | 460,348 | 69,13 | 304,240 | 91,222 | 29,98 | 210,490 |

(1) including Supplementary and Amending Budgets (Approps for commitment: 35,900 ■ ECU; approps for payment: 37,700 ■ ECU).

(2) Including Supplementary and Amending Budgets (Approps for commitment: 22,250 ■ ECU; approps for payment: 14,550 ■ ECU).

(3) Including the appropriations deriving from sums released in 1979 out of commitments still to be settled from previous financial years.

| Budgetary classification and heading | Appropriations for commitment | Commitments contracted | | Appropriations for payment | Payments effected | | NB: Commitments for the financial year still to be settled |
|---|-------------------------------------|------------------------|------------------------|----------------------------------|-------------------|------------------------|--|
| | | Amount | % of appropriations | | Amount | % of appropriations | |
| | | | | | | | |
| Chapter 87 Specific measures in the fisheries sector | | | | | | | |
| • initial Budget | 40,000 | | | 16,000 | | | |
| • outstanding | 16,000 | | | 16,000 | | | |
| • Total | 56,000 | 21,751 | 38,84 | 16,000 | 5,751 | 35,94 | - |
| TITLE 8 - TOTAL | 721,949 | 482,099 | 66,78 | 320,240 | 96,973 | 30,28 | 210,490 |

■ EUA

COMMISSION OF THE EUROPEAN COMMUNITIES
 SUPPLY TABLE - BY CHAPTER - OF THE IMPLEMENTATION OF THE STATEMENT
 OF EXPENDITURE OF SECTION III (COMMISSION) OF THE GENERAL BUDGET FOR
 THE FINANCIAL YEAR 1979 AS AT 31 DECEMBER 1979

Single Accounting Centre XIX-C-3

2 504

| Budgetary classification | Heading | Appropriations authorized in the initial budget | Adjustments via | | Final appropriations | Commitments contracted | | Payments effected | |
|--------------------------|---|---|------------------------------------|-----------------------------|----------------------|------------------------|---------------------|-------------------|------------------|
| | | | Supplementary and Amending Budgets | Transfers of appropriations | | Amount | % of appropriations | Amount | % of commitments |
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| TITLE 8 | EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND - | | | | | | | | |
| | GUIDANCE SECTION AND FISHERIES POLICY | | | | | | | | |
| Chapter 88 | NON-DIFFERENTIATED APPROPRIATIONS Common organization of market in fishery products | 20,000 | | - 2,988 | 17,012 | 17,012 | 100,0 | 17,012 | 100,0 |
| Chapter 89 | Assumption by the Community of certain financial obligations pursuant to Agreements on fishing rights in non-Community waters | token entry | | 5,460 | 5,460 | 4,577 | 83,83 | 4,577 | 82,83 |
| | TITLE 8 - TOTAL | 20,000 | - | 2,472 | 22,472 | 21,589 | 96,07 | 21,589 | 96,07 |

**SUMMARY TABLE - BY CHAPTER - OF THE IMPLEMENTATION OF THE STATEMENT
OF EXPENDITURE OF SECTION III (COMMISSION) OF THE GENERAL BUDGET
FOR THE FINANCIAL YEAR 1979 AS AT 31 DECEMBER 1979**

COMMISSION OF THE EUROPEAN COMMUNITIES

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■ EUA

| Budgetary classification and heading | Approps for commitment | Commitments contracted | | Approps for payment | | Payments effected | | M.B.: Commitments for the financial year still to be settled |
|--|------------------------------|------------------------|--------------------|---------------------|--------------------|-------------------|--------------------|--|
| | | Amount | % of approps | Amount | % of approps | Amount | % of approps | |
| TITLE 9 COOPERATION WITH DEVELOPING COUNTRIES AND OTHER NON-MEMBER COUNTRIES | | | | | | | | |
| <u>DIFFERENTIATED APPROPS</u> | | | | | | | | |
| Chapter 93* Financial and technical cooperation with non-associated developing countries | | | | | | | | |
| • initial Budget | 139,120 | | | 60,120 | | | | |
| • transfers | 1,000 | | | 1,000 | | | | |
| • outstanding (1) | 45,608 | | | | | | | |
| • Total | 183,728 | 123,746 | 67,35 | 59,120 | 1,281 | 2,17 | 117,610 | |
| Chapter 94* Specific measures for cooperation with developing countries | | | | | | | | |
| • initial Budget | 12,000 | | | 7,500 | | | | |
| • transfers | 0,467 | | | 0,467 | | | | |
| • outstanding (1) | 6,034 | | | | | | | |
| • Total | 12,501 | 12,242 | 97,93 | 7,967 | 7,967 | 100,00 | 7,285 | |
| Chapter 96* Cooperation with non-member countries | | | | | | | | |
| • initial Budget | 187,000 | | | 120,600 | | | | |
| • outstanding (1) | 222,300 | | | | | | | |
| • transfers (2) | 30,000 | | | | | | | |
| • Total | 379,300 | 208,018 | 54,84 | 120,600 | 16,704 | 13,85 | 146,789 | |
| TITLE 9 - TOTAL | 575,529 | 344,007 | 59,77 | 187,627 | 25,951 | 13,83 | 271,684 | |

*These Chapters also contain non-differentiated appropriations. See next page.

(1) Including appropriations deriving from sums released in 1979 out of commitments still to be settled from previous financial years and total adjustments to the balances remaining from commitments still to be settled from previous years and arising from changes in EUA exchange rates.

