

EUROPEAN PARLIAMENT

Working Documents

1982-1983

25 October 1982

DOCUMENT 1-781/82

REPORT

drawn up on behalf of the Committee on Budgets

on ~~Section~~ Section IV - COURT OF JUSTICE -
of the draft general budget of the European
Communities for the financial year 1983

Rapporteur: Mr H. SABY

On 27 January 1982, the Committee on Budgets appointed Mr Saby rapporteur for Section IV - COURT OF JUSTICE - of the draft general budget of the European Communities for the financial year 1983.

At its meeting of 18 to 20 October 1982, the Committee on Budgets considered and adopted the draft amendments attached.

At that meeting it adopted the following motion for a resolution by 23 votes to 0, with 2 abstentions.

Present: Mr Lange (chairman); Mrs Barbarella (2nd vice-chairman); Mr Saby (rapporteur); Mr Abens, Mr Adam (deputizing for Mrs Nikolaou), Mr Aigner (deputizing for Mr Notenboom), Mr Arndt, Mr Baillet, Mr Balfour, Mr Barbagli, Mrs Boserup, Mr Croux, Lord Douro, Mr Jackson, Mrs Van Hemeldonck (deputizing for Mr Lalumière), Mr Langes, Mr Lega, Mr Louwes, Mr Mouchel (deputizing for Mr Ansquer), Mr Paulhan (deputizing for Mr Cousté), Mr Pfennig, Mr Price, Mr Protopapadakis, Mr Schön, Mrs Scrivener, Mr Simonnet, Mr Simpson (deputizing for Mr Kellett-Bowman) and Mrs Viehoff (deputizing for Mr Cluskey).

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ANNEXES

Draft amendments Nos. 482 and 483

The Committee on Budgets hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement:

MOTION FOR A RESOLUTION

on Section IV 'Court of Justice' of the draft general budget of the European Communities for the financial year 1983

The European Parliament,

- A. having regard to the draft general budget for the financial year 1983 established by the Council on Section IV - Court of Justice - and the explanatory memorandum thereto (Doc. 1-700/82),
 - B. having regard to the report of the Committee on Budgets (Doc. 1-781/82),
 - C. whereas a restrictive attitude to the administrative expenditure of all the Community Institutions is necessary, although that attitude must not undermine the ability of the Institutions to perform the tasks assigned to them under the Treaties,
 - D. whereas the budgetary authority ought to examine the requests contained in the estimates of the Court of Justice giving full weight to the moderation and pertinence of the Court of Justice's decisions on its own estimates,
 - E. whereas the increase in the estimates of the Court of Justice for 1983 already reflected the need for moderation to which all the Community institutions in general responded,
 - F. whereas the Court must enjoy complete freedom in assessing judicial matters and be able to take the necessary measures in this area with the independence required by its function, and whereas it must therefore be in a position to apply the measures decided upon in that context with the same independence,
1. Considers that the standard 5% abatement applied by the Council to the appropriations of the Court of Justice relating to staff expenditure has in the final analysis deprived the Court of resources which, according to its forecasts, it will need in 1983. Decides, therefore, to reinstate that sum and, in order to take account of the Council's attitude, to enter it as a reserve under Chapter 100, in the certainty that the Court will make use of it if the need arises in accordance with the most appropriate criteria;

2. Agrees also with the Court that responsibility for internal financial control, vested at present in a principal administrator, should, contrary to the decisions taken by the Council when establishing the draft budget, be placed at the level which the Court of Justice considers appropriate, namely that of head of division (A 3);
3. Amends the draft budget and establishment plan of the Court of Justice accordingly.

EXPLANATORY STATEMENT1. General considerations

Every year a feature of the requests submitted by the Court of Justice is their moderation and the carefully thought-out justifications accompanying them. Where they call for an increase in expenditure, that increase is as a rule tied, in a pertinent and coordinated manner, to the growth in the Court's activities.

In these circumstances the two arms of the budgetary authority ought to leave to the Court of Justice responsibility for estimating its revenue and expenditure and, in principle, ought not to amend the budgetary proposals put forward by that Institution.

2. Reductions in appropriations decided by the Council

The Court had proposed a preliminary draft budget for 1983 of 29,246,370 ECU, representing an increase over its 1982 estimates of 28,028,670 ECU, of around 4% (in other words an extremely modest increase).

By its decisions on the draft budget the Council has cut this figure to 28,615,060 ECU, which gives an increase of only 2%, not enough even to cover the increases which are the regrettable and virtually automatic consequence of the general rise in costs.

The Council has arrived at this result by the application of a principle which, being too general, ends up by being blind, namely that of the standard 5% abatement of appropriations under Chapters 11 and 12 relating to staff expenditure. The rapporteur considers that in any event the sum corresponding to this standard abatement should be entered in the 1983 budget of the Court of Justice. He believes that, in an effort to arrive at a compromise between Parliament and the Council, this sum might be entered under Chapter 100 'Provisional appropriations'.

A decision along those lines would moreover help the two arms of the budgetary authority to watch over the implementation of the budget of the Court of Justice in the course of the financial year.

