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DOCUMENT 1-229/84

SECOND REPORT

drawn up on behalf of the Committee on
Energy, Research and Technology

on the communication from the Commission of the
European Communities to the Council (Doc. 1-594/83 -
COM(83) 377 final) on the establishment of the
JRC Board of Governors

Rapporteur: Mr M. PEDINI

PE 88.485/fin.II
Or De

By letter of 7 July 1983, the President of the Council of the European Communities consulted the European Parliament on the proposal from the Commission to the Council on the establishment of the JRC Board of Governors.

On 19 September 1983, the President of the European Parliament referred this communication to the Committee on Energy, Research and Technology as the committee responsible and to the Committee on Budgets and the Committee on Social Affairs and Employment for their opinions.

On 30 September 1983, the Committee on Energy, Research and Technology appointed Mr Pedini rapporteur.

The committee considered the Commission's proposal and the draft report at its meetings of 2 October 1983, 25 January 1984 and 22 February 1984.

At the latter meeting, it decided by 13 votes to 6 with 2 abstentions to recommend to Parliament that it approve the Commission's proposal with the amendments submitted below.

The Commission informed the committee that it was not prepared to accept Amendment No 1 but was prepared to accept Amendment No. 2.

The committee then adopted the motion for a resolution as a whole unanimously with one abstention.

The following took part in the vote: Mr Gallagher, acting chairman; Mr Seligman, vice-chairman; Mr Ippolito, vice-chairman; Mr Pedini, rapporteur, Mr Adam, Mr Calvez (deputizing for Mr Galland), Mr Karl Fuchs, Mr Linkohr, Mr Marchesin, Mr Petersen, Mrs Phlix, Mr Purvis, Mr Rinsche, Mr Rogalla, Mr Rogers (deputizing for Mr Halligan), Mr Sälzer, Sir Peter Vanneck, Mr Veronesi and Mrs Viehoff (deputizing for Mrs Lizin).

The opinion of the Committee on Social Affairs and Employment was attached to the report. The opinion of the Committee on Budgets was published separately.

On 30 March 1984, the European Parliament voted on the Commission's proposal and the amendments thereto (cf. Doc. 1-1481/83) and decided to refer the matter back to the Committee on Energy, Research and Technology? pursuant to Rule 36(2) of the Rules of Procedure.

At its meetings of 11 and 26 April 1984, the committee considered the reference documents which had been re-submitted by the Commission, and adopted the motion for a resolution as a whole at the latter meeting, with no votes against and three abstentions. At the same time, the committee decided to request the application of the procedure without debate, pursuant to Rule 34 of the Rules of Procedure.

The following took part in the vote: Mrs WALZ, chairman; Mr SELIGMAN, vice-chairman; Mr PEDINI, rapporteur; Mr ADAM, Mr BONACCINI (deputizing for Mr IPPOLITO), Mr K. FUCHS, Mr KLINKENBORG (deputizing for Mr BERNARD), Mr LINKOHR, Mr MARCHESIN, Mr MARKOPOULOS, Mr MORELAND, Mr NORMANTON, Mr PFLIMLIN, Mr PÖTTERING (deputizing for Mr DEL DUCA), Mr PROTOPAPADAKIS, Mr RINSCHÉ, Mr ROGALLA, Mr SÄLZER, Mr SCHMID, Mr VERONESI and Mr von der VRING (deputizing for Mr HALLIGAN).

The second opinion of the Committee on Budgets is attached to this report.

The report was tabled on 3 May 1984.

The deadline for tabling amendments to this report will be indicated in the draft agenda for the part-session at which it will be considered.

C O N T E N T S

A. MOTION FOR A RESOLUTION	5
B. EXPLANATORY STATEMENT	7
SECOND OPINION OF THE COMMITTEE ON BUDGETS	16

The Committee on Energy, Research and Technology hereby submits to the European Parliament the following motion for a resolution :

MOTION FOR A RESOLUTION

closing the procedure for consultation of the European Parliament on the Communication from the Commission of the European Communities to the Council on the establishment of the JRC Board of Governors.