(2) Drawn from outstanding appropriations.

| Budgetary classification | Heading | Approps authorized in the Initial Budget | Adjustments via | | Final approps | Commitments contracted | | Payments effected | |
|--------------------------|--|--|---------------------------------|---------------------------|---------------|------------------------|-------------|-------------------|-------------|
| | | 1 | 2 Supp. and Amending Budgets | 3 Transfers of approps | | 4 | 5 Amount | 6 % of approps | 7 Amount |
| TITLE 9 | COOPERATION WITH DEVELOPING COUNTRIES AND OTHER NON-MEMBER COUNTRIES | | | | | | | | |
| | <u>NON-DIFFERENTIATED APPROPRIATIONS</u> | | | | | | | | |
| Chapter 92 | Food aid | 287,336 | | 8,700 | 296,036 | 296,036 | 100,00 | 158,937 | 53,69 |
| Chapter 93* | Financial and technical cooperation with non-associated developing countries | 0,500 | | | 0,500 | 0,497 | 99,40 | 0,203 | 40,60 |
| Chapter 94* | Specific measures for cooperation with developing countries | 5,189 | | 0,467 | 4,722 | 4,343 | 91,97 | 3,530 | 74,76 |
| Chapter 95 | Exceptional measures to assist developing countries and other non-member countries | 3,000 | | 39,000 | 42,000 | 42,000 | 100,00 | 38,500 | 91,67 |
| Chapter 96* | Cooperation with non-member countries | 10,691 | | | 10,691 | 4,234 | 39,60 | 3,570 | 33,39 |
| | TITLE 9 - TOTAL | 306,716 | | 47,233 | 353,949 | 347,110 | 98,07 | 204,740 | 57,84 |

SUMMARY TABLE - BY CHAPTER - OF THE IMPLEMENTATION OF THE
STATEMENT OF EXPENDITURE OF SECTION III (COMMISSION) OF THE GENERAL
BUDGET FOR THE FINANCIAL YEAR 1979 AS AT 31 DECEMBER 1979

COMMISSION OF THE EUROPEAN COMMUNITIES

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■ EUA

| Budgetary classification | Heading | Approps authorized in the Initial Budget | Adjustments via | | Final approps | Commitments contracted | | Payments effected | |
|--------------------------|--|--|---------------------------|----------------------|---------------|------------------------|--------------|-------------------|--------------|
| | | | Supp. and Amending Budget | Transfers of approps | | Amount | % of approps | Amount | % of approps |
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| TITLE 10 | OTHER EXPENDITURE | | | | | | | | |
| Chapter 100 | Provisional appropriations: | | | | | | | | |
| | Differentiated .Approps for commi. appropriations | 184,688 | - 23,300 | - 123,208 | 38,180 | | | | |
| | .Approps for payment | 97,256 | - 23,300 | - 55,188 | 18,768 | | | | |
| | Non-differentiated appropriations | 9,145 | 245,373 | - 250,573 | 3,945 | | | | |
| Chapter 101 | Contingency reserve | 5,000 | - | - 0,709 | 4,291 | | | | |
| Chapter 102 | Reserve to cover any shortfall in appropriations, when converted into national currencies, resulting from differences between the EUA rates used when the Budget estimates are drawn up and the rates of conversion into national currencies obtaining at the time of implementation | token entry | | | token entry | | | | |
| | TITLE 10 - TOTAL | | | | | | | | |
| | Differentiated .Approps for commi. appropriations | 184,688 | - 23,300 | - 123,208 | 38,180 | | | | |
| | .Approps for payment | 97,256 | - 23,300 | - 55,188 | 18,768 | | | | |
| | Non-differentiated appropriations | 14,145 | 245,373 | - 251,282 | 8,236 | | | | |
| | GRAND TOTALS: | | | | | | | | |
| | DIFFERENTIATED APPROPRIATIONS | | | | | | | | |
| | .Approps for commi. | 3,091,747 | - 260,000 | 850,073 | 3,681,820 | 2,896,994 | 79,68 | 726,482 | 39,45 |
| | .Approps for payment | 2,009,427 | - 154,000 | 14,101 | 1,841,326 | - | - | - | - |
| | NON-DIFFERENTIATED APPROPRIATIONS | 11,235,621 | 1,076,053 | 55,442 | 12,367,116 | 12,317,253 | 99,59 | 11,995,658 | 96,99 |

SUMMARY OF ALL TRANSFERS BETWEEN CHAPTERS

UNDER THE FINANCIAL YEAR 1979

(Statistical tables)

**SUMMARY OF TRANSFERS MADE BETWEEN CHAPTERS
BY 31 DECEMBER 1979**

1. Non-differentiated appropriations

| CHAPTERS TO WHICH APPROPRIATIONS TRANSFERRED | AMOUNT | CHAPTERS FROM WHICH APPROPRIATIONS TRANSFERRED |
|--|-----------|---|
| 14. Expenditure on social welfare | 813.000 | 11. Staff |
| 20. Immovable property investments | 510.000 | 21. Rental of buildings and associated expenditure 490.000 22. Movable property and associated expenditure 20.000 |
| 21. Rental of buildings and associated expenditure | 312.965 | 22. Movable property and associated expenditure 118.555 23. Stationery and office supplies 194.410 |
| 22. Movable property and associated expenditure | 4.430.000 | 11. Staff |
| 26. Expenditure on studies, surveys and consultations | 2.000.000 | 100. Provisional appropriations |
| 29. Subsidies and financial contributions | 174.000 | 100. Provisional appropriations 50.000 101. Contingency reserve 124.000 |
| 30. Expenditure in the social sector | 650.000 | 100. Provisional appropriations |
| 31. Expenditure in the agricultural sector | 3.885.000 | 83. Common measures in particular sectors 2.800.000 (see differentiated appropriations) 100. Provisional appropriations 1.000.000 101. Contingency reserve 85.000 |

