

Annex

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### Debates of the European Parliament

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1979-1980 Session  
Report of Proceedings  
from 23 to 25 October 1978  
European Centre, Luxembourg

Contents

<b>Sitting of Monday, 23 October 1978 . . . . .</b>	<b>1</b>
Resumption of session, p. 1 — Election of His Holiness John Paul II, p. 1 — Appointment of Members, p. 1 — Documents, p. 2 — Texts of treaties, p. 3 — Authorization of reports, p. 3 — Order of business, p. 4 — Organization of budget debate, p. 4 — General budget for 1979 (debate), p. 5 — Next sitting, p. 38.	
<b>Sitting of Tuesday, 24 October 1978 . . . . .</b>	<b>39</b>
Minutes, p. 39 — Committees, p. 39 — General budget for 1979 (continuation of debate), p. 40 — Welcome, p. 59 — General budget for 1979 (continuation of debate), p. 59 — Next sitting, p. 85.	
<b>Sitting of Wednesday, 25 October 1978 . . . . .</b>	<b>86</b>
Minutes, p. 87 — Verification of credentials, p. 87 — Documents, p. 87 — Texts of treaties, p. 87 — General budget for 1979 (continuation and conclusion of debate), p. 87 — Rules of Procedure of the European Parliament (vote), p. 89 — General budget for 1979 (vote), p. 90 — Committees, p. 110 — Next part-session, p. 110 — Minutes, p. 110 — Adjournment, p. 110.	

## NOTE TO READER

Appearing at the same time as the English edition are editions in the five other official languages of the Communities : Danish, German, French, Italian and Dutch. The English edition contains the original texts of the interventions in English and an English translation of those made in other languages. In these cases there are, after the name of the speaker, the following letters, in brackets, to indicate the language spoken : (DK) for Danish, (D) for German, (F) for French, (I) for Italian and (NL) for Dutch.

The original texts of these interventions appear in the edition published in the language spoken.

*Resolutions adopted at sittings of 23 to 25 October 1978 appear in the Official Journal of the European Communities C 275 of 20. 11. 1978.*

## SITTING OF MONDAY, 23 OCTOBER 1978

## Contents

1. Resumption of the session . . . . .	1	Member of the Commission; Mr Lahnstein, President-in-Office of the Council . . . . .	5
2. Election of His Holiness John Paul II . .	1	— General remarks:	
3. Appointment of Members . . . . .	1	Mr Dankert, on behalf of the Socialist Group; Mr Aigner, on behalf of the Christian-Democratic Group; Mr Spinelli; Mr Aigner; Mr Meintz, on behalf of the Liberal and Democratic Group; Mr Shaw, on behalf of the European Conservative Group; Mr Spinelli, on behalf of the Communist and Allies Group; Mr Cointat, on behalf of the Group of European Progressive Democrats; Lord Bruce of Donington . . . . .	19
4. Documents received . . . . .	2	— Research, energy, industry, exports:	
5. Texts of treaties forwarded by the Council	3	Mr Dalyell, draftsman of the opinion of the Committee on Energy and Research . . . . .	37
6. Authorization of reports . . . . .	3		
7. Order of business . . . . .	4		
8. Organization of the budget debate: Mr Spinelli; Mrs Kellett-Bowman; Mr Cointat; Lord Bruce of Donington . . . .	4		
9. General budget of the European Communi- ties for 1979 (debate) — Reports by Mr Ripamonti (Doc. 394/78, Doc. 395/78 and Doc. 396/78) and Mr Bangemann (Doc. 400/78): Mr Ripamonti, rapporteur; Mr Bange- mann, general rapporteur; Mr Tugendhat,			
		10. Agenda for next sitting . . . . .	38

## IN THE CHAIR: MR COLOMBO

*President*

*(The sitting was opened at 5.35 p.m.)*

**President.** — The sitting is open.

## 1. Resumption of the session

**President.** — I declare resumed the session of the European Parliament adjourned on 13 October 1978.

## 2. Election of His Holiness John Paul II

**President.** — I should like to inform the Assembly that I have sent the following telegram to His Holiness

Pope John Paul II on the occasion of his election:

Your election to the Papacy is an occasion for great joy to the members of the European Parliament who join me in expressing the most fervent hope that your mission to the world will find a profound echo in the hearts of all men. Please accept, Your Holiness, the expression of my filial and devout sentiments.

## 3. Appointment of Members

**President.** — On 19 October 1978 the Senate of the French Republic appointed Mr André Fosset a Member of the European Parliament to replace the late Mr Colin.

Mr Fosset's credentials will be verified after the next Bureau meeting, on the understanding that, pursuant

## President

to Rule 3 (3) of the Rules of Procedure, he will provisionally take his seat in Parliament and on its committees with the same rights as other Members. I should like to extend a warm welcome to our new colleague.

### 4. Documents received

**President.** — Since the session was adjourned, I have received the following documents :

(a) from the Council, requests for an opinion on :

- a proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No 729/70 concerning the amount allotted to the EAGGF, Guidance Section (Doc. 383/78)

which has been referred to the Committee on Agriculture as the committee responsible and the Committee on Budgets for its opinion ;

- proposals from the Commission of the European Communities to the Council for

I. a regulation amending Regulations (EEC) No 1508/76, No 1514/76 and No. 1521/76 on imports of live oil originating in Tunisia, Algeria and Morocco (1978/79)

II. a regulation amending Article 9 of Regulation No. 1180/77 on imports into the Community of certain agricultural products originating in Turkey (1978/79)

(Doc. 384/78)

which have been referred to the Committee on External Economic Relations as the committee responsible and the Committee on Agriculture and the Committee on Development and Cooperation for their opinions ;

- proposals from the Commission of the European Communities to the Council for regulations on the application of the European Communities' generalized tariff preferences scheme for 1979 (Doc. 388/78)

which have been referred to the Committee on Development and Cooperation as the committee responsible and to the Committee on External Economic Relations, the Committee on Agriculture and the Committee on Economic and Monetary Affairs for their opinions ;

- proposals from the Commission of the European Communities to the Council for regulations on consolidated texts relating to the wine sector (Doc. 389/78)

which have been referred to the Legal Affairs Committee ;

- a proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No. 950/68 on the Common Customs Tariff and Regulation (EEC) No. 2710/77 establishing in respect of certain products falling within Chapters 1 to 24 of the Common Customs Tariff a scheme of generalized preferences in favour of developing countries (Doc. 390/78)

which has been referred to the Committee on Development and Cooperation as the committee responsible and the Committee on External Economic Relations and the Committee on Agriculture for their opinions ;

- a proposal from the Commission of the European Communities to the Council for a decision introducing a Community system of information on accidents in which products are involved, outside the spheres of occupational activities and road traffic (Doc. 391/78)

which has been referred to the Committee on the Environment, Public Health and Consumer Protection as the committee responsible and the Committee on Budgets for its opinion ;

- a proposal from the Commission of the European Communities to the Council for a regulation on the adjustment of capacity for the carriage of goods by road for hire or reward between Member States (Doc. 392/78)

which has been referred to the Committee on Regional Policy, Regional Planning and Transport ;

- a proposal from the Commission of the European Communities to the Council for a directive amending for the 14th time Directive 64/54/EEC on the approximation of the laws of the Member States concerning the preservatives authorized for use in foodstuffs intended for human consumption (Doc. 393/78)

which has been referred to the Committee on the Environment, Public Health and Consumer Protection ;

- a proposal from the Commission of the European Communities to the Council for a regulation suspending application of the conditions to which the importation into the Community of certain types of citrus fruit originating in Spain is subject by virtue of the agreement between the Community and that country (Doc. 397/78)

which has been referred to the Committee on External Economic Relations as the committee responsible and the Committee on Agriculture and the Committee on Budgets for their opinions ;

- a proposal from the Commission of the European Communities to the Council for a regulation concerning the conclusion by the European Economic Community of the convention on future multilateral cooperation in the North-West Atlantic fisheries (Doc. 402/78)

which has been referred to the Committee on Agriculture ;

(b) from the committees, the following reports :

- report Mr Ripamonti on behalf of the Committee on Budgets on Section II (Council) and Annex I (Economic and Social Committee) of the draft general budget of the European Communities for the 1979 financial year (Doc. 394/78) ;



**President**

- report by Mr Ripamonti on behalf of the Committee on Budgets on Section IV (Court of Justice) of the draft general budget of the European Communities for the 1979 financial year (Doc. 395/78);
- report by Mr Ripamonti on behalf of the Committee on Budgets on Section V (Court of Auditors) of the draft general budget of the European Communities for the 1979 financial year (Doc. 396/78);
- report by Mr Nyborg on behalf of the Committee on Economic and Monetary affairs on the proposal from the Commission of the European Communities to the Council (Doc. 359/78) for a regulation on the abolition of postal charges for the presentation to customs of consignments of goods from another Member State which are relieved of internal taxes payable at importation (Doc. 398/78);
- report by Mr Bangemann on behalf of the Committee on Budgets on the draft general budget of the European Communities for the 1979 financial year (Doc. 296/78) — (Doc. 400/78);

(c) from the Council, requests for an opinion on

- the proposal for the transfer of appropriations between chapters within Section III — Commission — of the General Budget of the European Communities for the financial year 1978 (Doc. 253/78) — (Doc. 385/78)

which has been referred to the Committee on Budgets;

- the proposal for the transfer of appropriations between chapters within Section III — Commission — of the General Budget of the European Communities for the financial year 1978 (Doc. 363/78) — (Doc. 386/78)

which has been referred to the Committee on Budgets;

- the proposal for the transfer of appropriations between chapters within Section III — Commission — of the General Budget of the European Communities for the financial year 1978 (Doc. 354/78) — (Doc. 387/78)

which has been referred to the Committee on Budgets;

- the proposal for the transfer of appropriations between chapters within Section V — Court of Auditors — of the General Budget of the European Communities for the financial year 1978 (Doc. 365/78) — (Doc. 399/78)

which has been referred to the Committee on Budgets;

- the proposal for the transfer of appropriations between chapters within Section III — Commission — of the General Budget of the European Communities for the financial year 1978 (Doc. 366/78) — (Doc. 401/78)

which has been referred to the Committee on Budgets.

*5. Texts of treaties forwarded by the Council*

**President.** — I have received from the Council certified true copies of the following documents:

- act of notification of the approval by the Community of the cooperation agreement between the European Economic Community and the Arab Republic of Egypt and the final act thereto;
- act of notification of the approval by the Community of the cooperation agreement between the European Economic Community and the Lebanese Republic and the final act thereto;
- act of notification of the approval by the Community of the additional protocol to the agreement between the European Economic Community and the State of Israel, the protocol relating to financial cooperation and the final act thereto;
- act of notification of the approval by the Community of the cooperation agreement between the European Economic Community and the People's Democratic Republic of Algeria and the final act thereto;
- act of notification of the approval by the Community of the cooperation agreement between the European Economic Community and the Kingdom of Morocco and the final act thereto;
- act of notification of the approval by the Community of the additional protocol to the agreement between the European Economic Community and the Portuguese Republic, the financial protocol and the final act;
- act of notification of the approval by the Community of the cooperation agreement between the European Economic Community and the Syrian Arab Republic and the final act thereto;
- act of notification of the approval by the Community of the cooperation agreement between the European Economic Community and the Hashemite Kingdom of Jordan and the final act thereto;
- act of notification of the approval by the Community of the financial protocol between the European Economic Community and Malta;
- act of notification of the approval by the Community of the cooperation agreement between the European Economic Community and the Republic of Tunisia and the final act thereto;

These documents will be placed in the archives of the European Parliament.

*6. Authorization of reports*

**President.** — Pursuant to Rule 38 of the Rules of Procedure, I have authorized the Committee on the Environment, Public Health and Consumer Protection to draw up the following reports:

- a report on organ banks
- a report on the possibilities and limitations of self-medication.

### 7. Order of business

**President.** — At its sitting of 13 October 1978 Parliament adopted the following agenda for this part-session :

*Monday, 23 October 1978*

*5.30 p.m. to 10.15 p.m.*

- Introduction of the report by Mr Ripamonti on behalf of the Committee on Budgets on Sections I, II, IV and V of the draft general budget for 1979
- Introduction of the report by Mr Bangemann on behalf of the Committee on Budgets on the draft general budget of the European Communities for 1979
- Debate on the draft general budget for 1979

*Tuesday, 24 October 1978*

*9.00 a.m. to 1.00 p.m. and 2.30 p.m. to 6.00 p.m.*

- Continuation of budget debate

*Wednesday, 25 October 1978*

*9.30 a.m.*

- Introduction and discussion of the supplementary reports by the Committee on Budgets
- 10.00 a.m.*
- Vote on the motion for a resolution contained in the Yeats report on the amendment of the Rules of Procedure of the European Parliament
- Votes on
  - Sections I, II, IV and V of the draft general budget for 1979
  - Draft amendments concerning appropriations in the Commission section of the draft budget
  - Proposed modifications concerning appropriations in the Commission section of the draft budget
  - the motions for resolutions contained in the Ripamonti and Bangemann reports drawn up on behalf of the Committee on Budgets.

### 8. Organization of the budget debate

**President.** — Pursuant to Rule 28 of the Rules of Procedure, speaking time in the budget debate has been allocated as follows :

Total length of debate	12 hours 30 minutes
Mr Ripamonti, rapporteur	15 minutes
Mr Bangemann, general rapporteur	90 minutes
Draftsmen of opinions	80 minutes in all
i.e. 10 minutes each	
Commission and Council	75 minutes in all
Socialist Group	150 minutes
Christian-Democratic Group (EPP Group)	125 minutes
Liberal and Democratic Group	60 minutes
European Conservative Group	50 minutes
Communist and Allies Group	50 minutes
Group of European Progressive Democrats	45 minutes
Non-attached Members	10 minutes

This speaking time will have to be used for introducing reports and supplementary reports, draft amendments and proposed modifications. During the vote no one will be allowed to speak except the rapporteur, who may state briefly the views of the Committee on Budgets.