The European Parliament,

- having regard to the Communication from the Commission to the Council (COM(83) 377 final)¹,
 - having been consulted by the Council (Doc. 1-594/83),
 - having regard to the second report by the Committee on Energy, Research and Technology and the second opinion of the Committee on Budgets (Doc. 1-229/84),
 - having regard to the result of the votes on the Commission's proposal,²
- A. whereas straightforward and effective decision-taking and management structures must be provided for the Joint Research Centre's programmes, which extend over several years,
- B. whereas, in the light of rapid scientific development, prior and detailed specification of all multi-annual research activities would prevent the JRC's resources from being continually tailored to meet the technological challenges of our time,
- C. whereas it is therefore appropriate to establish a procedure permitting the Commission, with the involvement of representatives of the Member States, to take the necessary decisions to make detailed modifications to programmes whose general outlines have been laid down by the Council and endorsed by the European Parliament,
- D. whereas the Commission intends to establish a JRC Board of Governors and whereas, accordingly, this body should play a part in the decision-making process in respect of the management of the multi-annual research programmes adopted by the Council and endorsed by the European Parliament,

¹ OJ No. C 225, 23.8.1983, pp. 7-8

² Minutes of proceedings (pvg) of the sitting of 30.3.1984, pp. 69-73

- E. having regard to its resolution of 14 October 1983 and, in particular, paragraphs 18 and 25 on the establishment of a Board of Governors and on regular consultation between it and the representatives of the JRC's staff,
1. Endorses, in its modified version, the draft Council decision establishing a Board of Governors for the JRC to participate in the management of the multi-annual JRC research programmes proposed by the Commission and laid down by mutual agreement between the Council and the European Parliament;
 2. Recommends that the terms of reference of the Board of Governors should not be restricted to the scientific evolution of programmes, but, rather, that they should be extended to include the budgetary aspects of JRC management within the limits laid down in the opinion of the Committee on Budgets;
 3. Calls for equal representation between research scientists and representatives of the Member States on the Board of Governors;
 4. Proposes that the JRC Board of Governors shall report progress annually to Parliament;
 5. Reserves the right to open the conciliation procedure, should the Council decide to depart from Parliament's opinion;
 6. Instructs its President to forward to the Council and Commission, as Parliament's opinion, the Commission's proposal as voted by Parliament and the corresponding resolution.

B.

EXPLANATORY STATEMENT

1. Set up in 1957 by the Treaty of Rome, the Joint Research Centre is an administrative department of the Commission consisting of four research establishments (at Ispra, Geel, Karlsruhe and Petten) and the services required for their management. A Director is assigned to each establishment and responsibility for coordinating the work of all four establishments rests with a Director-General.

The Treaty of Rome lays down the aims and general objectives and the basic procedures for the adoption of the research programmes and the relevant financial decisions. In particular, the Treaty provides that the Council of the Communities must adopt each research programme by unanimous decision and the corresponding budget by a qualified majority. Powers over the adoption of the budget, but not over the adoption of the programme, are vested in the European Parliament.

2. The present decision-making process consists of the following stages (see figure 1):

(a) Preparation

Taking into account the broad policy adopted by Parliament and the Council and the general guidelines issued by the Commission, the Director-General of the JRC prepares on his own responsibility the JRC's draft programmes and corresponding financial documents in conformity with Decision 82/755/Euratom. During this preparatory phase, the Director-General must consult the Governing Board and the Scientific Committee (see Article 4 of same Decision). He then forwards the draft programme to the Commission, which discusses it and approves it in the form of a proposal, after consulting the Scientific and Technical Committee (STC). The proposal is transmitted to the Working Party on Atomic and Research Questions (consisting of senior officials from the Member States), which in turn makes recommendations to the Permanent Representatives Committee (COREPER).

At the same time, the proposal is sent to the European Parliament. If COREPER approves the proposal, it is placed on the Council agenda with a view to the adoption of a decision. If the proposal gives rise to a discussion, the draft is returned to the Council for re-examination.

(b) The decision

The Council is required to give final approval, acting unanimously. It considers the Commission proposal in detail and decides on each four-year action programme on an individual basis.

(c) Implementation

Once the programme has been approved by the Council, it falls to the Commission to implement it. Here the Commission delegates considerable powers to the Director-General, who in turn may seek the advice of the JRC Governing Body in accordance with the provisions of Decision 82/755/Euratom.

3. The decision-making process described above is repeated whenever any change to the content of the approved programme or to the human or financial resources required for its implementation is found to be necessary.

It was the damage done by the sheer ponderousness and complexity of the decision-making process applied to the management of JRC research projects that prompted the Commission to propose the establishment under its auspices of a JRC Board of Governors.