1. Non-differentiated appropriations (continued)

| CHAPTERS TO WHICH APPROPRIATIONS TRANSFERRED | AMOUNT | CHAPTERS FROM WHICH APPROPRIATIONS TRANSFERRED |
|---|---------------|--|
| 36. Expenditure on scientific and technical information and on information management | 150.000 | 100. Provisional appropriations |
| 37. Expenditure in the industrial and transport sectors | 750.000 | 100. Provisional appropriations |
| 57. Measures to reduce economic disparities in the Community in the context of the European Monetary System | 245.373.000 | 100. Provisional appropriations |
| 61. Rice | 1.292.617,06 | 60. Cereals |
| 62. Milk and milk products | 31.405.902,68 | 60. Cereals 7.300.785,83 |
| | | 64. Sugar 24.105.116,85 |
| 63. Oils and fats | 13.444.454,83 | 64. Sugar |
| 65. Beef and veal | 39.455.596,69 | 64. Sugar 27.230.694,48 |
| | | 69. Wine 12.224.902,21 |
| 66. Pigmeat | 9.431.348,07 | 69. Wine |
| 67. Eggs and poultrymeat | 13.286.308,99 | 69. Wine 11.441.433,81 |
| | | 75. Accession compensatory amounts granted in respect of intra-Community trade 80.095,60 |
| | | 78. Monetary compensatory amounts charged or granted in respect of trade in agricultural products 1.764.779,58 |

1. Non-differentiated appropriations (continued)

| CHAPTERS TO WHICH APPROPRIATIONS TRANSFERRED | AMOUNT | CHAPTERS FROM WHICH APPROPRIATIONS TRANSFERRED |
|---|---------------|---|
| 68. Fruit and vegetables | 24.955.820,66 | 78. Monetary compensatory amounts charged or granted in respect of trade in agricultural products |
| 70. Tobacco | 13.461.070,69 | 78. Monetary compensatory amounts charged or granted in respect of trade in agricultural products |
| 73. Other sectors or products subject to common market organization | 7.711.377,76 | 78. Monetary compensatory amounts charged or granted in respect of trade in agricultural products |
| 74. Refunds on certain goods obtained by processing agricultural products | 15.967.466,62 | 78. Monetary compensatory amounts charged or granted in respect of trade in agricultural products 12.979.478,48 88. Common organization of the market in fishery products 2.987.988,14 |
| 89. Assumption by the Community of certain financial obligations pursuant to agreements on fishing rights in non-Community waters | 5.460.000 | 83. Common measures in particular sectors 4.860.000 (see differentiated appropriations) 100. Provisional appropriations 600.000 |
| 92. Food aid | 8.700.000 | 83. Common measures in particular sectors (see differentiated appropriations) |
| 95. Exceptional measures to assist developing countries and non-member countries | 39.000.000 | 83. Common measures in particular sectors 4.000.000 (see differentiated appropriations) 93. Financial and technical cooperation with non-associated developing countries (see differentiated appropriations) 1.000.000 |

1. Non-differentiated appropriations (continued)

| CHAPTERS TO WHICH APPROPRIATIONS TRANSFERRED | AMOUNT | CHAPTERS FROM WHICH APPROPRIATIONS TRANSFERRED |
|--|----------------|---|
| | | <p>96. Cooperation with non-member countries (see differentiated appropriations) 30.000.000</p> <p>100. Provisional appropriations (see differentiated appropriations) 3.500.000</p> <p>101. Contingency reserve 500.000</p> |
| TOTAL | 482.619.929,05 | |

SUMMARY OF TRANSFERS MADE BETWEEN CHAPTERS BY
31 DECEMBER 1979

2. Differentiated appropriations

| CHAPTERS TO WHICH APPROPRIATIONS TRANSFERRED | AMOUNT | | CHAPTERS FROM WHICH APPROPRIATIONS TRANSFERRED |
|---|--|---------------------------------------|--|
| | APPRO- PRIATIONS FOR COMMITMENT | APPRO- PRIATIONS FOR PAYMENT | |
| 31. Expenditure in the agricultural sector (see non-differentiated appropriations) | | | 83. Common measures in particular sectors 2.800.000 |
| 33. Expenditure on research and investment | 17.908.000 | 9.688.200 | 100. Provisional appropriations |
| 36. Expenditure on scientific and technical information and on information management | 2.800.000 | 1.000.000 | 100. Provisional appropriations |
| 37. Expenditure in the industrial and transport sectors | 17.000.000 | 8.500.000 | 100. Provisional appropriations |
| 51. Social Fund - Expenditure provided for under Article 5 of the Council Decision of 1 February 1971 | 5.000.000 | 2.500.000 | 100. Provisional appropriations |
| 53. Social Fund - Measures to promote the employment of young people | 72.000.000 | 25.000.000 | 100. Provisional appropriations |
| 86. Common measures to improve fisheries structures | 15.000.000 | 15.000.000 | 83. Common measures in particular sectors 10.000.00 100. Provisional appropriations 5.000.000 |

2. Differentiated appropriations (continued)

| CHAPTERS TO WHICH APPROPRIATIONS TRANSFERRED | AMOUNT | | CHAPTERS FROM WHICH APPROPRIATIONS TRANSFERRED |
|---|-------------------------------|----------------------------|--|
| | APPROPRIATIONS FOR COMMITMENT | APPROPRIATIONS FOR PAYMENT | |
| 89. Assumption by the Community of certain financial obligations pursuant to agreements on fishing rights in non-Community waters (see non-differentiated appropriations) | | | 83. Common measures in particular sectors 4.860.000 |
| 92. Food aid (see non-differentiated appropriations) | | | 83. Common measures in particular sectors 8.700.000 |
| 95. Exceptional measures to assist developing countries and non-member countries (see non-differentiated appropriations) | | | 83. Common measures in particular sectors 4.000.000 93. Financial and technical cooperation with non-associated developing countries 1.000.000 96. Cooperation with non-member countries 30.000.000 (from appropriations still available and carryovers). 100. Provisional appropriations 3.500.000 (appropriation originally intended for Item 3351) |
| TOTALS | 129.708.000 | 61.688.200 | |

SITUATION IN CHAPTER 100 - PROVISIONAL APPROPRIATIONS

Initial allocation: 254.518.000 EUA

EUA

| ARTICLE OR ITEM | HEADING | TRANSFERS MADE |
|---|---|-------------------|
| <u>A. Non-differentiated appropriations</u> | | |
| 264 | Statistical studies and surveys | 2.000.000 |
| 2987 | International Agreements on fisheries | 50.000 |
| 302 | Tasks entrusted to the institution to promote exchanges of young workers | 650.000 |
| 3101 | EEC participation in the campaign against African swine fever: local measures | 1.000.000 |
| 3611 | Assessment and utilization of research findings | 150.000 |
| 3740 | Safety of persons carried in private cars | 750.000 |
| 570 | Interest rate subsidies on Community loans to the less-prosperous Member States participating in the European Monetary System | 200.000.000 |
| 571 | Financial compensation to the United Kingdom | 45.373.000 |
| 890 | Reimbursements in respect of certain financial obligations relating to fishing in the Adriatic | 600.000 |
| TOTAL | | 250.573.000 |

Available: 3.945.000 EUA.