I would also remind Parliament that the time-limit for tabling draft amendments, proposed modifications and any proposals for the rejection of the budget as a whole has been set for 8 p.m. this evening. This will enable the Committee on Budgets to consider these proposals at its meeting at 6.15 p.m. to-morrow. It will give its comments on them at the beginning of Wednesday's sitting, before the vote is taken on the budget as a whole.

I appeal to all Members to observe the limits on speaking time and I would ask the political groups to let me know as soon as possible the names of those wishing to speak in the budget debate, indicating the sections of the budget on which they intend to speak. Draftsmen of opinions will, in principle, be given the opportunity to speak at the beginning of the debate on the appropriations relating to those parts of the budget on which they have delivered opinions.

I call Mr Spinelli.

**Mr Spinelli.** — (I) If I understood you correctly, Mr President, any proposal for the rejection of the budget as a whole must be tabled by 8 o'clock this evening. Now, how can we ask that the budget as a whole be rejected if we do not know as yet which amendments will be adopted and which will not be adopted ?

Parliament can decide whether to adopt or reject the budget only after it has adopted or rejected the amendments, and certainly not before the vote on these amendments.

**President.** — Mr Spinelli, we shall take note of your remark. We will try to think about it, with the help of Providence !

(Laughter)

I call Mrs Kellett-Bowman.

**Mrs Kellett-Bowman.** — Mr President, could you just clarify one small point in view of your ruling on opinions given during the vote. At what point would one give an explanation of vote during the procedure ? Before or after the vote on the relevant sector ?

**President.** — All the amendments must be dealt with during the debate. When the time comes for voting, only the rapporteur may give this views. Anyone therefore that wants to state a view must do so during the debate.

I call Mr Cointat.

**Mr Cointat.** — (F) Mr President, my question also concerns explanations of vote : after completion of the voting on amendments, can each Group give an explanation of vote on the budget as a whole ?

**President.** — Yes, of course, just before the vote on the budget as a whole.

**Lord Bruce of Donington.** — Mr President, I must apologize if I misunderstood what you said in reply to the question raised by Mr Spinelli. As I have hitherto understood the position, after the amendments go through today, the budget will go to Council, which will then deliver its views on the amendments submitted by Parliament, after which the budget will come up in its final form for a second reading in the House.

Am I to understand that it is not possible at some later stage — before the December readings of the budget — to move the total rejection of the budget as it comes back from Council, after it has considered the amendments? The position that has existed hitherto is that a date has been set, prior to the December meeting, at which this would be possible.

**President.** — My reply was intended to refer only to the first reading and does not refer to the second.

Are there any objections ?

That is agreed.

I would remind the House that today's debate will continue until 10.15 p.m. and I would ask all who wish to speak to take advantage as far as possible of this evening's sitting, as tomorrow we shall have to wind up our proceedings at 6 p.m. in order to give the Committee on Budgets a chance to consider all the amendments with a view to reporting back at the beginning of Wednesday's sitting before the vote is taken.

#### 9. General budget of the European Communities for 1979 (debate)

**President.** — The next item on the agenda is the debate on the draft general budget of the European Communities for the financial year 1979 on the basis of

- the Ripamonti reports (Doc. 394/78, Doc. 395/78 and Doc. 396/78) on
  - Section I : Parliament
  - Section II : Council
  - Section IV : Court of Justice
  - Section V : Court of Auditors
 of the draft general budget for 1979 ;
- the Bangemann report (Doc. 400/78) on the draft general budget for 1979.

**Mr Ripamonti, rapporteur.** — (I) Mr President, ladies and gentlemen, the resolution adopted by Parliament at the June part-session fixed the estimates of revenue and expenditure for 1979 at 111 089 905 EUA, representing an increase of 10.62 % over the 1978 financial year. On a proposal from the Committee on Budgets, Parliament also established the need to review its budgetary forecast before the end of the year as part of the consideration of the Community's budget and after its departments have been able to assess the demands associated with the operation of the directly elected European Parliament during the initial period and those relating to the directly elected European Parliament during the initial period and those relating to the continuity of the parliamentary function. Parliament thereby left the newly elected Parliament to decide on the possible adoption, in the course of 1979, of a supplementary budget concerning the organization of its work. As the procedural stage of this examination, within the meaning of Articles 49 and 50 of the Regulation, may be completed tomorrow, following the meeting of the enlarged Bureau and the Committee on Budgets, I should like to speak on this point at the Wednesday sitting, and reserve the right to express an opinion at that sitting on any amendments which may come up again.

**President.** — Mr Ripamonti, in that case you will have to make a supplementary speech on Wednesday morning, bearing in mind, however, that speaking time will be extremely limited because of the vote.

**Mr Ripamonti, rapporteur.** — (I) Mr President, as regards the draft budget of the Council of Ministers, the Council has itself submitted estimates of expenditure amounting to 102 768 300 EUA, representing an increase of 5.8 % over 1978. The Council's establishment plan has increased from 1 511 to 1 541 posts. The Committee on Budgets has unanimously decided to recommend Parliament to approve the Council's draft budget without modification.

As regards the draft budget of the Economic and Social Committee, which is annexed to the Council's expenditure appropriations total 16 560 000 EUA, with an increase of 5.4 % over 1978. The establishment plan of the Economic and Social Committee consisted of 315 posts in 1978 ; the Council has granted 9 further posts, whereas 17 were requested, increasing total staff to 324.

The Committee on Budgets has approved an amendment creating one A 4 post — absorbing an equivalent post in the former Audit Board — in view of the agreement of the Economic and Social Committee to include this official on its establishment plan.

<sup>1</sup> I call Mr Ripamonti.

## Ripamonti

There is also the problem of strengthening the establishment plan by the other 8 posts which were requested but have not been granted by the Council. However, a proposal designed to meet the requests submitted was not favourably received by the committee, and the rapporteur therefore asks Parliament to approve the budget of the Economic and Social Committee in the form adopted by the Council.

As regards the Court of Justice, the Council's decisions, adopted with the agreement of the institution concerned, provide for appropriations totalling 19 576 220 EUA, representing an increase of 12.9 %. The establishment plan of the Court of Justice has been extended with the creation of 31 new posts. The Council has granted only 9 posts for legal secretaries as against the 13 requested. The Committee on Budgets has approved the draft submitted by the Council and asks Parliament to vote in favour.

As for the draft budget of the Court of Auditors, the Committee on Budgets has given further consideration to the proposals put forward by the Court to the Council, and only partly accepted by the latter, on the basis of a mass of documentation requested from and supplied by the Court of Auditors itself. The committee considers inadequate and incomplete the justification given by the Council of Ministers concerning its decision to approve the Court's proposals in part only.

The Committee on Budgets considers it essential to ensure that the Court of Auditors is able to fully assume its particular responsibilities concerning the organization of its activities. The proper framework for expressing any reservations should not be the estimates, but the examination of the Court's activities. The Committee on Budgets has therefore tabled a supplemented amendment to complete the establishment plan with 38 posts in addition to the 35 authorized by the Council. The Court would thus have an increased staff complement of 73 posts, compared with the 86 requested, and could complete the incorporation of the 57 posts for control proper — officials for vertical sectors — by assigning 13 posts to horizontal sectors and 6 posts to service sectors. The Committee on Budgets also proposes an increase in the necessary payment appropriations, increasing the 7 049 920 included in the estimates to 8 184 447 EUA; this represents an increase of 1 135 157 EUA on staff expenditure.

The Committee on Budgets considers it essential that the Court of Auditors should be able to carry out its control activities effectively, and approves the programme of activities which the Court of Auditors intends to implement.

The Committee on Budgets also proposes that Parliament should freeze some of the posts granted, and should instruct the committee to effect the release of these posts in cooperation with the Court of Auditors at the end of the first and second quarters of 1979, in the light of the progress achieved in implementing the organization programmes of the Court.

In conclusion, Mr President, the Committee on Budgets therefore proposes that Parliament should approve the draft budget of the Council of Ministers and the Court of Justice in the form proposed by the Council, and should approve the draft budget of the Court of Auditors subject to the amendments I have described.

**President.** — I call Mr Bangemann.

**Mr Bangemann, general rapporteur.** — Mr President, ladies and gentlemen, it is my duty and my honour to submit to you on behalf of the Committee on Budgets that committee's views on the 1979 budget. As you know, this is the last budget before direct elections, a fact that should offer us an opportunity not only to discuss budgetary matters in the narrow sense of the word but also to see this budget in the context of the political considerations which must be taken into account in view of direct elections.

During the discussions prior to these elections it has often been argued that it was not really worth holding such elections because, unlike its national sister parliaments, this Parliament had nothing to say. But all of us who are familiar with the progress this Parliament has made in budgetary powers know that this is by no means true in this area. I am mentioning this because I think that this fact should not be left only to the experts but must be discussed in public. Since its origins as a purely consultative board this Parliament has made a long and successful journey, as regards budgetary powers. Mr President, I think this is the moment to express sincere thanks to our predecessors who paved the way for Parliament. Since I have only been travelling this road for a few years and cannot, therefore, seem to be praising myself, I may offer this thanks. Their work has attracted almost no notice in public and yet they have done much to enable parliamentary democracy to be established at European level. The few members of the Committee on Budgets, these few members of the House, Mr President, have done much to ensure that this Parliament has gained in political authority and repute, and we should be grateful to them for this.

I would also like specifically to mention my predecessors as general rapporteur, Mr Michael Shaw and Lord Bruce, not to mention all those who performed this

## Bangemann

function before them, because their preparatory activities provided me with a basis for my work without which I could never have accomplished it. For budgetary procedure has become so complex and so time-consuming since then that this task can really only be performed on the basis of real cooperation.

May I also personally thank the chairman of the Committee on Budgets for his support, and not least the members of the secretariat of the committee who have given me such great help at all times.

If we want to give due consideration to the political importance of this budget we must note the following: we have taken the first steps towards the financial autonomy of the Community. We have also made substantial progress as regards control by setting up the Control Subcommittee of this House and the Court of Auditors, which means that the increase in budgetary powers has gone hand in hand with an increase in the necessary control measures. So we have built a solid foundation for future work in the budgetary and financial area, and if I look at the potential of this Parliament in the light of the argument mentioned above, namely that it is not worth electing such a Parliament, then I must say, Mr President, that precisely the opposite is true.

This Parliament, and its individual members, urgently need democratic legitimation if they are to exercise the budgetary powers we have now acquired. As a Democrat, I am in a situation in which I do not feel quite at ease, for I must say that I have much, indeed far too much, scope for action without the support, without the control of the electors. It is more than time this Parliament really was elected democratically, because it already has such wide powers.

Cooperation between the institutions in budgetary matters has considerably improved. Naturally this is also because Parliament is not only a partner in the dialogue but can also contribute political weight to the discussions. The politeness with which the Council and the Commission always used to treat us have given way to a political respect which is still accompanied by politeness but also reflects that fact that we are now in a position to assert our budgetary powers as part of the budgetary authority. We want to further improve this cooperation.

For instance, I believe that we should bring forward the relatively late beginning of the budgetary procedure — Mr Michael Shaw can tell us a lot about the difficulties this late start involved for him. We should try to open discussions as soon as the Commission has prepared its preliminary draft budget, when the Council begins its first discussions after the preliminary draft has been submitted to it and once we have decided on our own guidelines, i.e. at a very early date; this kind of early cooperation will surely not mean that the two parts of the budgetary authority begin a kind of wrestling match, but rather would mean that from the outset the discussions are aimed

at achieving a common result. That is why it would be most advisable if we could start these discussions earlier than in the past. It is my hope that the discussions will be pragmatic, that in no case will they turn into a kind of legalistic argument as to who has what powers in each individual case. I believe that after the way the discussions have proceeded hitherto, we can count on having a political dialogue rather than an argument between legal experts in future too.

It would also be useful during this dialogue if the various secretariats could take up official contact at a fairly early date. I am speaking of the permanent representatives and the secretariat of our Committee on Budgets and especially of the secretariat for conciliation which is to be set up, for it has repeatedly proved useful even at this level which is perhaps wrongly called the lowest level, since some political decisions are not perhaps actually taken but basically determined by these discussions, for formal contacts to be made and seen to be made.

May I also openly extend my thanks to the Commission for being so helpful during my many months of work, both officially and unofficially — for there is a whole area of unofficial contacts which are just as useful as the official ones. Mr President, I mentioned earlier that in my whole life I have never received as many 'non papers' as since beginning my work as rapporteur. I could bring mountains of 'non papers' with me, all of which are very useful; the official positions are helpful, the 'non papers' are essential.

So may I sincerely thank the Commission for its official and unofficial help. But this does not release me from the obligation to put forward a major criticism which was discussed in the Committee on Budgets. You know that the Commission described its preliminary draft budget as 'coat cut to cloth'. It attempted, an attempt which cannot be rejected out of hand, to submit a draft which was air-tight, i.e. a proposal which was not to be an object of negotiation but a basis for joint decision. Since the submission of the draft, we know that this intention of the Commission's could not be realized. The Council cut down even this so-called austerity budget, this made-to-measure coat, so that we ended up with an unsatisfactory draft budget.

The Committee on Budgets then found itself forced to make up for the Commission's tactics by taking steps itself. But this is far more difficult for a Committee on Budgets and a Parliament to do than for the Commission which is the body with the real power of initiative. And I must say, Mr President, that it is in those areas where the Council repeatedly and rightly pointed out that certain Commission appropriations could not be justified, since the Council did not

### Bangemann

even have proposals from the Commission before it, that I most regretted the fact that Parliament did not from the start have the powers of the Commission. In future the Commission should avoid this situation.