4. The rapporteur believes that scientific and technological research is today of prime importance to the world economy, inasmuch as basic research pushes back the horizons of our knowledge and applied research and technology permit the development of technologies vital to the growth of our economies, in which, moreover, goods and the means of production today play an unusually important role in terms of competitiveness, the protection of the environment, the safeguarding of public health and the acceptance of change by the public at large.

5. With the opening-up of new technological frontiers and the emergence of new social needs, scientific research has an increasing need for more up-to-date decision-making and management procedures; bureaucratic inertia and the proliferation of administrative and advisory bodies must be made to give way to fast and simple procedures and to an institutional system for the preparation and implementation of the programmes which is increasingly reliable and enjoys the necessary authority.

6. It is now generally accepted that the JRC, the decision-making process for the establishment of its programmes and the bureaucratic machine which manages the programmes fail utterly to project an image of a modern research centre capable of responding rapidly, competently and dynamically to the scientific and technological challenges of our times.

7. The Commission is to be commended for endeavouring to adapt scientific and technical research activities to present requirements. The programmes have become four-year action programmes which bring together in a single scientific or technical field all the forms of research management (direct, shared-cost, concerted), the aim being to develop national or Community research activities and to make them more homogenous.

8. The JRC has itself undergone a number of changes in the course of its existence¹. These were prompted by an awareness of the need to provide it with greater autonomy in the performance of its research activities and to give more weight to the scientific basis of the decisions governing its operation.

9. However, more recent events, especially those which resulted in the abandonment of the Super-Sara programme, and the trouble which led to the adoption of the multiannual (1984-1987) research programme have demonstrated clearly that it is absolutely essential to reshape the JRC decision-making processes; unless this is done, an accumulation of serious delays and an exceptionally unwieldy procedure (the Council of Ministers is at present the 'legal author' of the whole of the multiannual programme, down to the smallest details) will bring the JRC to a standstill.

¹ Decision of 13.1.1971 - 71/57 Euratom - OJ L 16, 20.1.1971
Decision of 13.11.1974 - 74/578/Euratom - OJ L 316, 26.11.1974
Decision of 25.3.1975 - 75/241/Euratom
Decision of 2.6.1982 - 82/755/Euratom

10. The current situation is such that the legitimate efforts of the Commission to broaden the scientific basis of the decisions governing the operation of the JRC with the aim of giving it greater autonomy in its research activities, are being frustrated by the concentration of decision-making in the hands of the Council, which, quite apart from the procedural cumbersomeness already mentioned, tends to distort the importance of the scientific considerations underlying the Commission's proposals.

While the political role of the Council of Ministers should therefore be maintained and indeed strengthened, it should be relieved of its responsibility for those decisions which could be taken at a more appropriate level.

11. The current situation also diminishes the role of the various scientific bodies set up to advise the Commission and the JRC. The reform of the existing decision-making process should therefore also entail reasserting the fundamental role of these bodies, which should be in a position to make a more active and decisive contribution within the framework of the new institutional system.

12. As for the merits of the Commission's proposal (see figure 2), the rapporteur considers that the establishment of a JRC Board of Governors might well improve the present decision-making process, but only if certain conditions, which the rapporteur believes to be of vital importance, are met.

13. In the first place, it is essential to make quite sure that the Board of Governors can play a truly useful part in the decision-making process. This will be possible only if it is vested with genuine powers within the institutional framework and if, in exercising those powers, it is able to fulfil its function as efficiently as possible.

The Board of Governors must not be just another advisory body which in practical terms lacks sufficient weight to bring about a reform of the present decision-making procedure, in line with the recommendations of the European Parliament and the Commission.

14. Secondly, it is essential that, in addition to its involvement in the procedure for the adoption of the programmes, the Board of Governors should also participate in the procedure for the adoption of the JRC budget, while recognizing that in this matter Parliament and the Council are, under the terms of the Treaty of Rome, the supreme decision-making bodies.

While operating in accordance with the 'framework decisions' of the Council and Parliament, the Board of Governors should, therefore, be involved both in the procedures for adoption of the programme and the budget and in any decisions entailing their modification during the implementation of the research programmes.

In this way, it will be possible to avoid confusion between the two procedures on which the operation of the JRC rests, which in the past has more than once resulted in a mismatch between the objectives fixed by the Council and the human and financial resources required by the programmes, which in turn has militated against successful completion of the JRC's research activities.

15. This leads on to another important requirement: the fixing of a timetable for the procedure for the adoption of the JRC's multiannual programmes, to which each Community institution should conform. The rapporteur shares the Commission's view of the need for the Council of Ministers to decide on the multiannual programmes before the two readings of the budget, so that Parliament is in a position to adopt a position on the amount of resources needed for the performance of the tasks assigned to the JRC by the Council.