SITUATION IN CHAPTER 100 - PROVISIONAL APPROPRIATIONS

Initial allocation: Appropriations for commitment - 161.388.000 EJA

Appropriations for payment - 73.956.200 EJA

EUA

| ARTICLE OR ITEM | HEADING | APPROPRIATIONS FOR COMMITMENT | APPROPRIATIONS FOR PAYMENT |
|--|---|-------------------------------------|----------------------------------|
| | | TRANSFERS MADE | |
| B. <u>Differentiated appropriations</u> | | | |
| 3333 | Measures for physical protection at JRC Establishments | 2.212.000 | 1.292.200 |
| 3353 | Reference materials and methods (Community Bureau of References [GER]) | 2.817.000 | 2.017.000 |
| 3354 | Environment | 4.800.000 | 2.400.000 |
| 3355 | Plutonium recycling in light-water reactors | 260.000 | 260.000 |
| 3357 | Energy research and development | 4.000.000 | 2.000.000 |
| 3359 | Decommissioning of nuclear installations | 500.000 | 500.000 |
| 3363 | Safety of water-cooled thermal reactors | 3.319.000 | 1.219.000 |
| 3620 | Three-year plans of action | 2.800.000 | 1.000.000 |
| 3702 | Community projects for the development of data-processing | 2.000.000 | 1.000.000 |
| 3750 | Measures on behalf of certain crisis-hit industrial sectors | 15.000.000 | 7.500.000 |
| 512 | Consequences of industrial conversion | 5.000.000 | 2.500.000 |
| 53 | Social Fund: Measures to promote the employment of young people | 72.000.000 | 25.000.000 |
| 860 | Common measures to improve the structures of non-industrial inshore fisheries | 5.000.000 | 5.000.000 |
| 950 | Community aid to disaster victims in developing and non-member countries | 3.500.000 | 3.500.000 |
| TOTAL | | 123.208.000 | 55.188.200 |

Available: Appropriations for commitment: 38.180.000 EJA
 Appropriations for payment: 18.768.000 EJA.

SITUATION IN CHAPTER 101 - CONTINGENCY RESERVE

Initial allocation: 5.000.000 EUA

EUA

| ARTICLE OR ITEM | HEADING | TRANSFER MADE |
|-----------------------|--|---------------|
| 290 | Subsidies to institutions of higher education | 124.000 |
| 316 | Community action relating to the vocational training of farmers | 85.000 |
| 950 | Community aid to disaster victims in developing and non-member countries | 500.000 |
| | TOTAL | 709.000 |

Available: 4.291.000 EUA.

UTILIZATION OF APPROPRIATIONS CARRIED

OVER FROM 1978 TO 1979

(Statistical tables)

SUMMARY TABLE OF THE UTILIZATION OF APPROPRIATIONS
CARRIED OVER FROM 1978 TO 1979 IN SECTION III (COMMISSION) OF
THE GENERAL BUDGET AS AT 31 DECEMBER 1979

| Budgetary classification | Heading | Automatic carryovers | Payments | % of carryovers | Appropriations cancelled or to be carried over (2) | Non-automatic carryovers | Commitments contracted | | Payments effected | | Approps. cancelled |
|--------------------------|---|----------------------|-----------|-----------------|--|--------------------------|------------------------|-----------------|-------------------|---------------|--------------------|
| | | | | | | | Amount | % of carryovers | Amount | % of approps. | |
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| TITLE 1 | Expenditure relating to persons working with the institution | 2,979 | 2,741 | 92,01 | 0,238 | | | | | | |
| TITLE 2 | Buildings, equipment and misc. admin. expenditure | 26,791 | 25,165 | 93,93 | 1,626 | | | | | | |
| TITLE 3 | Community policies relating in particular to research, technology, industry, the social sector, the environment and the supply of raw materials | | | | | | | | | | |
| TITLE 4 | Differentiated appropriations | 154,378 | 116,698 | 75,59 | 37,680 | | | | | | |
| | Non-differentiated appropriations | 4,291 | 13,323 | 93,23 | 0,968 | 17,000 | 14,759 | 86,82 | 14,759 | 86,82 | 2,241 |
| | Repayments and aid to Member States and miscellaneous | 60,876 | 60,428 | 99,36 | 0,388 | 0,430 | - | 0,00 | - | - | 0,430 |
| Chap. 50/52 | Social Fund (diff. approps) | 299,528 | 298,861 | 99,78 | 0,667 | | | | | | |
| Chap. 55 | Regional Fund (diff. approps) | 353,191 | 353,191 | 100,00 | - | | | | | | |
| Chap. 58 | Community aid to the Friuli disaster area | 29,238 | 5,381 | 18,40 | (2) 23,857 | 30,431 | 30,431 | 100,00 | 30,431 | 100,00 | - |
| TITLES 6&7 | EAGGF - Guarantee Section | | | | | | | | | | |
| TITLE 8 | EAGGF - Guidance Section | | | | | | | | | | |
| | Differentiated appropriations | 302,740 | 199,863 | 66,02 | 102,877 | | | | | | |
| | Appropriations from financial years prior to 1977 | 449,711 | 98,848 | 21,98 | (2) 350,863 | 122,221 (2) | 121,604 | 100,00 | 29,480 | 24,12 | 0,617 |
| TITLE 9 | Cooperation with developing countries and other non-member countries | 104,338 (1) | 68,379 | 65,54 | 35,959 | | | | | | |
| | Differentiated appropriations | 100,500 | 100,327 | 99,83 | 0,173 | 6,000 | 6,000 | 100,00 | 6,000 | 100,00 | - |
| | Non-differentiated approps | 1,214,175(1) | 1,036,993 | 85,41 | 177,182 | | | | | | |
| | TOTALS | 684,327 | 306,213 | 44,75 | 378,114 | 176,082 | 172,794 | 98,48 | 80,669 | 45,81 | 3,288 |

(1) After transfer of 30,000 m EUA to approps for the financial year.