I do not consider it a good thing for us to have to discuss this argument of the Council's during this dialogue. At any rate the Commission should always submit proposals when it presents budgetary appropriations. In the coming months we shall of course talk about the relationship between budgetary and legislative powers in the framework of a general conciliation procedure; we cannot possibly solve this question now during this discussion on the 1979 budget. That is why we made a proposal in the Committee on Budgets which could bridge the interim period. We think that wherever it is a question of individual projects and measures, the Council should not insist on the implementation of such individual acts by way of regulations. It is quite unnecessary to require that individual enquiries and other individual matters which I will not name here should always require a legislative act before being implemented.

It is quite enough as regards the budget, which in the final analysis is also a legislative act, if both parts of the budgetary authority agree that this budgetary decision alone is sufficient grounds for the Commission to take executive action. To make this clear — to the Commission too which rightly says it does not want a situation where it is not clear what it can and may do — the Committee on Budgets suggests using a formula which clearly shows when both sides of the budgetary authority consider it possible and advisable, to implement the budget without this also requiring an act of formal legislation.

I hope the Council considers this proposal constructive, since it allows us to discuss this basic relationship between legislative and budgetary powers without any undue pressure of time. If we have these budget appropriations, if we have any budget appropriations at all, then the money must certainly also be spent. That is one of the major problems of past financial years which at first remained concealed. Now these problems have become clearly visible.

Thank God, we have introduced the instrument of the financial survey at specified dates and we know from the financial survey which the Commission has prepared for the current year and has forwarded to us that the financial outflow is shockingly small. When one realizes that for instance on 30 June not even 1 % of funds had been spent out of the entire Social Fund, one may well ask, Mr President, why we are talking here, in the framework of budgetary procedure, about sums of millions and tens of millions if in the course of the coming financial year these amounts will not even be spent. Then what we are doing here either becomes dishonest, if we think that we are

pursuing a policy simply by entering budget appropriations, or it is stupid, if we content ourselves with having provided for such appropriations without ensuring that the money really is spent. What can one do in such a situation?

The Commission says: we are quite willing to spend money, only the way in which we have hitherto had to arrange for such expenditure, namely in cooperation with the national governments and the national bureaucracies, prevents us from really doing anything ourselves; for if these national institutions do nothing, we become practically powerless. That is the Commission's argument.

The Commission's argument cannot be dismissed for at times it does reflect reality. However, in some cases one can surely also achieve something by improving the procedure without radically changing the policy.

I believe, however, Mr President, that this policy must be changed radically. I am not calling for an additional bureaucracy to replace the national bureaucracies, for that would certainly be the wrong road to take: but we must develop a coherent European policy of our own. There is no point in merely spending money in addition to the money which the national parliaments and governments have decided to spend, for then we emerge as a very scantily clad Lady Luck bearing a huge cornucopia containing nothing. The national governments may view this apparition with some goodwill, but will not use the cornucopia at all and the little that it does contain will not even be spent.

That means that in future the Community — and Europe is very closely bound up with mythology, if one thinks of Europa and the bull and so forth — must not degenerate into a mythological being. We must not allow ourselves to be regarded merely as money providers but must take political action of our own. This applies to regional policy. If we confine ourselves to financing projects by providing amounts additional to those of the national Member States, we will not find our own identity. That, however, is essential and it is also one of the critical areas in this budget.

I mention this deliberately, for in face of the need to adjust the volume of the budget to requirements, we have tried only to propose realistic appropriations. We have not tried — as you will see later when I talk about actual figures — simply to propose 110 % or 120 % after the Commission has proposed 100 % and the Council has allowed 90 %; instead we have carefully checked each appropriation as to whether or not it is realistic. We have accepted a number of Council deletions. So it is not as though we were simply still following the earlier policy of spending money — we are in fact trying to pursue a realistic policy.

**Bangemann**

We have made some progress in the organization of the budget, for which I want to thank the Commission specifically. There is always a tendency to criticize other institutions in order to distract from one's own failures for, Mr President, and this too must be said at this point, Parliament itself must of course take some action too if it wants a coherent European policy. Our own specialist committees must take action, and not just the Committee on Budgets. The Committee on Budgets cannot adopt policies in all the areas for which other specialized committees are competent. The Social Affairs Committee must act, as must the Regional Affairs Committee and the Energy Committee. All the specialized committees must take prompt and practical action. Only then can we criticize if we find no similar action taken by the Commission or the Council, and here too we are sometimes not active enough. Nevertheless, I must explicitly praise the Commission, for it has introduced substantial improvements as regards the horizontal problems of the budget. For instance as regards the question of loans, the Commission made the courageous proposal that loan policy should become an integral component of the budget as Part II of Section III. At first the Council rejected this, but thanks to the conciliation procedure we have made enough progress to be able to say, perhaps not *va bene* as the President of the Council once said at the end of a historic meeting before we had even reached agreement, but at any rate that we have made more than modest progress, so that in this area we may perhaps reach a common position.

As regards the global nature of the budget, there has also been some cooperation by the Commission and Council. The satellites, i.e. the many supplementary budgets which we still have today, were always a thorn in the flesh of the Committee on Budgets. That is why, in order to make it clear that we want results, we have simply adopted in our own proposals the proposal to incorporate the staff of the European Cooperation Association (ECA) into the general staff structure of the budget insofar as this is headquarters staff or staff who perform various important duties. We know that we must still hold detailed discussions with the Commission, but to us this seems a necessary step towards finally achieving a global budget.

As regards nomenclature, we have also made substantial progress, in terms of research appropriations, thanks to measures taken by the Commission on its own initiative which hark back to various Parliament proposals — however we do not want to quarrel about authorship here which in any case is very difficult to determine in politics.

I would like here to mention one major proposal made by the Committee on Budgets itself, since it relates not only to an important new policy but also affects the nomenclature. We already have many measures relating to the sea. We have environmental

measures. Outside these traditional areas, we have provided for some other supervision measures. I think these should all be brought together.

We should have the courage to say: Yes, we want to implement a policy on the sea as part of a coherent policy, since all measures are interdependent. To support the fisheries, whether through the Guarantee Section of the EAGGF, or whether as a structural measure, is at the same time a measure to protect the maritime environment. This would affect the fisheries policy and it would be easy to develop the measures to control the fisheries policy along environmental lines since we know that it is essential to monitor tanker routes very carefully to prevent tankers from deviating from these routes — whether deliberately or not, which is always very difficult to determine after the event.

So as regards nomenclature we propose that all measures relating to policy on the sea — i.e. former Articles 860 and 862 — should be transferred to this new fisheries policy in a new Chapter 58 and that this policy should be reintroduced into the budget as 'policy on the sea' because it demonstrates the Community's resolve to take Community action here.

As regards the financial estimates, here too we would like to say see closer links between what we ourselves enter in the financial estimates and what is to be spent in the individual financial years. To achieve this we will certainly need to extend the period to five years, because without a five-year planning period, the financial estimates will only trail behind budgetary decisions.

Since Bremen, Bonn and Aachen, we know that the Community wants to take steps to set its monetary policy in motion. The Committee on Budgets considers this very important. Not for nothing have the Committee on Agriculture and other committees too pointed out on many occasions that the real difficulties are not really to be found in these areas but in the widening divergences between monetary developments in the Community, and no doubt this is so. That is why we support all these attempts to achieve monetary stability in Europe, and we also believe that the unit of account which we use in the budget and which we have developed ourselves can be used in this connection, both because it exists and because it offers a number of advantages into which I shall not go here.

As regards the revenue side, we must warn against any further delay in the implementation of the VAT Directive. We urgently need national decisions, to ensure that the Community can finance itself from this tax. At the same time, however, we must point out that the 1 % share of VAT will be exhausted very soon. If one remembers that the draft budget plus our proposed amendments, assuming they were implemented in the way we formulated them, would already

**Bangemann**

represent a VAT share of 0.7795 %, i.e. some 0.8 %, it becomes clear that the budgetization of the European Development Fund will certainly mean exceeding the 1 % ceiling in the next two years. So we must consider on time what to do then. May I also add that if we can reach agreement on the loans policy we will perhaps have another year or two to play with, for, as all national budgets know, loans policy offers an opportunity to finance certain expenditure over a particular period without committing direct own revenue for it.

We have adopted certain proposals of the Committee on Budgets of which I will now mention only the major ones. In the case of the new policy on the sea, the proposals would involve another 108 million, social policy 225, regional policy 233 — and I am talking only of payment appropriations here because I think that those are the really important figures. I do not want to reduce the value of commitment appropriations, yet the really important side of the budget is what will be spent in the next year. May I point out here that this is a particular problem and one that we have already discussed. We have followed the Regional Affairs Committee's proposal, Mr President, to increase the commitment appropriations to one thousand million because we believe that in view of the outflow recorded by the Commission in past years, this appropriation is necessary if one third of it is actually to be spent next year. So here we did not feel ourselves bound by the European Council's decisions, as the Council of Ministers — perhaps rightly — did and the Commission quite wrongly did.

Now we come to energy and research policy. Here we have increases 119 million, development 161 million; those are the major actual expenditure figures. In Chapter 100 under reserves we have approved the Commission's idea of having an operational reserve and have restored this operational reserve in part, although only in part because we have taken out the part which the Commission had entered for enlargement and formed a separate enlargement reserve, together with an energy reserve which will be allocated 100 million u.a. All these figures total some one thousand million, more precisely, 993 million more than in the draft budget. That means that we have only exceeded the figures in the preliminary draft very slightly. That is proof that we have not entered fictitious figures but have seriously attempted to provide money only where it really can be spent. The payment appropriations look as follows: The Commission had submitted a preliminary draft of 14 000 million. That was 1 600 million more than in 1978, or 13.7 %. The Council had reduced this preliminary draft to 13 000 million, i.e. 812 million more than in 1978, or 6.5 %, but 885 million less than in the preliminary draft, i.e. 6.2 % less. Our proposals relate to 993 million, so the difference between the Council's

cut of 885 and our new proposals of 993 is not very great.

I expressly draw the Council's attention to this because it will be necessary to examine whether these proposals of the Committee on Budgets, if adopted, are realistic.

In all, with the so amended budget, the difference in relation to 1978 is 1 800 million or 14 % in the case of payment appropriations and 3 700 million, or 29.5 %, in the case of commitment appropriations. This too is worth mentioning, Mr President — and perhaps it also needs explaining — for if we cannot spend any more money next year, we must of course ensure that appropriate funds can flow the year after next, and this explains the disproportionately greater increase in commitment appropriations.

So as regards the volume of this budget it may be said that we have tried to restore the Commission's 'coat cut to cloth', although only after the second fitting! Everyone knows that the first fitting shows up some defects. If in addition one takes into account that after the first fitting a different tailor worked on the coat i.e. the Council, and tried to turn the coat cut to cloth into a strait-jacket, then one could say, with the knowledge we have acquired in budgetary procedure over the last few years, that we have now managed to produce a well-fitting coat again at the second fitting, and one which is suited to the requirements.

Mr President, what does coat cut to cloth mean? It cannot mean that we restrict ourselves to what the Council in its good will is prepared to concede. Cut to cloth must mean that the Community budget is adapted to the problems facing us. These problems were very well and clearly defined in Bremen, Bonn and Aachen. Everyone agreed on that. All the national governments which were represented there by their heads of government said: we must do that. So the Council cannot simply come along and further cut down this preliminary draft which was a very cautious one.

That is why I consider what we have done here to be moderate. It represents not an object for political negotiation, but the resolve of the Committee on Budgets to adapt the volume of the budget to some extent at least to the problems facing us all. Of course we realize that even these changed figures cannot activate any vast economic change. Of course, given the small share of the Community budget in the overall volume of all the national budgets in the Community, we must constantly strive to achieve structural results. We can do little to affect the economic trend, but we can combat structural defects and thus set in motion more wide-scale longer-term movements. That is how this budget should be viewed.

Let me make a few comments on the individual sectors. Social policy must be directed towards a resolute attack on unemployment among young people



**Bangemann**

and women. That is why we have laid great value on these measures; and once again may I say that the Commission must find a way — and if it does not find it, it must create it — to increase the outflow of appropriations from the Social Fund more than in the past. Otherwise all our good ideas and hopes here will prove in vain.

I have already spoken of the Regional Fund. But may I make one more remark, Mr President. We have also made provision for 'non quota' appropriations, for in the long run we must get away from the funds. The budget as such must have sufficient force of expression; it must not be split up into individual funds, and these funds must not be broken down according to national quotas. It is quite senseless to open up an area of political carpet-trading for the Council of Ministers so that the individual members go home and flex their muscles if they have increased their national quota even though they know that they may not be able to do anything themselves with these amounts and that other Member States need them far more.

In the long run we must get away from thinking in terms of funds and move away from fixed national quotas. I say that as a national of a Member State which would then probably be worse off than at present, but I say it, Mr President, out of a necessary spirit of European solidarity and one which we, the Parliament, are most likely to discover. If we do not develop such a sense of European solidarity, if we do not finally move away from thinking in terms of national quotas, then Europe will merely remain a sum of different nations and never gain an identity of its own.

In agricultural structural policy we would like, as reflected in our draft amendments, to eliminate the imbalance between the Guarantee Section of the EAGGF and structural measures. I know — and some of my colleagues who have at times criticized me here are present today too — that the individual Member States are doing much as regards agricultural structures, but I also know that our own agricultural policy is too weighted to one side, that of the Guarantee Section, and contributes too little to improving agricultural structures. That is why we must give priority to improving agricultural structures, especially with a view to the accession of Greece, Portugal and Spain.