At the same time, the JRC should speedily draw up its draft programme and the Commission should inform Parliament of its content at a sufficiently early date so that the latter is in a position to give it less hurried and more thorough consideration than in the past.

16. Another important condition is to establish a clear line of communication between the Board of Governors, the Scientific Council and the Scientific Committee with a view to enhancing the usefulness of the work of all three bodies, which will then assume a sense of greater responsibility in the performance of their respective tasks.

The necessary link could be ensured through the participation of a number of members of one body in the proceedings of another. There could, for instance, be an overlap of membership between the Scientific Council and the Scientific Committee on the one hand, and between the Board of Governors and the Scientific Council on the other.

Such an arrangement would obviously result in a smaller scientific advisory content than that contemplated by the Commission proposal, inasmuch as some members of one of the JRC's administrative committees would also sit on one of the other two, but this drawback would be largely offset by the advantage of replacing three separate bodies (with a total membership of sixty persons) with three organically linked bodies with at most forty members, which would clearly benefit in terms of mutual assistance.

17. A further important issue, on which the Commission should be more explicit, is the role that the Scientific and Technical Committee (STC), the Commission's consultative body, should play in the new institutional system.

18. The rapporteur accepts the Commission's proposal regarding the composition of the JRC Board of Governors, provided that the presence of administrators from the Member States neither impedes the desired process of decentralizing the decision-making process nor leads to the kind of stalemate currently experienced by the Council of Ministers.

The alternative arrangement - of replacing the non-scientific representatives with scientific representatives appointed by the Member States - is unrealistic, in that it would not meet the Member States' demand that they be involved in and consulted on the decision-making process of the JRC.

The arrangement proposed is very similar to that of other European scientific research organizations, in which the Board consists of two senior officials (but not government officials) from each Member State, one being a scientific representative and the other an administrator.

19. The presence of senior officials (from the competent government departments) could, then, lend real weight and authority to the proceedings of the Board of Governors.

Their participation would help to decentralize and simplify the present decision-making procedure, to the extent that the Council would be required to deliberate only on decisions issued at ministerial level in the Member States.

In these circumstances, the Council could issue an outline instrument instead of a highly detailed decision, thereby helping to shorten and simplify the procedure.