(2) Approps carried over automatically during a period of 5 years, after which non-automatic carry-overs may be made if necessary.

COMMISSION OF THE EUROPEAN COMMUNITIES

SUMMARY TABLE OF THE UTILIZATION OF APPROPRIATIONS
CARRIED OVER FROM 1978 TO 1979 IN SECTION III (COMMISSION) OF
THE GENERAL BUDGET AS AT 31 DECEMBER 1979

Single Accounting Centre XIX-C-3

• ECU

| Budgetary classification | Heading | Automatic carryovers | Payments | % of carryovers | Appropriations cancelled | Non-automatic carryovers | Commitments contracted | | Payments effected | | Approps. cancelled |
|--------------------------|--|----------------------|----------|-----------------|--------------------------|--------------------------|------------------------|-----------------|-------------------|--------------|--------------------|
| | | | | | | | Amount | % of carryovers | Amount | % of approps | |
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| TITLE 1 | EXPENDITURE RELATING TO PERSONS WORKING WITH THE INSTITUTION | | | | | | | | | | |
| Chapter 11 | Staff | 0,944 | 0,891 | 94,39 | 0,053 | | | | | | |
| Chapter 12 | Allowances and expenses on entering and on leaving the service and on transfer | 0,178 | 0,154 | 86,52 | 0,024 | | | | | | |
| Chapter 13 | Expenditure relating to missions and duty travel | 1,365 | 1,303 | 95,46 | 0,062 | | | | | | |
| Chapter 14 | Expenditure on social welfare | 0,351 | 0,283 | 80,63 | 0,068 | | | | | | |
| Chapter 15 | Internal training courses and vocational training of staff | 0,441 | 0,110 | 78,01 | 0,031 | | | | | | |
| | TITLE 1 - TOTAL | 2,979 | 2,741 | 92,01 | 0,238 | | | | | | |

SUMMARY TABLE OF THE UTILIZATION OF APPROPRIATIONS
CARRIED OVER FROM 1978 TO 1979 IN SECTION III (COMMISSION) OF
THE GENERAL BUDGET AS AT 31 DECEMBER 1979

| Budgetary classification | Heading | Automatic carryovers | Payments | % of carryovers | Appropriations cancelled | Non-automatic carryovers | Commitments contracted | | Payments effected | | Approps. cancelled |
|--------------------------|---|----------------------|----------|-----------------|--------------------------|--------------------------|------------------------|-----------------|-------------------|--------------|--------------------|
| | | | | | | | Amount | % of carryovers | Amount | % of approps | |
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| TITLE 2 | BUILDINGS, EQUIPMENT AND MISCELLANEOUS ADMINISTRATIVE EXPENDITURE | | | | | | | | | | |
| Chapter 20 | Immovable property investments | 0,008 | 0,007 | 87,50 | 0,001 | | | | | | |
| Chapter 21 | Rental of buildings and associated expenditure | 2,368 | 2,247 | 94,89 | 0,121 | | | | | | |
| Chapter 22 | Movable property and associated expenditure | 4,851 | 3,943 | 94,99 | 0,208 | | | | | | |
| Chapter 23 | Current administrative expenditure | 2,054 | 1,868 | 90,94 | 0,186 | | | | | | |
| Chapter 24 | Entertainment and representation expenses | 0,125 | 0,091 | 72,80 | 0,034 | | | | | | |
| Chapter 25 | Expenditure on formal and other meetings | 1,377 | 1,181 | 85,77 | 0,196 | | | | | | |
| Chapter 26 | Expenditure on studies, surveys and consultations | 7,452 | 7,196 | 96,56 | 0,256 | | | | | | |
| Chapter 27 | Expenditure on publishing and information | 8,696 | 8,136 | 93,56 | 0,560 | | | | | | |
| Chapter 28 | Subsidies for balancing budgets | 0,261 | 0,240 | 91,95 | 0,021 | | | | | | |
| Chapter 29 | Subsidies and financial contributions | 0,298 | 0,255 | 85,91 | 0,042 | | | | | | |
| | TITLE 2 - TOTAL | 86,791 | 25,165 | 93,93 | 1,626 | | | | | | |

• EUA

| Budgetary classification and heading | Appropriations for payment carried over | Payments made | | | | Appropriations for equipment cancelled (Col. 1 - Col. 4) | NB: Commitments from years prior to 1979 still to be settled (1) |
|---|---|---------------------------|------------------|------------------------------|-----------------|--|--|
| | | Commitments prior to 1979 | 1979 commitments | Total payments (Cols. 2 + 3) | % of carryovers | | |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| TITLE 3 COMMUNITY POLICIES RELATING IN PARTICULAR TO RESEARCH, TECHNOLOGY, INDUSTRY, THE SOCIAL SECTOR, THE ENVIRONMENT AND THE SUPPLY OF ENERGY AND RAW MATERIALS | | | | | | | |
| <u>Chapter 30*</u> Expenditure in the social sector | 1,381 | 1,333 | 0,048 | 1,381 | 100,000 | - | 0,895 |
| <u>Chapter 32*</u> Expenditure under the energy policy | 46,187 | 15,487 | 11,902 | 27,389 | 59,30 | 18,798 | 46,209 |
| <u>Chapter 33</u> Expenditure on research and investment | 100,486 | 50,676 | 33,928 | 84,605 | 84,20 | 15,881 | 60,648 |

* This Chapter also contains non-differentiated appropriations.