The same applies to transport policy. For years transport policy has been as immobile as the Sleeping Beauty, which is surprising; one would have expected the Community to have made greatest progress in the area of transport, since whenever previously separated regional units grow together, this calls for an improvement of transport infrastructures. We have not seen this happen. I know that the Commission is preparing a regulation which the Council too will probably accept — at least according to the initial statements made by some of its members. Yet the Committee on

Budgets considers that a few concrete measures must be taken as early as next year to show that the Community is ready and willing to pursue this infrastructure policy energetically.

We shall certainly have a very heated debate on energy policy, Mr President. Here there are very wide differences between the members and groups of this Assembly. The Committee on Energy and Research has endorsed the rapporteur's view that an energy policy which concentrates exclusively on coal will not solve the problems. That is why the Committee on Energy did not accept the Commission's proposals and agreed with the Council's idea of making token entries here until we manage to take practical decisions. This is not quite the view of the groups, as was reflected in the Committee on Budgets' decision. At least, as regards subsidies for the reorganization of power stations to burn coal, the Committee on Budgets adopted a different position from the Committee on Energy. Tomorrow when we discuss the draft amendments in detail we shall certainly have to go into this again.

Industrial policy was one of the priorities to which we gave unqualified endorsement. And in spite of some reservations about the concrete content of the Commission's proposals here, we hope that funds will be provided for some areas, especially data processing and research in the aerospace sector, so that the Commission can take action here.

I come now to education. This is a chapter that still needs developing. Here it precedes that of development aid, although one could have considered it together with development aid since in terms of school and education policy the Community is still a developing country. Not perhaps the individual Member States, but the Community as such is still really in a state of nature, to put it positively. However, although we know that the principles of education laid down by Rousseau were no doubt right in theory, they did not produce particularly good results when applied in practice to his family. We do not wish to repeat this experience. The Community must take action itself in this area. We must not embark only on theoretic research, as is being done most energetically in Berlin in the area of vocational training, but must take practical measures of our own. Whether this should already involve budget appropriations is a question on which we were not fully decided in the Committee on Budgets either — at least so far as the European Schools are concerned — but as regards our European Institute in Florence, everyone agreed that here the Community should be able to assert itself by taking measures of its own.

We have accepted nearly everything the Committee on Cooperation and Development proposed as expenditure on materials and staff. That is not by chance, Mr President, for it is quite clear that in this area the Community has acquired world-wide political weight.

**Bangemann**

The Community has become what it is in the world today thanks to its development policy. Its great reputation rests on these achievements, which is why we should expand this Community activity and in any case ensure that this policy is intensified.

Naturally we, like the Commission, must discuss the question of impending enlargement. We think that even today more must be done even than the Commission proposed. That is why we entered a special reserve in Title 10, Chapter 101.

Before I come to expenditure on staff and then briefly comment on the outlook for the directly elected Parliament, one long-standing question remains, that of the development of agricultural expenditure. In the past there was an unfortunate dispute between the Committee on Budgets and the Committee on Agriculture and Parliament found it hard to reach common positions, which even so were always based on small majorities. I think the budget authorities rightly objected that the entire agricultural policy is an open-ended policy. They do not know what will happen at the end of the budgetary year since that depends on many factors about which we know nothing. The agricultural politicians rightly say: but you cannot simply adopt budgetary measures, instead agricultural policy itself must offer a basis for obtaining a better control over expenditure. I consider that justified too. I want to say emphatically that the Committee on Budgets did not approve the earlier attempts to resolve this problem only by means of budget policy measures and that it wants to draft a consistent programme together with the Committee on Agriculture — which is why a mixed working party has been set up which has begun its work now — in which the necessary changes to certain fundamental areas of agricultural policy will make the budgetary policy more transparent and will make it possible really to control expenditure. I hope this attempt will produce some results even before we conclude our work.

A word on staff expenditure. The Council must certainly have regarded our proposals on staff expenditure with some surprise if not displeasure. But I should like to point out that we did not make these proposals out of hand but seriously attempted to justify the increased staff expenditure. One cannot adopt new policies without making the necessary staff available to the Commission. We must also make provision for some improvement in the staff structure simply in order to motivate the existing staff. Here there are a number of possibilities of improvement and I have discussed this question with the various administrations of the Institutions and with the staff representatives and unions. I believe, and it is with this reservation that the structural improvements have been proposed, that we must link staff mobility and performance with promotion opportunities. If we managed to do this, Mr President, i.e., if we created an

additional incentive outside the usual promotion pattern which cannot be changed, and thus achieved greater mobility and better performance in some posts, then we could certainly approve these new posts in the new structure, for this would enable the Commission to work more efficiently.

In conclusion, may I outline at least a few prospects for the directly elected Parliament, for we cannot fulfil our task, Mr President, unless we also think of our colleagues who will continue this work after direct elections. I noted at the outset, and this is where the circle closes, that we can offer our colleagues good provisions for the journey. In the area of budgetary powers, we can give them the possibility of doing real political work. Basically the division of budgetary powers between Council and Parliament has laid the foundations for a kind of two-chamber system, although it must be said that we have still to reach agreement with the Council in the conciliation procedure on the basic relations between legislative and budgetary powers. Noone in this House — and I think noone will make such a proposal even after direct elections — wants to take away the Council's legislative powers. But nor will anyone allow Parliament's hard-won budgetary powers to be eroded by the future activities of the Council; and, Mr President, we cannot accept that the Council should adopt regulations with financial implications which we are forced to take over in our budget after the event. We are not a cash register which rings when the Council has made a decision; having budgetary powers means that we must reach agreement with the Council on any important regulations with financial implications. The Council cannot exercise these legislative powers without the participation of Parliament. I am quite sure the directly elected Parliament will see this in the same light, and perhaps it will insist even more emphatically that this matter be adjusted and settled properly.

Secondly, I am convinced, Mr President, that there is no point in designing theoretical models for the future constitutional structure of the Community. We must start from what exists, and that is not at all bad. The existing structure is a good basis for the development of the Community if it is developed pragmatically, in line with present-day requirements rather than following large-scale models which in any case are of no more than historical interest. So we should follow a pragmatic path, while also insisting that our decision-making procedure becomes more democratic, which also means more transparent. The Council must break out of its circle of non-public decisions. It must give us more part too in its deliberations, just as we do not hesitate to admit Council and Commission representatives to our committee meetings. We have nothing to hide, for democracy means openness, and the Council should no longer avoid this openness.

**Bangemann**

Nor should the decision-making process be blocked by the failure to act of one institution. We must set up decision-making machinery which totally excludes the possibility of failure to act, for inactivity can not only block decisions but can discredit the entire Community. If the Community has perhaps been discredited in past years, that is not because we have done something, but in many cases precisely because we have failed to act, and in future this must not be the guideline of our policy.

The policy of the Community must acquire independent value, it must not be a mere appendage of national policies: and to the extent that we acquire this independence we must also ensure the necessary control. This, Mr President, is what we would like to pass on to our colleagues in the future Parliament.

We are deliberately regarding this budget in terms of transition. It is a normal budget like the preceding ones. That is why to some extent we must discuss it in normal terms. But it is also a signpost for the new directly elected Parliament, and, Mr President, I think you may be satisfied with what the Committee on Budgets is submitting to you here. It corresponds to what Parliament has constantly striven to achieve politically in all the years of its activity. It is a budget that continues along this political line, in the hope that the newly elected Parliament will also know how to value our work.

**President.** — I call Mr Tugendhat.

**Mr Tugendhat, Member of the Commission.** — Mr President, the budget procedure of the European Community is extremely difficult to understand. It goes on over a very long period — certainly much longer than in most of our national systems — and there is, therefore, a tendency for people to lose sight of its more important moments. This is, indeed, the third general debate which we have had in this Parliament since the Commission first published its proposals. Yet I think it is true to say that this is an important moment and, perhaps so far as Parliament is concerned, the most important moment, because it is the moment at which Parliament actually says what it wants. On the previous occasions Parliament has in a sense been reacting to proposals put forward by other people. But on this occasion Parliament is telling us what kind of a budget it would like to see and what scale of expenditure it wants for particular items. It is, therefore, a moment when both the Council, as the other arm of the budgetary authority — and the Commission obviously —, should pay particular attention.

Now before passing on to comment on what Parliament wants, I would like to say a special word of tribute to Mr Bangemann. I think that his achievement as rapporteur has been outstanding, and anyone who listened to his really quite formidable speech this afternoon will know that he has thought deeply and

hard about the issues which confront us. We were all lost in admiration at his grasp of those issues and I really would like on a very personal basis to congratulate him. I would also like to thank the Committee on Budgets under Mr Lange and all the specialized committees that have played a role in the procedure thus far. The result is, I think, an extremely comprehensive report with an impressive number of amendments and proposals for modification. Like everybody else I look to the arrival of the directly elected Parliament. I think that that Parliament is going to have difficulty living up to the standards set by this one as far as budgetary procedure is concerned, and they have certainly got a very solid base on which to build.

Mr President, I shall not speak for the full time allocated to me and I will keep quite closely to a text in order to ensure that I do not speak for long, because I would like to do what I did last year and make a relatively brief introduction and then intervene from time to time during the course of the debate tonight and tomorrow on those items which seem to the Commission to be either particularly important or to be sufficient controversial to justify special treatment. I will, therefore, be brief, or relatively brief, and I will stick to the text this evening. But you will hear from me from time to time — though I hope not excessively — during the rest of the debate.

Mr President, to turn to the debate itself and to Parliament's general approach, it is quite clear that what the rapporteur in the Committee on Budgets is suggesting is that all the institutions of the Community should make a clear choice to integrate the Community's budgetary policy into a strategy of economic growth, to take account as early as possible — in other words in 1979 — of the possible financial requirements of the applicant states. These are aims and aspirations that the Commission fully shares. The Commission, indeed, is struck by the fact that so many of Parliament's amendments and modifications to the draft budget are, in fact a recognition of what the Commission said earlier. Mr Bangemann himself referred to this in his speech. Parliament has not only recognized the wisdom — if I might put it like that — and the strength of some of our suggestions. It has also gone further than we would have gone. It has recommended swifter action towards goals which we all share. When I say all, I mean Parliament, the Council and indeed the Commission itself. Parliament has suggested a swifter movement towards those goals and a more ambitious attempt to secure them. I can only say on behalf of the Commission that we wish you luck, and I could also perhaps say personally that as these eloquent words are being spoken in the German language, I hope very much that the President of the Council here today — though he is a formidable linguist and understands my language as well as his own — will certainly pay particular attention to such eloquence when it comes in the language that is his as well as that of the rapporteur.

## Tugendhat

Now, in drawing up its budgetary proposals, the Commission felt that it was necessary to explain as fully as possible the justification for what it was doing and I am pleased that Parliament has recognized this fact and I am grateful to the rapporteur for thanking us for trying to make the budget clearer than it has been in the past. In that connection, I might perhaps take a slight commercial break and draw the attention of Parliament to the document which we have produced in time for this part-session in all the official languages setting out the general introduction to the budget, which I hope Members will find useful when comparing our original proposal with the draft budget and with that which Parliament is now recommending.

I should like, Mr President, to turn to the most prominent features of the proposals which have been put to the House. A central feature is the proposal to adopt the Commission's idea of special reserves, though, as in other matters, Parliament wishes to extend it significantly. The Commission proposed an entry in Chapter 100 of a global operational reserve to avoid having to resort to supplementary budgets to cover possible requirements in the energy, industrial and transport sectors, or indeed, even in connection with enlargement. No Parliament proposes not only to reinstate this global reserve, which the Council had deleted, but to carry the policy yet further by creating two distinct and specific reserves. One earmarked for the constitution of primary energy reserves and the other for enlargement itself. The Commission welcomes this proposal which is wholly in line with our own approach to the problem.

Secondly, Mr President, the Commission welcomes the amendments restoring Part II of the budget which will allow a clearer budgetary presentation of the borrowing and lending operations of the Communities. It is clear from what Mr Bangemann said that he approves this approach and I hope very much that Parliament will follow his lead. As I explained to the House earlier this month, we are all well aware that such changes cannot be effected without amending the Financial Regulation. We very much hope that the Council will recognise that a decision is urgently needed, and that the matter will be brought — if necessary within the framework of the conciliation procedure — to a speedy conclusion.

Thirdly, Mr President, under this heading, we have the problem of EAGGF expenditure. I fully understand indeed the growing concern at the high cost of surpluses, including the cost of storage covered, in particular, in Lord Bruce's amendments. He and I have spoken on these matters and I can assure him that we fully share Parliament's concern. The Commission has long called for a containment of agricultural spending and I have had occasion to point out before that if the Council was as rigorous in its conduct of agricultural expenditure as it is in its conduct of some

other items, we would indeed be very happy. Normally, with agriculture, the Council calls for greater expenditure than we have put forward. Everybody here knows that at the last European Council in Bremen, fears very similar to those expressed in this House were expressed by the Heads of Government, and the Commission is expected to submit a report to the next European Council in December.

What we have to do of course is to find the right approach. I appreciate, therefore, the political significance of the proposed reduction by 1 EUA of all the entries for storage costs, and the transfer of this Unit of Account to the Guidance Section, thereby adding to the resources available for expenditure on structural measures. I must however remind the House that the guarantee expenditure is, as Mr Bangemann said, open-ended, and it is indeed very hard to see how, under the terms under which the Community operates at present, it could be otherwise. It follows therefore that, whatever the amounts entered in Titles 6 and 7, they cannot in any way be considered as budgetary ceilings. I spell this point out because I want to emphasize my very great concern over the way in which agricultural expenditure has risen and to emphasize that it is shared by the Commission. But I also think it is my duty to point out that, though we do have these very strong feelings, the way in which the Community is at present organized — and I am not suggesting that it is necessarily organized in the most perfect possible fashion, very few human institutions are — it is impossible in practice to regard these titles as providing budgetary ceilings.