FIGURE 1: Present interaction between the Community bodies

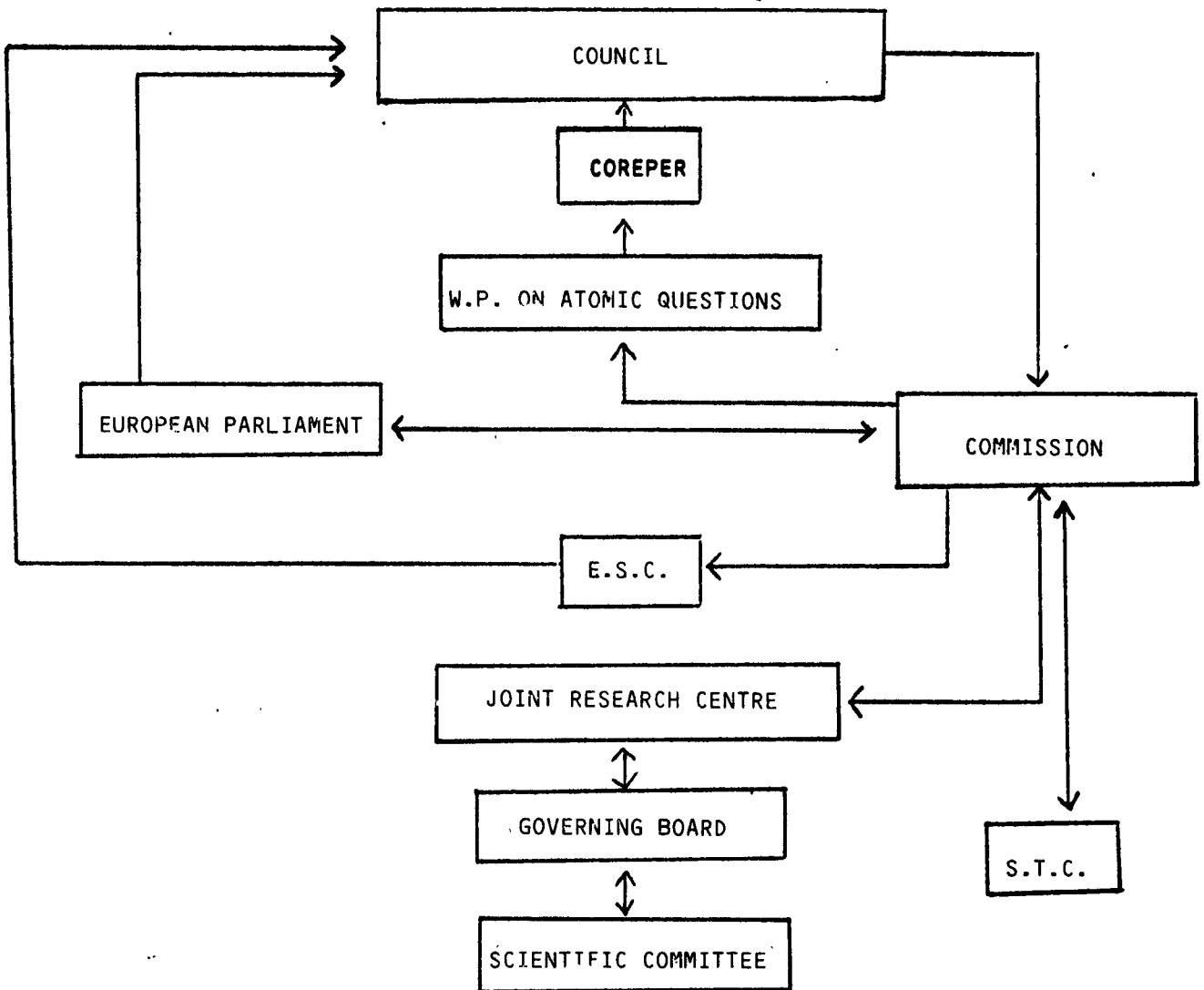
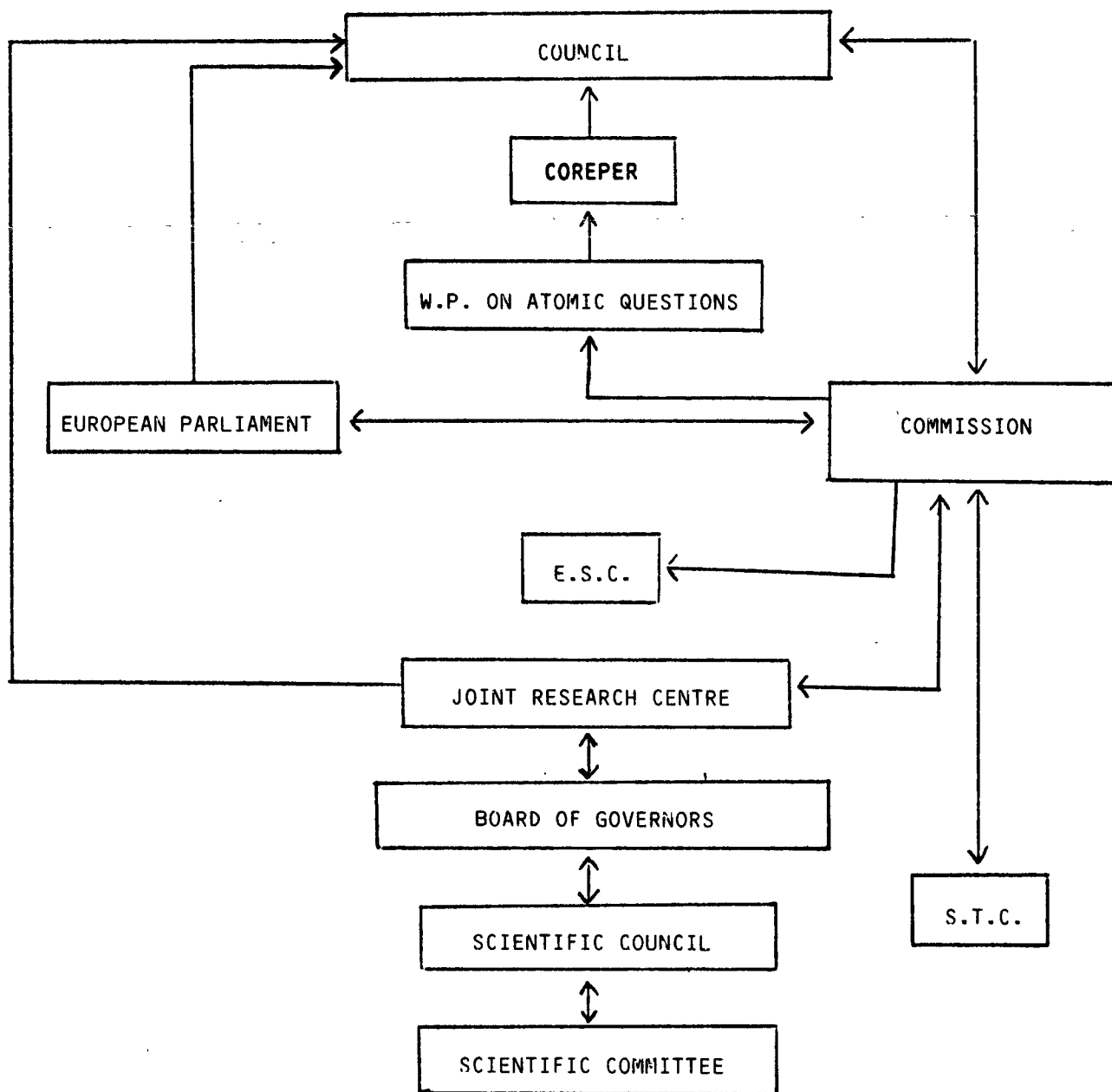