(1) Taking into account sums which may be released and adjustments due to changes in the EUA rates.

COMMISSION OF THE EUROPEAN COMMUNITIES
Single Accounting Centre N.Y. C-3

SUMMARY TABLE OF THE UTILIZATION OF APPROPRIATIONS
CARRIED OVER FROM 1978 TO 1979 IN SECTION III (COMMISSION)
OF THE GENERAL BUDGET AS AT 31 DECEMBER 1979

■ EUA

| Budgetary classification and heading | Appropriations for payment carried over | Payments made | | | | Appropriations for payment cancelled (Col. 1 - Col. 4) | NB: Commitments from years prior to 1979 still to be settled (1) |
|--|---|---------------------------|------------------|------------------------------|-----------------|--|--|
| | | Commitments prior to 1979 | 1979 commitments | Total payments (Cols. 2 + 3) | % of carryovers | | |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| TITLE 3 (continued) | | | | | | | |
| Chapter 36* Expenditure on scientific and technical information and on information management | 2,061 | 1,399 | 0,662 | 2,061 | 100,00 | - | 0,151 |
| Chapter 37* Expenditure in the industrial and transport sectors | 4,263 | 0,919 | 0,345 | 1,263 | 29,63 | 3,000 | 0,515 |
| TITLE 3 (Differentiated appropriations) - TOTAL | 154,378 | 69,814 | 46,885 | 116,698 | 75,59 | 37,680 | 108,418 |

* These Chapters also contain non-differentiated appropriations. See next page.

(1) Taking into account sums which may be released and adjustments due to changes in the EUA rates.

| Budgetary classification | Heading | Automatic carryovers | | Payments | % of carryovers | Approps cancelled | Non-automatic carryovers | Commitments contracted | | Payments effected | | Approps cancelled |
|--------------------------|--|----------------------|--------|----------|-----------------|-------------------|--------------------------|------------------------|--------|-------------------|--------|-------------------|
| | | 1 | 2 | | | | | 3 | 4 | 5 | 6 | |
| TITLE 3 | COMMUNITY POLICIES RELATING IN PARTICULAR TO RESEARCH, TECHNOLOGY, INDUSTRY, THE SOCIAL SECTOR, THE ENVIRONMENT AND THE SUPPLY OF ENERGY AND RAW MATERIALS | | | | | | | | | | | |
| | <u>NON-DIFFERENTIATED APPROPS</u> | | | | | | | | | | | |
| Chapter 30* | Expenditure in the social sector | 0,952 | 0,873 | | 85,40 | 0,139 | | | | | | |
| Chapter 31 | Expenditure in the agricultural sector | 4,549 | 4,200 | | 92,33 | 0,349 | | | | | | |
| Chapter 34 | Expenditure relating to safeguards | 0,454 | 0,319 | | 70,26 | 0,135 | | | | | | |
| Chapter 35 | Protection of man and his environment | 2,987 | 2,861 | | 95,78 | 0,126 | | | | | | |
| Chapter 36* | Expenditure on scientific and technical information and on information management | 0,791 | 0,684 | | 86,47 | 0,107 | | | | | | |
| Chapter 37* | Expenditure in the industrial and transport sectors | 1,211 | 1,210 | | 99,92 | 0,001 | 15,000 | 13,983 | 13,983 | 95,22 | 13,983 | 1,017 |
| Chapter 39 | Other expenditure on specific projects undertaken by the institution | 3,347 | 3,236 | | 96,68 | 0,111 | 2,000 | 0,776 | 0,776 | 38,80 | 0,776 | 1,224 |
| | TITLE 3 (Non-differentiated appropriations) - TOTAL | 14,291 | 13,323 | | 93,23 | 0,968 | 17,000 | 14,759 | 14,759 | 86,82 | 14,759 | 2,241 |

*These Chapters also contain differentiated appropriations. See two previous pages.

COMMISSION OF THE EUROPEAN COMMUNITIES

SUMMARY TABLE

OF THE UTILIZATION OF APPROPRIATIONS CARRIED OVER FROM 1978 TO 1979
IN SECTION III (COMMISSION) OF THE GENERAL BUDGET AS AT 31 DECEMBER 1979

Single Accounting Centre XIX-C-3

m EUA

| Budgetary classification | Heading | Automatic carry-overs | Payments | % of carry-overs | Approps cancelled | Non-automatic carry-overs | Commitments contracted | | Payments effected | | Approps cancelled |
|--------------------------|---|-----------------------|----------|------------------|-------------------|---------------------------|------------------------|------------------|-------------------|--------------|-------------------|
| | | | | | | | Amount | % of carry-overs | Amount | % of approps | |
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| TITLE 4 | REPAYMENTS AND AID TO MEMBER STATES AND MISCELLANEOUS | | | | | | | | | | |
| Chapter 40 | Flat-rate repayment to Member States of the cost incurred in collecting own resources | 60,816 | 60,428 | 99,36 | 0,388 | | | | | | |
| Chapter 47 | Assumption by the European Community of certain financial obligations | - | | | | 0,430 | - | 0,00 | - | 0,00 | 0,430 |
| | TITLE 4 - TOTAL | 60,816 | 60,428 | 99,36 | 0,388 | 0,430 | - | 0,00 | - | 0,00 | 0,430 |