3. Level of the post of financial controller

The Court of Auditors recently called the attention of the Court of Justice to the desirability of appointing an official to assume responsibility for financial control, a step that would in fact be in accordance with Article 19 of the Financial Regulation of the Communities.

Contrary to the proposal put forward by the Court creating an A 3 post, the Council has now created the post in question only at A 5.

The rapporteur considers this solution to be inadequate for reasons which, he feels, should be self-evident.

He therefore proposes that the Council's decision be amended and the level proposed by the Court of Justice reinstated.

4. Conclusions

The approach proposed by the Committee on Budgets may be summarized as follows:

- grant the Court a degree of independence in assessing its own estimates;
- reinstate the sum equivalent to the standard 5% abatement applied to Chapters 11 and 12 of the preliminary draft budget;
- create the post for the official in charge of internal financial control at the most appropriate level, namely that of head of division (A 3).

Decisions of the Committee on Budgets

5. At its meeting of 20 October 1982, the Committee on Budgets adopted:
- amendment No. 1 hereinafter, tabled by the rapporteur, with 23 votes in favour;
 - amendment No. 2 hereinafter, tabled by the rapporteur, with 21 votes in favour.

It rejected amendment No. 106, also attached, by 10 votes to 8, with 10 abstentions.

EUROPEAN PARLIAMENT

21 OCTOBER 1982...

Doc.1-700/ 482

DRAFT
GENERAL BUDGET OF THE EUROPEAN COMMUNITIES
FOR THE FINANCIAL YEAR 1983

DRAFT AMENDMENT No. 482

tabled by Mr SABY, rapporteur, on behalf of the Committee on Budgets

SECTION IV - COURT OF JUSTICE

LIST OF POSTS

Amend the list of posts by the up-grading of the A5 post created by the Council into an A3 post.

A) EXPENDITURE

The financial implications being minimal, there is no need to amend the appropriations.

B) COMPENSATION

-

C) REVENUE

-

JUSTIFICATION

The Committee on Budgets endorses the view of the Court of Justice that responsibility for internal financial control should be at the level of A3. It is therefore necessary to up-grade the post of principal administrator which the Council decided to assign to this service in the draft budget into a post of head of division.

EUROPEAN PARLIAMENT

21 OCTOBER 1982
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Doc.1-700/483

DRAFT
GENERAL BUDGET OF THE EUROPEAN COMMUNITIES
FOR THE FINANCIAL YEAR 1983

DRAFT AMENDMENT No. 483...

tabled by Mr SABY, rapporteur, on behalf of the Committee on Budgets

SECTION IV - COURT OF JUSTICE

CHAPTER 100

A) EXPENDITURE

Reinstate under Chapter 100 'Provisional appropriations' the sum of 423,560 ECU corresponding to the reduction of 5% applied by the Council to Chapters 11 and 12 of the preliminary draft budget

B) COMPENSATION

-

C) REVENUE

Increase revenue by the same amount

D) REMARKS

Enter under Chapter 100 the budget lines for which the appropriations are earmarked, as shown below:

CHAPTER 11		ECU
110	Officials and temporary staff holding a post provided for in the establishment plan	
1100	Basic salaries	211,230
1101	Family allowances	18,080
1102	Expatriation and foreign residence allowances (including Article 97 of the ECSC Staff Regulations)	31,840
1103	Secretarial allowances	2,870

111	Other staff	
1110	Auxiliary staff	28,000
1112	Local staff	24,400
1113	Special advisers	280
113	Insurance against sickness, accidents and occupational disease	
1130	Insurance against sickness	5,940
1131	Insurance against accidents and occupational disease	1,210
114	Miscellaneous allowances and grants	
1140	Birth and death grants	130
1141	Annual leave travel expenses	3,750
1144	Fixed local travel allowances	10
1145	Special allowance for accounting officers and administrators of imprest accounts	50
1146	Constitution or maintenance of pension rights for temporary staff	50
1149	Other allowances and repayments	50
115	Overtime	10,030
1172	Other services and work sent out for translation and typing	15,700
119	Provisional appropriation	
1190	Provisional appropriation to cover any adjustments to the remuneration and pensions of officials and other staff	8,180
	CHAPTER 12	
121	Travel expenses (including family members)	
1210	Travel expenses for members of the institution	30
1211	Travel expenses for staff	1,780
122	Installation, resettlement and transfer allowances	
1220	Installation, resettlement and transfer allowances for members of the institution	2,180
1221	Installation, resettlement and transfer allowances for staff	21,000

23	Removal expenses	
230	Removal expenses for members of the institution	800
231	Removal expenses for staff	8,120
24	Temporary daily subsistence allowances	26,130
29	Provisional appropriation to cover any adjustments to remuneration and various allowances paid to officials and other servants	1,720

JUSTIFICATION

The standard 5% abatement of the appropriations under Chapters 11 and 2 imposed by the Council in the draft budget was explained by the low level of utilization of appropriations in the preceding financial years. This argument and the argument adducing the nominal effect of the monetary adjustment are refuted by the moderation and pertinence evident in the estimates of the Court of Justice for 1983, which requested an increase of only 2% in relation to the 1982 budget.