FIGURE 2: New arrangement proposed by the Commission



SECOND OPINION OF THE COMMITTEE ON BUDGETS

Letter from the chairman of the committee to Mrs Hanna WALZ,
chairman of the Committee on Energy, Research and Technology

Brussels, 24 April 1984

**Subject : The establishment of the Joint Research Centre Board of Governors
(COM(83) 377)**

Dear Mrs. Walz,

Following the referral of this proposal back to your Committee under Rule 36, the Committee on Budgets held a further discussion with Vice-President Davignon on 18th April 1984.

The Committee agreed that a certain financial flexibility was desirable in administering a multi-annual research programme, and it considered that the Commission's existing discretionary powers in this regard could be increased if this change was accompanied by a substantial derogation of decision-making from the Council and if the range of decisions adopted by majority voting was extended.

Accordingly, it was agreed that the Commission's current ability to effect transfers of up to 7% between the budget lines of the Joint Research Centre multi-annual programme, without reference to the budgetary authority, might be extended to 10%, on an annual basis.

This agreement is subject, firstly, to the Commission forwarding details of the transfers thus proposed to the relevant parliamentary committee so that it can express a view. It is also subject to an overall limit in that appropriations for an individual research action programme cannot be changed by more than 15% over the period of the multi-annual programme.

The Committee stressed that, beyond these limits, normal procedures would apply, and that any proposal referred by the Board of Governors to COREPER or the Council for a decision would initiate the consultation of Parliament for its decision on transfers or its opinion on other proposals.

The Committee's agreement was also based on the assurance given during the discussion by Vice-President Davignon that the Commission's formally revised draft decision would include a new recital (which differs from that originally communicated to the Committee) as follows :

"Whereas this process of alterations to the multi-annual programme must in no way affect the provisions under the financial rules applicable (Financial Regulation) or compliance with budgetary procedures (establishment of the budget and conditions for the implementation of the budget)".

.../...

The question of the composition of the Board of Governors could not be wholly separated from the question of budgetary competences, and the Committee favoured a unitary Board rather than a separate Board and Scientific Council.

Finally, the Committee noted the intention of Vice-President Davignon to present a new draft decision reflecting these points and whose applicability would initially be limited to three years.

Yours sincerely,

Erwin LANGE.

¹ There were present : Mr. LANGE, Chairman; Mr. NOTENBOOM, Mrs. BARBARELLA, Vice-Chairmen; Mr. ABENS, Mr. ADONNINO, Mr. BALFE, Mr. BALFOUR, Mr. BATTERSBY (deputizing for Mr. R. JACKSON), Mr. CROUX, Mr. FICH, Mr. GOUTHIER, Mr. HERMAN (deputizing for Mr. SIMONNET), Mrs. HOFF, Mr. KELLETT-BOWMAN, Mr. LANGES, Mr. NEWTON DUNN, Mr. ORLANDI, Mr. PFENNIG, Sir James SCOTT-HOPKINS (deputizing for Lord DOURO), Mrs. SCRIVENER, Mr. SEELER (deputizing for Mr. ARNDT) and Mr. WOLTJER (deputizing for Mr. LALUMIERE).