| Budgetary classification and heading | Appropriations for payment carried over | | Payments made | | | | Appropriations for payment cancelled (Col. 1 - Col. 4) | NB: Commitments from years prior to 1979 still to be settled (1) |
|--|---|---------|------------------|------------------------------|-----------------|-------|--|--|
| | 1 | 2 | 1979 commitments | Total payments (Cols. 2 + 3) | % of carryovers | 6 | | |
| TITLE 5 | | | | | | | | 7 |
| SOCIAL AND REGIONAL FUNDS | | | | | | | | |
| SOCIAL FUND | | | | | | | | |
| Chapter 50 | | | | | | | | |
| New Social Fund - Expenditure under Article 4 of the Council Decision of 1 February 1971 | 107,314 | 98,049 | 8,598 | 106,647 | 99,38 | 0,667 | 347,592 | |
| Chapter 51 | | | | | | | | |
| New Social Fund - Expenditure under Article 5 of the Council Decision of 1 February 1971 | 191,284 | 191,284 | - | 191,284 | 100,00 | - | 375,984 | |
| Chapter 52 | | | | | | | | |
| Social Fund - Pilot schemes and preparatory studies | 0,929 | 0,338 | 0,592 | 0,929 | 100,00 | - | 0,832 | |
| SOCIAL FUND - TOTAL | 299,528 | 289,671 | 9,190 | 298,861 | 99,78 | 0,667 | 724,407 | |

(1) Taking into account sums which may be released and adjustments due to changes in the EUA rates.

COMMISSION OF THE EUROPEAN COMMUNITIES

SUMMARY TABLE OF THE UTILIZATION OF APPROPRIATIONS
CARRIED OVER FROM 1978 TO 1979 IN SECTION III (COMMISSION)
OF THE GENERAL BUDGET AS AT 31 DECEMBER 1979

Single Accounting Centre XIX-C-3

■ EUA

| Budgetary classification and heading | Appropriations for payment carried over | Commitments prior to 1979 | Payments made | | | Appropriations for payment cancelled (Col. 1 - Col. 4) | NB: Commitments from years prior to 1979 which to be settled (1) |
|--|---|---------------------------------|---------------------|------------------------------------|--------------------|---|--|
| | | | 1979 commitments | Total payments (Cols. 2 + 3) | % of carryovers | | |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Chapter 55 European Regional Development Fund | 353,191 | 282,929 | 70,263 | 353,191 | 100,00 | - | 400,980 |

(1) Taking into account sums which may be released or adjustments due to changes in the EUA rates.

SUMMARY TABLE OF THE UTILIZATION OF APPROPRIATIONS
CARRIED OVER FROM 1978 TO 1979 IN SECTION III (COMMISSION)
OF THE GENERAL BUDGET AS AT 31 DECEMBER 1979

Single Accounting Centre XIX-C-3

• EUA

| Budgetary classification | Heading | Automatic carryovers | Payments | % of carryovers | Approps to be carried over (1) | Non-automatic carryovers | Commitments contracted | | Payments effected | | Approps cancelled |
|--------------------------|---|----------------------|----------|-----------------|--------------------------------|--------------------------|------------------------|-----------------|-------------------|------------------|-------------------|
| | | | | | | | Amount | % of carryovers | Amount | % of commitments | |
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| Chapter 58 | Community aid to the Friuli disaster area | 29,238 | 5,381 | 18,40 | 23,857 (1) | | | | | | |

(1) Appropriations automatically carried over during a period of five years, after which non-automatic carryovers may be made if necessary.

COMMISSION OF THE EUROPEAN COMMUNITIES

SUMMARY TABLE OF THE UTILIZATION OF APPROPRIATIONS
CARRIED OVER FROM 1978 TO 1979 IN SECTION III (COMMISSION)
OF THE GENERAL BUDGET AS AT 31 DECEMBER 1979

■ EUA

| Budgetary classification | Heading | Automatic carryovers | Payments | % of carryovers | Approps cancelled | Non-automatic carryovers | Commitments contracted | | Payments effected | | Approps cancelled |
|--------------------------|--|----------------------|----------|-----------------|-------------------|--------------------------|------------------------|-----------------|-------------------|------------------|-------------------|
| | | | | | | | Amount | % of carryovers | Amount | % of commitments | |
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| TITLES 6 & 7 | EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND, GUARANTEE SECTION | | | | | | | | | | |
| Chapter 62 | Milk and milk products | | | | | 30,431 | 30,431 | 100,00 | 30,431 | 100,000 | |
| | TITLES 6 AND 7 - TOTAL | | | | | 30,431 | 30,431 | 100,00 | 30,431 | 100,00 | |

SUMMARY TABLE OF THE UTILIZATION OF APPROPRIATIONS
CARRIED OVER FROM 1978 TO 1979 IN SECTION III (COMMISSION)
OF THE GENERAL BUDGET AS AT 31 DECEMBER 1979

Single Accounting Centre XIX-C-3

in EUA

| Budgetary classification and heading | Appropriations for payment carried over | Commitments prior to 1979 | Payments made | | | Appropriations for payment cancelled (Col. 1 - Col. 4) | NB: Commitments for years prior to 1979 still to be settled (1) |
|--|---|---------------------------------|---------------------|------------------------------------|---------------------------|---|--|
| | | | 1979 commitments | Total payments (Cols. 2 + 3) | % of appropriations | | |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| TITLE 8 | | | | | | | |
| EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND, GUIDANCE SECTION | | | | | | | |
| <u>DIFFERENTIATED APPROPRIATIONS</u> | | | | | | | |
| Chapter 80 | | | | | | | |
| Projects for the improvement of agricultural structures provided for in Article 13 of Regulation No 17/64/EEC | 26,000 | 11,177 | - | 11,177 | 42,99 | 14,823 | 171,944 |
| Chapter 81 | | | | | | | |
| Common measures for the reform of agricultural structures under the Council Resolution of 25 May 1971 | 65,162 | - | 65,064 | 65,064 | 99,85 | 0,098 | - |
| Chapter 82 | | | | | | | |
| Common measures concerning the marketing and processing of agricultural products under the Council Resolution of 25 May 1971 | 32,578 | 14,050 | 1,256 | 15,306 | 46,98 | 17,272 | 86,887 |
| Chapter 83 | | | | | | | |
| Common measures in particular sectors | 137,775 | - | 85,843 | 85,843 | 62,31 | 51,932 | - |
| Chapter 85 | | | | | | | |
| Special measures | 20,013 | - | 5,722 | 5,722 | 28,59 | 14,291 | - |
| Chapter 86 | | | | | | | |
| Common measures to improve fisheries structures | 5,213 | - | 0,751 | 0,751 | 14,41 | 4,462 | - |
| Chapter 87 | | | | | | | |
| Specific measures in the fisheries sector | 16,000 | - | 16,000 | 16,000 | 100,00 | - | - |
| TITLE 8 (Diff. approps) - TOTAL | 302,740 | 25,228 | 174,635 | 199,863 | 66,02 | 102,877 | 258,830 |

(1) Taking into account sums which may be released and adjustments due to changes in the EUA rates.