Consequently, the Commission believes that the emphasis must be placed on price decisions. Starting with the last campaign i.e. with this Commission's entry into office, we have sought to remedy the present difficulties besetting the common agricultural policy by means of moderate price increases. We believe that it is through a prudent price policy that the problem can best be tackled. We would therefore very much appreciate Parliament's support when the time comes to discuss the price proposals for the next campaign. Parliament gave us their support last time. I feel that did provide a very useful source of additional strength, not only in dealing with the Council but also in convincing public opinion that the approach we were adopting was the right one.

On the EAGGF the Commission has noted Parliament's desire to see the individual projects scheme carried forward on a permanent basis. Parliament will, therefore, be pleased to hear that the Commission has just put forward a formal proposal to extend the scheme by two years.

Fourthly, Mr President, under this heading, I turn to staff, another subject on which I have spoken a great deal in Parliament, and therefore, one on which I can

## Tugendhat

perhaps be brief. Suffice it to say that my colleagues have become increasingly concerned and frustrated by the lack of staff at their disposal. We have reached the point where we wonder if the Commission can indeed discharge all its responsibilities and pay adequate attention to the safeguarding of taxpayers' money. Certainly, we are not perfect in the use of our own resources, but we have made great efforts and believe that we do well enough to put us beyond serious reproach, even though there is scope for improvement and even though we are still trying to do better. The Council, I fear, regularly refuses to consider the matter seriously, despite the explanations we have provided. I can therefore only express the Commission's gratitude to those in this Parliament who have carefully studied our needs and have come to the conclusion that these, despite the Council's view, are real. The amendments before the House show a functional approach which is refreshingly clear. The tasks have been identified and are of major priorities both for this House and for the Commission, and I think indeed for the Community as a whole. The staff increases proposed were modest in relation to what is being attempted. I can assure Parliament that these posts are needed, and that resources will not be wasted and I hope very much that the House will support the amendments which have been laid before it.

I now turn to our reservations on points of budgetary technique and I will deal briefly with certain aspects of the problem which cause us particular difficulties.

First of all, the practice of seeking to freeze appropriations on the line. Now this is an old chestnut and although it is not explicitly prohibited by the Financial Regulation, the Commission believes — the House knows that we believe this, so I need not labour the point — that the practice of freezing appropriations on the line is contrary to the Financial Regulation. We believe that the only adequate procedure to be followed in such cases is an entry under Chapter 100. I hope very much that we shall be able to reach an accord on this thorny subject, but it is best that I spell out our position when one knows there is a disagreement. Our position is clear and it is as I have just put it.

Secondly, we have the long-standing problem — less standing than the last, but still long-standing — of the coresponsibility levy in the milk sector. The entry of the proceeds of this levy in Title 6 as a negative item has always been controversial. Unsatisfactory as it may appear, I must remind the House that this levy cannot be incorporated in the revenue side of the budget as an own resource without a modification of the 1970 decision on own resources which would in turn, of course, involve ratification by national Parliaments. Moreover, the regulation instituting the coresponsibility levy and the various measures taken 'shall be considered as forming part of the measures to stabilize

agricultural markets'. I do not believe, therefore, that there is any scope for making a change.

Thirdly, I think we have to guard against the excessive use of dissociated credits. Now, as the House knows, the Commission has always been a champion of dissociated credits and believes that they represent a major improvement for carrying out multi-annual projects. But in our view they should only be used where needed and this does not seem to be the case with the administrative expenditure of the Florence Institute. So far as food aid is concerned, if Parliament insists on having dissociated credits, I feel that I must express serious doubts about the amounts for commitments and appropriations which are being entered into the budget on this occasion.

Fourthly, the Commission is ready to provide details for a functional breakdown in its forecasts of expenditure on agricultural storage costs, although this will require an amendment to the regulation governing the existing accounting practice of the intervention agencies of the Member States. It might, therefore, not be possible to reach this objective in the course of 1979. Nonetheless, I can assure the House that we are prepared to do this, and I hope Members will understand the reason why it might not be possible to do it quite as soon as I know they would wish, and certainly as we would wish.

Concerning the breakdown of expenditure of such bodies as the Dublin Foundation and the Berlin Centre, here the greater breakdown would not be in accordance with the basic regulations constituting those bodies. These bodies have been set up, as the House very well knows, with particular constitutions and the Board of each of them is autonomous in the financial management of its own budget, while their draft statement of expenditure, which has been communicated to the budgetary authority, gives details of the proposed allocation of the global subsidy. In those subsidies we believe there is little that can be done for the time being. So far as those two are concerned, we do not believe there is much that can be done.

So far as the forecast on expenditure for agricultural storage is concerned, we will try to bring about a change, but it will take a little time.

Next I would like to turn to the dialogue between the two branches of the budgetary authority. Here we come back to Parliament's overall vision and its expression and maintenance during the next stages of the budgetary procedures.

Following the proceedings in the Committee on Budgets last week, Parliament could find itself in a situation where it would be suggesting, the addition to the draft budget of some 2 513m EUA in commitment appropriations and some 993m EUA in payment appropriations. These are large figures and

## Tugendhat

could lead to a conflict with the Council. The Commission believes that such a conflict must be avoided and that Parliament and the Council, with the active participation of the Commission, should proceed to the next stages of the budgetary procedure in a spirit of dialogue and with a genuine desire to reconcile positions.

this context, we do not believe that it would be helpful to embark upon a legal debate on the interpretation of Article 203 of the EEC Treaty. Such concepts as the 'maximum rate' and 'margin of manoeuvre' while keeping all their legal validity, cannot constitute limits irrespective of needs for the development of new policies on their own merits. Certainly, we must bear them very closely in mind, but the priority for the Community must be to develop, and we do not believe that they can set artificial procrustean limits on the evolution of the Community that all institutions are anxious to further.

The need for an inter-institutional dialogue is even more obvious on all the questions related to the implementation of the budget. On this, I must particularly thank Mr Bangemann for all his personal efforts to bring some clarity into the matter. What is suggested to Parliament is to indicate clearly in the remarks column which entries in the budget can be implemented without additional legal acts and what type of action the appropriations allocated are supposed to cover.

This would eliminate doubt as to the Commission's right to implement on its own responsibility where the Budgetary Authority had provided funds, and help to launch, as specific actions, certain activities which later on may require a further legal basis.

The idea of a formal conciliation procedure to resolve this problem so helpfully suggested by Mr Shaw last year, should be taken up again.

A third problem, on which a dialogue is essential is the classification of expenditure as compulsory and non-compulsory. The problem arises this year for a number of items including loans, EAGGF expenditure, the fisheries policy and food aid.

This concertation must cover the main areas of expenditure amended by Parliament. Perhaps the most important of all is one which I have not yet mentioned, but it is always best perhaps to keep the most important to last, and that is the Regional Fund. This is an extreme example of the difference between the Commission and Parliament's approach to an aim which I can assure the House is common to both of us and of major importance. The Commission, obliged to take into account the yearly endowments decided by the European Council in December 1977, believed it was only realistic to make its proposal within that framework. But this is much less than is really needed to correct regional imbalances, which is

now an imperious necessity. If Parliament's authority can achieve a higher figure, the Commission would be delighted — especially since the structure of the amendment this year is technically acceptable. Last year, you will recall, we believed that it was not. The dialogue in this area of policy must therefore be a serious one, and should be matched by similar examination in other policy areas.

I said, Mr President, that I would not speak for long. I have perhaps spoken for longer than I had intended, but the budget is an important one. The issues facing us are complex. Some of them need to be gone into at some length and I look forward to hearing Parliament's view. We will certainly take them very much into account and I hope very much that the Council will.

IN THE CHAIR: SIR GEOFFREY DE FREITAS

*Vice-President*

**President.** — I call Mr Lahnstein.

**Mr Lahnstein, President-in-Office of the Council.** — (D) Ladies and gentlemen, I should first like to express, on behalf of the Council, sincere appreciation of the thoroughness, the seriousness and the great amount of work which Parliament's committees, and here in particular the committee responsible, the Committee on Budgets, have given to the preparation of this part-session. Our appreciation goes to the chairman of this committee, Mr Erwin Lange; it goes in special measure to the rapporteur for Section III, Mr Bangemann, but also to Mr Ripamonti, as rapporteur for the other Sections. In the course of these debates, we have experienced and learned something, both about each other and from each other, and the Council has certainly had no reason to regret being present during part of these debates.

Secondly, I should like to point out that on 6 October of this year, we approved the letter of rectification to the draft budget of the EEC for 1979 and forwarded it to the European Parliament. I make the request that you take over the amendments included therein, which run to about 154m EUA and principally concern the European Agricultural Guarantee and Guidance Fund — Guarantee Section — for your discussions. We have taken the trouble to add up the total of Parliament's changes and proposed amendments to the draft budget forwarded to it by us, and have arrived at a figure of some 2 500m EUA — commitment appropriations — if I may stick to this technical concept. This means that the text which has been presented here for discussion lies 12 % above the preliminary draft of the Commission and 18 % above the draft of the Council, and against this background one can therefore have a very relevant debate about made-to-measure suits and straight-jackets.

**Lahnstein**

We are perfectly willing to take part in this debate, but at the same time we certainly do not feel ourselves to be in the role of the institution which is wanting to stifle the justified positions of all the institutions of this Community by tying them in a straight-jacket. In dealing with magnitudes of this order, you will understand that we shall all, together — and this goes in particular for the Council — be facing serious problems in the coming weeks. We have not been able to have a new debate; this will take place in November, and therefore I am obliged to show reserve in answering questions of detail. Perhaps tomorrow I shall be able to come back to important sectoral problems, but today I should like once more to take up certain horizontal problems which already figured in our first debate in September.

There is first the question of the provisions for payment appropriations. It might be a good idea, Mr President, to have a look at Mr Bangemann's report and, if I may quote from it, to underline the proposed position of Parliament as set out in paragraphs 8 and 11 of the motion for a resolution. Paragraph 8 says that Parliament 'deplores the fact that the inadequate rate at which appropriations are utilized deprives the executive power of the Commission of virtually any meaning, and urges that the Commission should remedy the situation by taking appropriate measures and making appropriate proposals'. The text of paragraph 11 is very similar. I do not need to quote it here. On this point, we have swapped figures in Parliament's Committee on Budgets. They related to the rate of utilization of appropriations as revealed at mid-year in essential areas such as the Regional Fund, the Social Fund or the Agricultural Fund, Guidance Section. There has been no improvement in the situation since then. We must now take note of the fact that this finding made then, on which we have until today been agreed, has hardly had any significant influence on the work of the European Parliament. So that there is no misunderstanding here, let me say that the point is not to exchange mutual attributions of blame, in particular not between Commission and Council. We know that part of the difficulties is certainly to be found in the Member States. Following our debate in the Committee on Budgets, the Council also started its own work to discover the causes of this entirely inadequate utilization of appropriations, and to provide remedies wherever possible and as quickly as possible. As quickly as possible does, however, mean while taking into realistic account that substantial changes cannot be expected overnight, and the Council is therefore a little surprised that the Parliament, on important items, has put the provisions for payment appropriations back to at least the level proposed by the Commission, notwithstanding the fact that Parliament, and the Committee on Budgets, must be aware that the appropriations for these items will not be utilized and we shall then once more be faced with transfer appropriations of a magnitude of probably several hundred million EUA.

A second horizontal problem that I should like to take up: this too has had an important place in the report presented by Mr Bangemann. It is the appropriations under particular titles or items in respect of which there has either not yet been a decision by the Council or, in some cases, not yet even a sufficiently clearly defined presentation by the Commission. I use the phrase 'sufficiently clearly defined' deliberately, because it is not quite enough to make an aide-mémoire or a similar, non-legally binding presentation by the Commission the basis for the decision. Here too you will not be surprised to learn that our position has not changed since the September session.

Of course we understand that the questions of principle involved here, including those of the institutional equilibrium, are seen differently by Parliament than by the Council. It would be surprising if it were otherwise. We also understand that you have a somewhat different conception of the interpretation of Article 205 than we do. There is only one point over which we have difficulty in following the argument, and that is where the accuracy and transparency of the budget is involved, elements which quite rightly play a big part in the Parliament's own report. Why — if this principle of accuracy and transparency of the budget is to be followed — why this insistence on precise appropriations either for commitment appropriations or payment appropriations or, in other cases, a special reserve in Chapter 100? When one can hardly be asked oneself — let alone ask the other institutions — to work with precise figures, when discussion of the questions of principle involved in the matter has not even been completed, then the appropriations acquire an element of arbitrariness. In certain items, one might just as well have put down half as much or double as much. I am afraid the Council will find it difficult, for the reasons I have mentioned, to comply with the proposals of Parliament, irrespective of the view it may itself have formed of the substance of whatever item is concerned. On the two points I have mentioned, Mr President, I should be very glad, not least to help us in forming our own opinion, if Parliament would indicate in the debate which will now follow why it has proceeded as it has in certain individual cases, such as, for example, transport policy or draft 102, or in many other areas.

A word on technical amendments, of which I should only like to pick on four. Here we have already had the exchange of views between Mr Tugendhat and Mr Bangemann over the entry of the proceeds of the co-responsibility levy of milk in the revenue side instead of the expenditure side. Quite frankly, I would like to say that, personally, I too can understand rela-



## Lahnstein

tively little by a negative expenditure. And that is putting it mildly. But is it now history. Now we have got a legal precedent which, bearing in mind its more far reaching legal implications, could only be changed with great difficulty, and I really question whether the potential quantitative result will really justify the controversy, the debate, on this, which will perhaps be a little difficult. I would like to emphasize again that I personally have a great deal of understanding for Parliament's position on this point. As regards the other matters which have been presented as so called technical amendments — a phrase which sometimes disguises quite far-reaching changes — namely the deletion of the remarks against the Mansholt Reserve and the insertion of the monetary compensatory amounts in a different title as well as the insertion of the repayment for food aid in a different title, allow me to point out for the sake of clarity that compulsory expenditure is involved here, in respect of which the Council will certainly not hesitate to have its last word in the prescribed procedure.

