

European Communities

EUROPEAN PARLIAMENT

Working Documents

1974-1975

10 March 1975

DOCUMENT 533/74

REPORT

drawn up on behalf of the Committee on Budgets

on the ~~draft~~ amending and supplementary budget
No. 1 of the European Communities for the financial
year 1975 (Doc. 530/74)

Rapporteur: Mr Heinrich AIGNER

PE 30.036/fin.

On 27 January 1975 the Council of the European Communities forwarded to the European Parliament the preliminary draft of amending and supplementary budget No. 1 of the European Communities for the financial year 1975.

Under the budgetary procedure, a delegation from the Parliament attended a meeting of the Council on 11 February 1975, before the latter established the draft supplementary budget.

The draft amending and supplementary budget No. 1 established by the Council on 5 March 1975 was forwarded to the Parliament on 7 March 1975.

The Committee on Budgets confirmed Mr Aigner, the rapporteur on the general budget for 1975, as rapporteur on the draft supplementary budget.

It considered the preliminary draft budget at its meetings of 3 and 17 February 1975.

It considered Mr Aigner's draft report at its meetings of 5 and 10 March and adopted it unanimously at the latter meeting.

The following were present: Mr Spénale, chairman, Mr Aigner, vice-chairman and rapporteur, Mr Durand, vice-chairman, Mr Artzinger, Mr Bersani (deputizing for Mr Galli), Mr Cointat, Mr Gerlach, Mr Houdet, Mr Kirk, Mr Lagorce, Lord Lothian, Mr Memmel (deputizing for Mr Pöher), Mr Notenboom, Mr Radoux and Mr Shaw.

The explanatory statement will be presented orally by the rapporteur.

The Committee on Budgets hereby submits to the European Parliament the following motion for a resolution:

MOTION FOR A RESOLUTION

on the draft of amending and supplementary budget No. 1 of the European Communities for the financial year 1975.

The European Parliament,

- having regard to the preliminary draft of amending and supplementary budget No. 1 of the European Communities for the financial year 1975 (COM (75) 20);
- having been informed of the exchanges of views which took place at the meeting between its delegation and the Council on 11 February 1975 and at the meeting of the Conciliation Committee on 4 March 1975;
- having regard to the draft amending and supplementary budget No. 1 of the European Communities for the financial year 1975 drawn up by the Council (Doc. 530/74);
- having regard to the report of the Committee on Budgets (Doc. 533/74);

(a) form of the expenditure shown in the draft budget

1. Emphasizes that the Regional Fund expenditure was classified as non-compulsory by the three Institutions when considering the general budget for the financial year 1975; recalls, in this connection:
 - the views adopted by the Commission in the preliminary draft general budget for 1975;
 - the definition of compulsory expenditure given by the Council in the explanatory memorandum to the draft general budget for 1975;
 - the undertakings given by the Commission and the Council at the part-sessions in November and December 1974;
 - the amendment relating to the Regional Fund appropriations which it adopted at the November 1974 part-session and the reasons why it did not vote a similar amendment at the December part-session;
2. Therefore maintains, as does the Commission in the preliminary draft of the supplementary budget, that this expenditure should be classified as non-compulsory and points out that the Council cannot change this classification unilaterally;

(b) new rate of increase of non-compulsory expenditure

3. Requests that, in accordance with the proposal made by the Commission in the preliminary draft supplementary budget, a new rate of increase for non-compulsory expenditure should be fixed pursuant to the provisions of the fifth paragraph of Article 203(8) of the EEC Treaty;
4. For the reasons given in the following paragraphs, is calculating this rate on the basis of 300 m u.a. payment appropriations and not on the basis of 150 m u.a. as proposed by the Commission;

(c) amount of the expenditure to be entered in the budget for the Regional Fund

5. Considers that, as provided for by the Summit Conference on 9 and 10 December 1974 and in accordance with the position adopted by Parliament when considering the general budget, 300 m u.a. should be made available for the Community's regional policy during 1975;
6. Therefore amends the amount of expenditure provided for in the supplementary budget so as to enter 300 m u.a. in payment appropriations for the Regional Fund - with a consequent change in revenue;
7. Decides however that half of this sum should be entered under Chapter 98 'Non-allocated provisional appropriations' so that it can be drawn on when, in the Commission's opinion, it is needed for payments under the Regional Fund and recalls that the Commission itself had provided for payment appropriations of 650 m u.a. in its preliminary draft general budget;
8. Considers that such an arrangement, by avoiding the need for another supplementary budget, will enable action to be taken more quickly following the review of the Fund which the Commission is to undertake in October 1975 at the Council's request;

(d) method of financing the Fund in the 1975 financial year

9. Deplores - together with the Committee on Agriculture and the Committee on Budgets - the fact that the Council is proposing an indirect method of financing by taking the 150 m u.a. of payment appropriations for the Regional Fund from the reserves of the EAGGF Guidance Section;

10. While noting that this decision is the direct result of the guidelines given at the Summit Conference, expresses serious misgivings at the fact that the criteria according to which the appropriations taken from the EAGGF Guidance Section are to be used as part of the Regional Fund have not been brought to its notice; urges the Council actually to use a considerable proportion of these sums for measures to assist the most backward agricultural regions, as proposed by the Commission in the preliminary draft supplementary budget;
11. Supports the proposal made by the Commission in the preliminary draft supplementary budget to transfer the 50 m u.a. in Article 833 'Priority regions' of the general budget for 1975 to Article 800 'Projects for improving the structure of agriculture' - and, since these appropriations no longer have any legal basis because the Commission has withdrawn its proposal on priority regions, amends the draft budget accordingly;
 - (e) other features of the draft budget
12. Approves the correction proposed by the Council to enable appropriations to be allocated - by transfer from Chapter 99 - for the implementation of the 1975 research and training programme in respect of plutonium recycling in light-water reactors;
13. Notes with satisfaction that the Council has adopted its suggestion of adding 9 category B posts and 18 category C posts to the Commission's establishment plan, which the Commission had asked for in view of the increased amount of administrative work in the Directorate-General for Regional Policy;
14. Asks the Council to take an early decision so that there are no further delays in launching the Community's regional policy;
15. Instructs its President to forward the amended draft budget, this resolution and the minutes of this sitting to the Council.