■ EUA

COMMISSION OF THE EUROPEAN COMMUNITIES
 SUMMARY TABLE OF THE UTILIZATION OF APPROPRIATIONS
 CARRIED OVER FROM 1978 TO 1979 IN SECTION III (COMMISSION) OF
 THE GENERAL BUDGET AS AT 31 DECEMBER 1979

Single Accounting Centre XIX-C-3

| Budgetary classification | Heading | Automatic carryovers | Payments | % of carryovers | Approps to be carried over | Non-automatic carryovers | Commitments contracted | | Payments effected | | Approps cancelled |
|--------------------------|---|----------------------|----------|-----------------|----------------------------|--------------------------|------------------------|-----------------|-------------------|------------------|-------------------|
| | | | | | | | Amount | % of carryovers | Amount | % of commitments | |
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| TITLE 8 | EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND | | | | | | | | | | |
| | Guidance Section | | | | | | | | | | |
| | Appropriations from financial years before 1977 | | | | | | | | | | |
| Chapter 80 | Projects for the improvement of agricultural structures provided for in Article 13 of Regulation No 17/64/EEC | 448,308 | 97,716 | 21,81 | 350,392 (1) | 122,221 | 122,221 | 100,00 | 29,480 | 24,12 | |
| Chapter 83 | Common measures in particular sectors | 1,603 | 1,132 | 70,62 | 0,471 (1) | | | | | | |
| | TITLE 8 - TOTAL (Appropriations from financial years before 1977) | 449,711 | 98,848 | 21,98 | 350,863 (1) | 122,221 | 122,221 | 100,00 | 29,480 | 24,12 | |

(1) Appropriations carried over automatically during a period of five years, after which non-automatic carryovers may be made if necessary.

| Budgetary classification and heading | Appropriations for payment carried over | Payments made | | | | Appropriations for payment cancelled (Col. 1 - Col. 4) | NB: Commitments for years prior to 1979 still to be settled (1) |
|--|---|---------------------------|------------------|------------------------------|----------------------------------|--|---|
| | | Commitments prior to 1979 | 1979 commitments | Total payments (Cols. 2 + 3) | % of appropriations carried over | | |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| TITLE 9 COOPERATION WITH DEVELOPING COUNTRIES AND OTHER NON-MEMBER COUNTRIES | | | | | | | |
| <u>Chapter 93*</u> Financial and technical cooperation with non-associated developing countries | 40,478 | 16,638 | 4,855 | 21,493 | 53,10 | 18,985 | 55,604 |
| <u>Chapter 94*</u> Specific measures for cooperation with developing countries | 2,360 | 2,360 | - | 2,360 | 100,00 | - | 2,956 |
| <u>Chapter 96*</u> Cooperation with non-member countries | 61,500 (2) | - | 44,526 | 44,526 | 72,40 | 16,974 | - |
| TITLE 9 (Differentiated appropriations) - TOTAL | 104,338 (2) | 18,998 | 49,381 | 68,379 | 65,54 | 35,959 | 58,559 |

*These Chapters also contain non-differentiated appropriations. See next page.

(1) Taking into account sums which may be released and adjustments due to changes in the EUA rates.

(2) After transfer of 30,000 m EUA to 1979 appropriations.

COMMISSION OF THE EUROPEAN COMMUNITIES
 SUMMARY TABLE OF THE UTILIZATION OF APPROPRIATIONS
 CARRIED OVER FROM 1978 TO 1979 IN SECTION III (COMMISSION) OF
 THE GENERAL BUDGET AS AT 31 DECEMBER 1979

Single Accounting Centre XIX-C-3

- F1/A

| Budgetary classification | Heading | Automatic carryovers | Payments | % of carryovers | Approps cancelled | Non-automatic carryovers | Commitments contracted | | Payments effected | | Approps cancelled |
|--------------------------|--|----------------------|----------|-----------------|-------------------|--------------------------|------------------------|-----------------|-------------------|------------------|-------------------|
| | | | | | | | Amount | % of carryovers | Amount | % of commitments | |
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| TITLE 9 | COOPERATION WITH DEVELOPING COUNTRIES AND OTHER NON-MEMBER COUNTRIES | | | | | | | | | | |
| Chapter 92 | <u>NON-DIFFERENTIATED APPROPS</u> Food aid | 100,071 | 100,071 | 100,00 | - | | 6,000 | 100,00 | 6,000 | 100,00 | - |
| Chapter 93* | Financial and technical cooperation with non-associated developing countries | 0,103 | 0,150 | 81,97 | 0,033 | | | | | | |
| Chapter 94* | Specific measures for cooperation with developing countries | 0,246 | 0,106 | 43,09 | 0,140 | | | | | | |
| Chapter 96* | Cooperation with non-member countries | - | | | | 6,000 | 6,000 | 100,00 | 6,000 | 100,00 | - |
| | TITLE 9 (Non-differentiated appropriations) - TOTAL | 100,500 | 100,327 | 99,83 | 0,173 | 6,000 | 6,000 | 100,00 | 6,000 | 100,00 | - |

* These Chapters also include differentiated appropriations. See previous page.