On staff, another horizontal problem, I do not wish to say anything, while asking you not to assume that the Council's silence here implies agreement, and this not is to be underlined.

And now, Mr President, ladies and gentlemen, perhaps one or two more remarks on the revenue side.

First I return to a subject which has already often occupied our minds on several occasions in the past: the entering of loans. A conciliation between the Council and the Parliament was concluded a few days ago on a related situation, that of the investment loan. I cannot quite rid myself of the impression that the rapporteur on this item may be taking a somewhat too optimistic view of the readiness of the Council to draw certain consequences for the entering of loans in the budget. This may possibly be due to certain linguistic differences to which the President of the Parliament quite rightly drew attention in the supporting texts. What is decided is decided, and the Council must of course come to terms with that — indeed it has done so — but it has studied the supporting German text in very close detail — in linguistic detail as well — and now, however, is once more quite comfortable about his position. I therefore fear that, as far as the entry of loans in the budget is concerned, the discussion is not to be seen as practically sewn up in the sense in which the rapporteur for this conciliation may perhaps have understood.

A second point: the report on income from own resources. We agree with the European Parliament that it is only useful, indeed necessary, to start thinking in good time, before the currently established legal and quantitative thresholds have been reached, how the financial structure of this Community may look once we have passed those barriers. To this extent we are all awaiting with curiosity, indeed I might say suspense, the relevant proposal from the Commission. Only one thing, however, might be said on this point with the appropriate clarity. We as the

Council have a healthy measure of scepticism as to whether we can follow, or participate, in performing this bridging function or even the extended function which people are inclined to give to borrowing for the overcoming of the budgetary problems of the Community. As you know from the orientation debate, the positions of the individual national delegations vary widely on this, but it would be dishonest of me to disguise the fact that some of them, including moreover my own delegation, would like to see a distinctly cautious attitude taken on this, once again to say the very least.

Secondly: we must point out that the present basis of assessment of revenue from own resources is in no way a static basis for assessment. If we take customs duties, levies and value-added tax as a basis, then the last basis for assessment in particular is, independent of the fate or timing of the Sixth Directive, a dynamic basis. We will therefore have to pose the question to the Commission quite unequivocally how it thinks it can stick to limits on the expenditure side given a dynamic basis for the revenue side. This is a task which no institution can allow itself to skim over, and certainly there is no intention to do this.

We must get it clear in our minds what it means to take the road to one additional point of value-added tax revenue, a road which perhaps suggests itself because we already have it. If I've got it right at all, counting on my fingers, one point of value-added tax means 100 DM, if I can use my own national currency here, per head, per year. That would therefore mean, if my calculation is correct, an additional burden of tax for a four-member family of an industrial worker living in Dortmund of 400 DM, perhaps a little less, 350 DM, and of 6 500 Belgian or Luxembourg francs for an equivalent family. You can criticize that later, Mr Aigner. I am only quoting here figures for an equivalent family in Esch. Now in saying this, I did not want to say that this extension was not necessary; I only wanted, by referring to the order of magnitude involved, to illustrate and to underline how carefully we must proceed with the further development of this instrument of income from own resources, and therefore I would refer once again to our suspense and our curiosity as to the relevant report by the Commission.

One final point, Mr President, and this refers to Bremen. Today once again the suggestion has been made that an institution of this Community, namely the Council, had perhaps made preparations to withdraw the decisions made or courses of action approved in Bremen and in Bonn. This accusation must once again be refuted. We did it first in September. The Council is fully aware of its duty to fulfil that which was approved in Bremen and in Bonn. It must be admitted that this is sometimes difficult. We have tried to deal with a practical case, namely unemployment among young people, in an orderly way. That has not up to today been entirely successful. For this reason, however, we should not, please, dispute each other's will to get this done, and we should take the



## Lahnstein

trouble to make a precise reading of the agreements involved, because then certain things appear somewhat different from what one at first thought.

**President.** — I call Mr Dankert to speak on behalf of the Socialist Group.

**Mr Dankert.** — (NL) Mr President, I too wish to begin by thanking Mr Bangemann, the rapporteur of the Committee on Budgets. He has managed to do a mountain of work. He has done it in an intelligent and flexible manner and I see that he has lost a kilo or two in the process.

I have said these few words of praise without implying that my political group is fully satisfied with the results of Mr Bangemann's work. Mr Bangemann has his political priorities and we have ours, as is only natural. Quite clearly our priorities, even under the present Council Presidency, need not be entirely identical with his.

Mr President, my thanks to the Commission and Council can be briefer. I would explain the brevity of my expression of gratitude to the Commission by pointing to the excessive lack, in the preliminary draft budget, of realistic proposals for progress in policy areas which are vital to the future of Europe; we discussed this aspect in detail in September. On that occasion I referred to the Commission's lack of courage. I hope that Mr Tugendhat will survive if I make the same point today. In the light of my experience since September and after taking a closer look at certain budget items, I would add that there is still, in some areas, a serious lack of resolve in the Commission — but I shall be returning to this tomorrow in a different capacity.

As to the Council, it speaks volumes that a majority of members of the Committee on Budgets have found it necessary, despite their determination to adopt a realistic political attitude, to add some 2 000 million units of account through amendments to the Council's draft budget.

Of course those 2 000 million are a ridiculously small amount when measured against the need for a European policy in areas such as regional policy, social policy, development aid or structural policy. They are also ridiculously small in comparison with the thousands of millions wasted by Member States, in industry for example, to subsidize industrial sectors because of the lack of a European policy worthy of its name. Unfortunately there is little that this Parliament can do about it. We may have some budgetary powers but, measured by European standards, we cannot claim to have a budget which can exert anything more than a marginal influence on socio-economic and political conditions in the nine Member States. Inevitably so when you consider that in real terms our budget is only 2 % of the national revenue of the Member States; that is the real figure which we have at our disposal and which we are now discussing. I

therefore find it understandable for Parliament to depart from the tradition of giving back to the Commission what the Council has taken away from it; on this occasion we have in fact made other changes inspired by our own position based on an awareness of the significant nuisance value which this Parliament has, or can have, because it is a branch of the budgetary authority.

What do I mean by this? In general I mean that the budgetary procedure already offers sufficient possibilities for Parliament to force a little respect from the Commission and Council. As I see it, there are three paths open to us which we ought really to follow simultaneously. Firstly, where the Council has deleted appropriations from the Commission's preliminary draft because of the lack of realistic proposals which have already been drawn up and are capable of implementation, Parliament should in general follow the Council's view. The strength of my political group is sufficient to provide some guarantee that this policy will in fact be followed.

Secondly, where my group feels that there are genuine reasons for setting political priorities, those priorities must be reflected in budget appropriations. I realize that we shall need the support of others to achieve that aim but I hope such support will be forthcoming in this debate. I am well aware that this may introduce a political element into our proceedings which is probably no bad thing, given the imminence of direct elections, especially as we are often dealing here with issues which are relevant to direct elections or — and this brings me back to the statement made just now by the President-in-Office of the Council — derive their relevance from the prospects held out to us by our great political leaders meeting in Bonn and Bremen. In my view then it is highly desirable for Parliament to deal in sufficient depth with these issues in the course of our further discussions with the Council and Commission during the next few months. I am assuming that if Parliament and the Council can agree on a number of policy points, their implementation by the Commission will encounter no extreme difficulties.

That brings me to my third point: the usual threat of rejecting the budget in its entirety. In September Mr Aigner made that threat explicitly on behalf of his group, Mr Spinelli did likewise and Mr Bangemann went a long way in his objections to the preliminary draft.

For my part I adopted a more cautious position on that occasion and I stand by my caution. I agree that Parliament should exercise a right available to it if it believes that there are sufficient grounds for doing so. But I also feel that we cannot decide on this finally until December and in the meantime we should see how we can force acceptance of our views with the means available to us in the negotiations with the Council. I would add that a spirit of reason should

**Dankert**

prevail in these negotiations — as the Commission itself, it was Mr Tugendhat I think, said just now — although this presupposes that the other parties must show an equally reasonable attitude. I am afraid, however, that our experience of the budgetary procedure shows that reason is sometimes lacking.

One point on which my group considers further consultations necessary is Article 930: financial and technical cooperation with the non-associated developing countries. Parliament still has to decide on this. I have not quoted this example at random because to my mind it is an important priority not only for Europe but for the whole world. Moreover it is an area in which the Council has so far acted slowly, hesitantly and with a lack of determination.

Two amendments have been tabled to Article 930: one by the Committee on Development and Cooperation which has the support of the Committee on Budgets and aims at reinstating the amounts entered by the Commission in the preliminary draft, and a second by Mr Spinelli seeking to increase the payment appropriations proposed by the Commission by 125 million and the commitment appropriations by 360 million. These figures represent increases of 135 and 416 million EUA over the Council's draft.

My group supports Mr Spinelli's amendment. We believe that a genuine European policy for development cooperation simply cannot disregard the needs of the least favoured developing countries. We must realise that in a country such as India there are more people living at a level of extreme deprivation than in all the poor developing countries associated with the EEC taken together. A policy designed to concentrate aid on countries with which the EEC maintains relations through the historical accident of decolonization cannot really be defined as development cooperation. The EEC has recognized this fact by making provision in its programme for aid to the non-associated countries in addition to the ACP states.

However, as long as the ratio between aid to the ACP and non-associated countries remains as it now is in the proposals of the Council and Commission, it is difficult to qualify that aid to the non-associated countries as anything other than a token reflection of the bad conscience inevitably created by the concentration of EEC aid on the ACP countries. The Spinelli amendment is a worthwhile attempt to set matters straight here. As I said we shall vote in favour. But as I also said we must not be unreasonable. The Council and Commission and, I suppose, also a majority of members of this Parliament may feel that the Spinelli amendment is going too far on a single occasion. We have therefore ourselves tabled an amendment which makes the step towards a more balanced relationship between the non-associated and associated countries rather less substantial. We are counting on support in Parliament for that reasonable step. I am not saying this because I consider aid to the non-associated countries as a self-evident point of extreme priority. I am

saying it mainly because I am afraid that in the direct election campaign it will be terribly difficult to explain why hundreds of millions are being spent on development aid in the shape of butter oil and milk powder while development aid in the true sense of the term remains the poor relation. I am saying it also because it is slowly becoming apparent that several national parliaments will not ratify a new association agreement unless the EEC makes a sufficient development aid effort in addition to what it is doing under the Lomé Convention and by supplying butter oil and milk powder. I think that the problem of aid to the non-associated countries must also be seen against this background. The Council's indecision in the past few months on the subject of aid has strengthened the impression held in many quarters that the EEC does not take itself seriously in this area; our amendment is an attempt to correct that impression.

As to the rapid utilization of the appropriations, it seems to me that the problems arising in the case of the non-associated countries are much less than in the case of Chapter 37 which related to technological renewal and industrial restructuring. But if the EEC persists as it has done up to now in delaying new steps in this sector, we shall be faced with a situation where the Community has to bear the consequences of the lack of coordination of the Member States' policies. To put it in more concrete terms: if the Community cannot coordinate its own action in areas such as sectoral structural policy and technological renewal, and if it does not have sufficient funds to bring about such coordination, the Community will all too soon find itself in a position where the social and regional policies are having to pay for the consequences of the lack of coordination.

And then the Community will be playing the same role for the unemployed as the Church played for the poor in the 19th century. I do not need to stress that my group finds such a development quite unacceptable. We are firm advocates of a huge expansion of Chapter 37 covering research, innovation and sectoral structural policy. However, we also note that owing to the ill will of certain national governments or national ministers, the short-sightedness of certain industrialists, who are blinkered by national subsidy policies, and the inability of the Commission to break out of this situation, even the small appropriations entered in such budget items as 3702, 3710 and 3750 do not provide an effective basis for pursuing any form of policy. We therefore have an almost irresistible inclination to remove even these small amounts by voting against all the amendments whose purpose is to restore the amounts entered in the preliminary draft. As far as I am concerned, that inclination is further strengthened by the comical attitude of the representatives of the Commission in the Committee on Budgets — which was in any case I think the wrong committee — when they defended these items in the preliminary draft last week.

**Dankert**

However, if we were to follow that inclination we should only be creating another problem by seeming to imply the Council is quite right — or at least those people in the Council who would all too willingly place the Commission in the role of the village vicar handing out alms. And so we are on the horns of a dilemma.

We have decided for example to vote in favour of the amendment to item 3750 which seeks to show the need for action in the area of sectoral structural policy by entering 8 million EUA in payment appropriations and 30 million EUA in commitment appropriations, corresponding to roughly one-third of the payment appropriations proposed by the Commission.

Last June my group voted against the resolution on European cooperation in weapons procurement; that resolution was based on the almost indigestible report by Mr Klepsch. It is therefore self-evident that we shall vote against the amendment to Article 377. I fail to see why the Klepsch report should result in a separate budget article. I think that the intentions of Mr Klepsch or of Parliament are already covered by the Commission in items 3702, 3703, 3710 and 3711, to name but a few. I said just now that the content of those items is little more than eye-wash. I also said that my group considers it vitally important for genuine progress to be made towards the development of EDP and aeronautics covered by those items.

Now I am quite sure that if Parliament adopts the amendment to Article 337, it will be going a long way towards ensuring that nothing whatever is done with items 3702, 3703, 3710 and 3711. I do not think that we should place ourselves in such a position. I do not imply that I share the views of Minister de Guiringaud on this issue. Quite the contrary. But I do think it unreasonable for the priorities of the majority in this Parliament to be thwarted by the hobby horses of a few.

I come now to a number of smaller items which are, however, not without real political substance: I refer to the amendments designed to reinstate the appropriations proposed by the Commission for its own information activities in respect of direct elections and for the European Foundation (Article 396); these appropriations have been cut by the Council.

In reinstating these items we might only too easily be laying ourselves open to accusations of contempt of Parliament. Because that is a serious accusation I want to explain what I mean, firstly with reference to the European Foundation and, secondly in connection with the information campaign for direct elections. As to the Foundation: the Committee on Budgets, with the support of the Political Affairs Committee, is proposing to restore the appropriation of 4.5 million EUA entered by the Commission. At the same time the Political Affairs Committee says in its opinion to the Committee on Budgets that a decision on funds for

the European Foundation must be taken in conjunction with decisions on the tasks, procedures, administration and responsibilities of the Foundation and on Parliament's influence on it. Well, I still have no idea how Parliamentary control can be exercised over a Foundation: that is a contradiction in terms, or at least it can only be done if a great many other things are done first.

But acceptance of the amendment tabled by the Committee on Budgets and the Political Affairs Committee would be tantamount to disregarding something which Parliament should never disregard, namely the way in which it can bring the institutional aspect of these foundations that have come in for such criticism under control. My group has always maintained that, in the European context, foundations are out of place and institutionally unacceptable; in other words we object to their existence. And we also feel that we should play no part in them and that a Parliament which has any self-respect should do likewise.

It is readily understandable, but not appropriate for all that, that Parliament and the Commission have in the past embarked upon a joint information campaign to develop public awareness, particularly on the subject of European elections. This is understandable because of the machinery at the Commission's disposal. But it is inappropriate because we do not consider that there is any genuine direct link between the Commission and the elections. I know that Parliament itself has pressed for this form of action because it is better to do whatever we can than find that 7 June is already with us and we have done nothing at all. I assume that, as regards the contracts already placed, the Community campaign cannot be rescinded but I have great doubts about the utilization of the appropriations available both to Parliament and to the Commission; my doubts are not of a bookkeeping nature but political. I heard recently of a splendid information film about this Parliament which ends on a scene in which the national flags are thrown into the ballot box; I am afraid that films like that will have the opposite effect to what is intended in all the Member States.

I also understand that the non-political information campaign of the Commission and Parliament is to come to an end on 1 April, i.e. at the very moment when the election campaign proper is beginning. That leaves us with the strange situation in which public relations offices will have spent millions of units of account to push their detergent, the European Parliament, without a single elector knowing what active ingredients this detergent contains and what effect the individual ingredients are liable to have. In Germany this problem can still be overcome because legislation exists to provide funds to the political parties for their campaigns in the pre-election period. In most Member States, however, there is no such legislation

**Dankert**

and, if the present policy is continued, the electors may have some vague notion that they will be asked to vote for a European Parliament on or after 7 June, but they will not have the slightest idea of the issues at stake in those elections and of the role of the parties in them. We shall therefore vote against the amendment to item 2729 and have instead tabled an amendment to Parliament's budget aimed at increasing the sum available for the political parties or political groups.

I return now to the budget: I spoke earlier about the need for the Commission and Council to take us seriously but there is also the problem, to which Mr Bangemann has referred, of taking ourselves seriously. I share his view that the present procedure is not at all satisfactory. Parliament reacts too much and the specialized committees do not react enough or fail to participate adequately in the preparation of decisions on financial aspects and in the implementation of the priorities set by the Parliament. It seems to me that these committees show far too little interest in the budgetary procedure as a whole. I think this is attributable, at least in part, to the tight deadlines which make the procedures too short: if priorities are discussed in a committee in September, there is no time to work them out fully, determine their financial consequences and go back to the Committee on Budgets. In reality the specialized committees should work on their priorities throughout the year and determine the necessary funds so that when they come to deal with the budget they have already done the bulk of their work and need only react to the proposals from the Commission or the Council. I believe that the new Parliament would do well to make far-reaching changes to our present procedure in this matter which does not redound at present to the credit of Parliament.

Finally, to repeat in part something that I have already said, I want to make a few remarks concerning an amendment to the Bangemann resolution, seeking to replace the first section of it. My group feels, and it is not alone in this because I have heard the same view expressed by the rapporteur and others, that the Community budget must grow, even though the arguments put by the President of the Council about the cost of VAT or industrial workers in Dortmund are quite correct. It is unacceptable for income disparities to increase rather than diminish because of Community policy and for our regions to drift still wider apart despite the existence of the Community. As regards incomes in the Community, it is therefore essential to create the means of pursuing a policy enabling income redistribution to be financed. This does not apply solely to the policy within the Community, to regional policy and social policy. I can see a situation arising where the Community budget will just not have the margin of manoeuvre to finance the cost of enlargement and that recourse will be had, in order to finance those costs, to methods which are not strictly

Community based; it may well prove necessary to adopt bilateral solutions, a loan policy and all kinds of other measures which will undermine the character of the budget as an instrument of cohesion in the Community. That to me would be an extremely unfortunate trend. In the sector of aid to the non-associated countries, and especially the poorest of them, I feel that an additional effort even by the industrial workers in Dortmund or Amsterdam would in itself be justified. But what we need are guarantees — and here I agree with the Secretary of State — that the money entered in the budget will in fact be spent during the year for which it is entered and that we will not have the kind of gaps that exist at present. There is a task here for the Commission. There is also a job for the Council because the Member States are regularly to blame for the failure to adopt policies in good time, thus placing the Commission in real difficulty. Therefore the Community's policy must take greater account of the present economic situation, of the present disparities in incomes, of the present word problems and perhaps also of the question — which has not yet been discussed at all — as to what is to happen after enlargement to relations with the associated countries in the Mediterranean area, i.e. the non-member countries and the Maghreb, Mashrek and Israel. At present there are no budgetary measures at all in this area, although everyone can see that the consequences of enlargement will be pretty disastrous to those countries. Of course we cannot do everything this year but I think that, insofar as our limited budget permits, and despite the problems facing this Parliament because it has to meet at three different places and cannot always be available, an attempt should be made to formulate a policy on a number of issues, even if it is only a rough and ready policy. Should it then be impossible to reach agreement with the Council on this policy I would be pleased to see the question of a possible outright rejection of the budget which I have avoided up to now, placed on our agenda in December.

*(Applause)*

**President.** — I call Mr Aigner to speak on behalf of the Christian-Democratic Group (EPP).

**Mr Aigner.** — *(D)* Mr President, colleagues, Mr Tugendhat has rightly drawn attention to the difficulties in the Community budget. For this is the third debate we have held on the same budget and there will be a fourth round before things are finally tied up, when Parliament will, God willing — in this case 'God' means the Council and Parliament together — adopt the budget for next year.

I should like to stress this because I have listened to the President of the Council with some surprise. The

## Aigner

casual way in which he spoke shows that he is at home in the European sphere, but it just is not correct, Mr President of the Council, to say there are only a few technical difficulties outstanding, that the goodwill is there, but that it is quite simply not possible yet to do this or that.

The main issue, and one which has been at the centre of all our debates on the budget, is the fact that the political will of the Council of Ministers is not the same as that of Parliament. Indeed it could scarcely be otherwise, for Parliament must provide the momentum for progress on European integration that is as expected, and the Council may well — perhaps again for structural reasons — have a braking function. But the question of course arises as to the relationship between the two. If there are members of the Council who take the view that Parliament could be compared to an auxiliary cycle motor, while the Council itself represents a four-wheel disc-brake system on the same European vehicle, then the relationship ceases to be balanced and conflict arises. So you must concede us the right size of engine and we will then grant you the necessary braking power — for the European vehicle needs brakes as well. The faster it goes, the better those brakes must be.

I have thus as you see almost arrived at your formula, but for this reason, Mr President of the Council, you should not have chosen this example. One percent of value added tax amounts to so much. That may well be true in arithmetical terms, I cannot hurriedly check it now, but what is at the root of this formula? It is an attitude which we are passionately opposed to, and which implies that payments are made to an anonymous third party instead of being an investment in our own future, and sees them as an additional burden on the wretched taxpayer.

Mr President of the Council, you are a member of a government which was very quick to argue in favour of a one per cent VAT increase in its tax package, which was for national measures and so — forth, while we believe that the burden on the taxpayer should be reduced. Mr Dankert said, I think, that it is sheer madness for two Member States to be developing research on two identical civil aeroplanes, costing hundreds of millions, when they will have to compete for orders in a market which has actually diminished. If you had the right attitude you could not have used this example; you would have said that this expenditure of the European Communities does not necessarily mean a greater burden on the taxpayer, it may even mean less, and it is not an investment in some anonymous unrelated issue, it is an investment in our own future.

Mr President of the Council, colleagues, this debate — and I was somewhat irritated by the contribution from Mr Dankert — surely only has one purpose, and that is to show the Council the political attitude of the parliamentary committees and the political groups, so as to tell the Council in the result of the vote what

Parliament's priorities are. That is the real purpose of this debate. And it is quite clear to me, as I think it is to the rapporteur, that the result can only be a compromise. For parliament is not the budgetary authority alone, but then nor is the Council. The two together form the budgetary authority and that is why we must reach a compromise on the basis of the priorities which we have put to the Council. The only question is whether the compromise is acceptable to both parties, meaning to Parliament as well.

I should like to remind the House that Parliament must have a minimum of a hundred votes to carry its amendments on non-compulsory expenditure; that means that everything we are now submitting to the Council is already a compromise between the Parliamentary committees and the political groups, which is why I am rather surprised by the reservations which have just been expressed, for what you, Mr Bangemann, have submitted as General Rapporteur, already represents a compromise between the committees, the rapporteur and the political groups. Consequently, it cannot now be called into question by a Member who may take a different view. That he can do by voting accordingly. Meanwhile, we need a hundred votes. If we can produce them, there can be no doubt in the Council where Parliament's political priorities lie. I admit, and I was not always entirely happy about it myself, Mr President, that this compromise was in many cases only reached at the uppermost limit of our desired level of expenditure. I accept this criticism; I hope that the gentlemen who were present at our deliberations will confirm the fact. As I said in the Committee on Budgets of this Parliament, the Council's arguments must be fully incorporated in our own considerations, if we are to remain credible at all, and expect the Council to do the same. That means it is not legitimate to add appropriations for political reasons, as a way of documenting clearly one's own political intentions, knowing that they cannot possibly get through because the right conditions do not exist, either in the Member States, the Commission or the political will of the Council. If we are not to steer a collision course, Mr President — and I will conclude my introductory remarks with this point — the Council must acknowledge that after the visions which have been conjured up by the summit meetings and the Heads of State, the political will of Parliament cannot accept a compromise which, in the reality of this budget, fails to do justice to the visions which have been evoked not by us but by the Heads of State. Mr Bangemann has rightly pointed out that this is also the first financial year of the directly elected Parliament. Mr President of the Council, colleagues, have you ever wondered what things will look like after a five-year legislative period, if this Parliament had to turn to 250 million voters and say, after five years we have not managed to bring it off. The first election is not that difficult, but in five years' time this Parliament will have to justify its existence to the

## Aigner

electorate and then, Mr President of the Council, you will be in a different kind of confrontation, for there is confrontation greater than men a political body is in fear of its life. I just hope that the same fears are experienced by the Council, for then we might perhaps make some progress. Mr President, my Group alone has tabled over 150 amendments. We have given substance to our political will, we have reached compromises and — I can say this with some satisfaction — we have to a large extent followed the political principles of the General Rapporteur. I believe, Mr Bangemann, that since we have been the budget authority, every rapporteur has added something to the budget in this own characteristic writing. I must congratulate you; for never was your writing so clear as it is in this draft budget; whether it is legible, is another matter.

Mr President, I do not wish to go over the ground on which I, on behalf of my Group, am in full agreement with the statement made by the rapporteur this afternoon. I do not think it is necessary to document the political will of a Group on every individual point, for it is all there in the amendments and everyone can see how we have voted.

I should just like to select a few points, for I feel that they deserve especial emphasis in our recommendations to the Council. First there is the question of the maritime policy — and its proposed integration; this is a question of political will. Mr President of the Council, there are surely few areas in which everyone, even the nationalists, can be shown that many types of problem can no longer be solved solely with the use of national instruments. For this very area of the maritime policy, covering research, fishing rights and so on, does show quite clearly that Europe is compelled to speak with one voice in the competition on the high seas for those rights which from now on are going to be claimed by the individual States. Again, it has seldom been so clear to me as it was in the debate on fishing rights, just how precious the foundations of our European Community are. Imagine such a debate happening 50 years ago: diplomatic relations would have been broken off at the very least. And these negotiations round the table of the Council of Ministers are still quite tough enough; you can go so far as to walk out, but in the end if you want to represent your nation's interests you have no choice but to return to the negotiating table. For that is the whole point; national sovereignty is going to be replaced by a legal system, however difficult it may be to research a solution in specific cases. That is precisely why this policy is a good one for showing large and often uninvolved sections of the public that it quite simply will no longer work, to try to settle vital issues affecting the existence of the European States with the use of national instruments alone.

On the loan policy, Mr President, I believe we shall also reach a settlement, given understanding on both

sides. I think there are grounds for hoping that, in view of what we have achieved in conciliation so far, we shall reach a settlement which is forward-looking and acceptable to the Community.

There is one other point which I should like to take up. In the past, Mr Bangemann, you and I have often argued about the agricultural policy in budget debates. Today I think you were right to say — I do not know if you specifically mentioned it, but it was implicit in your remarks — the agricultural policy cannot be changed through the budget. You have today rightly stressed the fact that in this area the budget can only carry out those things which the legislative body sets before us. Mr President of the Council, as you know, I count myself among the most ardent supporters of the agricultural and marketing policies, because I know that the alternatives are much riskier than the disadvantages of our common agricultural policy. One thing is clear: we must gradually reach a balance between production and marketing. The area in which the Council really should be taking action with the greatest possible speed, because millions are involved, is the one in which it cannot act as it is not competent to do so. When I say that we are now importing feedingstuffs in greater quantities than the entire agricultural area of our Community is capable of producing; when I know, for instance that millions of tonnes of feedingstuffs are imported from Asia to create a surplus in a sector which then costs us millions and thousands of millions more, one can only say that it is high time the Council of Ministers fulfilled its legislative task in those areas where its responsibility is in no way disputed by Parliament. Which perhaps is just as well, at the moment for a solution will not easily be found and it would surely be most presumptuous for what is not yet an elected Parliament to take on tasks of that order.

I am particularly grateful to the rapporteur in this connection for this positive remarks on the agricultural structural policy. The Commission and the Council have given certain indications that lead us to hope that the vital balance between the Guarantee and Guidance Sections, which was there when the Treaty of Rome was laid down, will gradually be restored, if not as regards the level of appropriations at this state, then at least from the policy point of view.

A problem which we have only very tentatively tackled in our proposals for modification — and this applies to my Group in particular — is that of securing the political foundations for a stronger Mediterranean policy. Mr President, we are facing tremendous problems over the enlargement of the Community. If you do not prepare the countries concerned for accession — and financial aid will be needed as well — and if you do not prepare the Community for this enlargement, there is a danger of total collapse.

## Aigner

On the other hand, you are also aware that there is not alternative to enlargement. Consequently we must accept the risks, but they must be countered in good time.

Permit me to mention a problem which, you will say, I have never omitted in any budget debate. Perhaps I can be brief as the rapporteur has already dealt with it. I refer to the conflict between budgetary law and the legislative law of the Council.

I am very grateful to you, Mr Bangemann, for having so promptly taken up a suggestion made in the Committee on Budgets, that wherever the conflict can be foreseen, a formula should be selected in the Remarks on the budget with the Commission, even in a state of disagreement if necessary.

Mr President of the Council, I should like to make a few points of legal interpretation on this idea. Article 205 of the Treaty reads as follows :

The Commission shall implement the budget, in accordance with the provisions of the regulations made pursuant to Article 209, on its own responsibility and within the limits of the appropriations.

This Article has to be read several times to appreciate the full measure of the actual legal basis for implementation of the budget : '*... in accordance with the provisions of the regulations ... on its own responsibility*'; that is what the Treaty says. It follows that the budget can be implemented wherever the Financial Provisions do not explicitly provide for an additional legislative basis and the Remarks define the purpose of expenditure in sufficient detail. The budgetary authority at least has the right, Mr President of the Council, to determine the nature of expenditure in this sense. If we have the final say and can outvote the Council of Finance Ministers in the case of non-compulsory expenditure, then you must concede that we also have the final say where there is any dissent over the legal interpretation of the Remarks or of the definition of appropriations ; I do not mean by this that substantial items, or large numbers of items, are necessarily involved, for we do not just want to go on spending more and more money — a fact, Mr President of the Council, that we must mention again and again in public — but we want to be able to use our majority decision to break any blockade in the Council, for instance where the veto of one Member State prevents progress on new activities ; and non-obligatory expenditure means new activities. The Treaty gives us the final say, so that wherever the Council itself blocks the way, the blockade can be broken by majority decisions of this Parliament and we can make a start on new Community activities. But then the Commission too must show rather more courage than it has so far. That the Commission is not being very consistent here is borne out by the case of the non-associated States. For in this case the Commission was very grateful to us for adding several

millions, and when delays occurred in the Council, the Commission declared that a guideline agreed with the Council would be adequate. The Council did not even dare to take an opposing position as it knew very well that it would have obtained no support for a different legal interpretation from public opinion.

At this stage I should particularly like to address my remarks to Mr Tugendhat. As you know, I hold you personally in very high regard, but there are moments when I cannot understand you. For instance, how can you repeat today in the House what you told us at the last meeting of the Audit Board and, I believe, in the Committee on Budgets as well, that the Commission does not accept a legal obligation to freeze appropriations on the line ? What after all does freezing mean ? The freezing of an item is a reduced form of approval. We could always try a different approach. We could say if the Commission does not agree, then we will not enter any appropriations, or we could say, if non-compulsory expenditure is involved, we will enter it in Article 100 and then the Commission can only use it if Parliament approves. On non-compulsory expenditure, Parliament has the last word over the transfer of appropriations. After all, what legal difference does it really make, if I enter the appropriations now, refuse them altogether or freeze them ? There is not a Parliament anywhere in the world that has budgetary powers and cannot also specify that individual items of the budget are to be frozen !

If you do not accept this, if the Commission really insists on taking this point of view, there will not just be a conflict with the Commission, but all these appropriations will be entered on line 100 ; but that will make it more difficult to freeze them than if you merely have to appear before the Committee on Budgets to request the unfreezing of appropriations, because the Committee on Budgets is then authorized by Parliament to ascertain whether the conditions on which the freeze was based have been fulfilled. So if you do not accept, you are just making life more difficult for yourself. I cannot imagine that there is any political group in this House which would not be prepared if necessary to wrest from the Commission the right to freeze appropriations. There is absolutely no reason why we should have to listen to the Commission taking this line for a third time.

I would therefore ask you to join with us in the learning process. We do have lessons to learn, but the Commission should not close its mind to the learning process either.

On all the other points, Mr President — on energy policy and so forth, need not to go into them now — we are basically in agreement with the principles as set out by the rapporteur. To the Council, I should just like to say that even if the Council were to accept our advice in full, no one who is convinced of the need for European integration could be happy with



**Aigner**

the political situation of the Community as it is reflected in this budget. Every politician who is not totally blinkered by national preoccupations will know that the range of national measures available in the Member States for the settlement of many problems such as have been raised today in this House, is no longer adequate to the task.

Mr President, we are in intercontinental competition — a fact which may recently have filtered through to the Council — with the United States of America, Japan and the one colonial empire of an imperialist stamp, the East European Bloc. Large new groupings are taking shape. Brazil and Latin America, and the Arab States are reorganizing. The OPEC system is a new form of organization and a challenge to us. Red China tomorrow, with over 1 000 million people, will be fighting for its place, if it has to. And yet we think that we can solve the crucial issues of this generation and the next with our little votes, with our purely national instruments. Anyone who does not want to compromise the chances and potential development of this generation and the next must be prepared to transfer national sovereignty to the European level, if Europe is again to be able to speak with one voice and determine its own destiny.

Although our Ministers in the various capital cities are well aware of all this, which is why I now appeal to the political will, most of them are no longer capable of snapping out of their self-centred, inward-looking attitudes.

Permit me at this juncture, Mr President, deliberately to quote some remarks made by the Mayor of Paris, Mr Chirac, in Bonn a few days ago. He spoke of the need for the unification of Europe. He spoke of the danger of finlandization from the east and balkanization from the west. He spoke of economic and monetary union, the energy problem and the need for joint action, and stressed that Europe must again speak with one voice. And he added — and these, Mr President of the Council, are items which we are submitting to you in the budget —: in the advanced technology sectors such as aviation, data-processing, nuclear technology or space travel, the Atlantic framework must not take precedence at the expense of the European framework. He then concluded his speech with an excellent maxim by a French philosopher, whose name I omitted to note: Life gives a thousand to him who gives it a hundred. It takes thousand from him who refuses a hundred...

**Mr Spinelli.** — (D) It was Jesus Christ.

**Mr Aigner.** — (D) ... How many hundreds do you refuse in one year, Mr President of the Council, and how great must retribution be if you continue to take this course? If I may conclude, Mr President, the interjection made by Mr Spinelli, a Roman, enables me to end by saying this. Have we not in these last

few days seen a fantastic example of the way in which new opportunities can be opened up, if the need is there and a tremendous effort is made? For a two-thousand-year-old Community in faith, symbolized by the Bishop of Rome, has burst through the barriers, even reaching out across the Iron Curtain. Yesterday, in St. Peter's Square, the new Pope said 'Today I too am a Roman'.

Mr President, colleagues, I say to you, and to you, and to the officials and Members of the Council of Ministers, and also to Mr Chirac, who has so gratifyingly promoted the cause of Europe with these words, there is no contradiction between the nations and Europe. The nation is lost unless Europe reorganizes. And that is why we should have the courage for a change of heart; I can only wish the President of the Council, in addition to his casual attitude in the European sphere, the ability also to give us the vision and the courage for tomorrow. Mr President, if this budget is not to be the destiny of Europe — we have not yet reached that stage — let it at least be a phase in the continued development of Europe. My Group, as will be seen tomorrow at the vote, basically supports the rapporteur's approach. I should like once more to thank him sincerely for his work.

**President.** — I call Mr Meintz to speak on behalf of the Liberal and Democratic Group.

**Mr Meintz.** — (F) Mr President, honourable members, the Liberal and Democratic Group has unfortunately been unable to send its usual speaker on the budget into the arena this year.

I should like to thank our colleague Mr Bangemann, who has assumed his task of rapporteur with undisputed — and undisputed — competence. I should like to thank him and congratulate him.

It is quite right for the first paragraph of the motion for a resolution tabled by the Committee on Budgets to point out that the 1979 draft budget is the last one before the election of the European Parliament by universal suffrage. Recent months have seen a debate in several Member States on the possibility of increasing the powers of the directly elected European Parliament.

Far be it from me to broach this argument today, but I should like to say this much: one of the undisputed powers of this Assembly is the responsibility it shares with the Council as the budgetary authority of the Community. I believe that this will be our major legacy to the June 1979 Parliament, and we must tell the people so, who may be unaware of these powers, in the electoral campaign.

As the general rapporteur pointed out, the directly elected Parliament will, from the first, have to hand a budgetary instrument giving it an effective check on the Community executive, which is a major step towards the democratization of our Community. We



**Meintz**

thus regard the current budgetary procedure, despite its imperfections and despite everything that is said about it, as exemplary. But most of the questions of principle remain to be settled. We are now impatiently awaiting this absolutely vital coordination of legislative and budgetary power.

I think we must first of all insist on the budget's political function, as it is all too often depicted by the Council as purely and simply the implementation of political decisions which have already been taken, and we cannot accept this interpretation.

The budget — as Mr Aigner said with more force than I can — must indicate the Community's political priorities and perform its function of initiating Community activity. However, a degree of flexibility is of course required as there would be a risk in attempting systematically to sever connections with the legislative power which, as we have seen in the past, has resulted in the accumulation of appropriations voted, but not used. We should rather attempt to reach an early agreement with the Council by conciliation. It would be irresponsible to hand on this situation to the directly elected parliament.

However, I should like to amplify my remarks. If we share the Council's opinion that appropriations should not be entered in the budget if we know that they will not be used during the next financial year, if we consider that this principle, which applies in all States, should also apply to the Community, then we must turn to the Commission and ask it to submit the requisite proposals in time to enter appropriations on this basis so that the action may be undertaken, and the appropriations have the best chance of being actually used.

A decision on principle of this nature would reassure the Council and allow it to refrain from deleting, as it did this year, a good many appropriations on the grounds that they were not backed by Commission proposals. In this respect, as Mr Bangemann points out in his report, we hope that the Commission will not forget its promise, in its preliminary draft budget, to enter credits on the line where it has submitted proposals before 15 June. This practice would solve a good many of the difficulties.

Among other possible remarks on the budgetary procedure — and still with the 1979 elections in mind — there is one on which the Liberal and Democratic Group would like to put a special emphasis: it is important because it relates to the correct exercise of our Assembly's budgetary powers. As we have already said, while a settlement of the difficulties affecting relations between the budgetary authority and the legislature must of course be based on the texts in force, a better understanding between the various institutions is also required.

But I must make it plain that this must not be confused with a degree of weakness by Parliament in

enforcing its budgetary powers. We could almost make it a battle cry. 'For the moment, nothing but these powers, but all of these powers'. Here we fully support the rapporteur in his vigorous protest against the irritating tendency of the Commission to fix non-obligatory expenditure in advance by setting ceilings for appropriations in some regulations.

He quoted research as an example, and indeed a number of draft programmes have been received with such ceilings included in Article 2 of the proposed regulations. We cannot accept this practice, and Parliament must therefore make it clear that, for non-compulsory expenditure on which it has the last word, it will not be restricted in any way by ceilings, either now or in the future.

I should like to take this opportunity of mentioning another anomaly — at least I regard it as an anomaly — related to budgetary doctrine, and I am talking about the appropriations entered for the European Schools. Of course we know that the question is a complicated one, as their funds come primarily from the Member States, which provide buildings and teachers, with the Community topping up these funds and paying for certain facilities.

Two days ago the European School in Luxembourg celebrated its 25th anniversary. At the moment there are nine European Schools spread throughout the Community, with I don't know how many pupils. The figure for Luxembourg alone is 2 500, so there must be a great many.

These schools are called 'European' simply because they are attended by European pupils, but they are not truly 'Community' in nature. While they are, in principle, controlled by a Board of Governors consisting of the national Ministers of Education, they are in fact run by senior officials of the national Ministries of Education. Parliament has taken a great interest in the European Schools, as witness the 1975 Walkhoff report, and we place great hopes in them. We therefore want them to live, develop and become real Community institutions. That is why we hope for not simply parliamentary control in some areas at least, but for scope for parliamentary initiative to give them new direction and new motivation.

But there is no such control over the European Schools. There is none here in the European Parliament, as the Commission and the Council can rightly say to us 'This is none of your business, as it is the responsibility of the Member States and the national Ministers of Education meeting on the Board of Governors'. Nor is there national any control at national level as there is no check on Ministers in the national Parliaments, to the point where, in my opinion, the European Schools exist in a 'Community vacuum'. Three years ago the late Commissioner Borschette agreed with me in saying that this matter would have

**Meintz**

to be considered, and ways sought to make these extremely useful and valuable instruments into instruments of the Community, and bring them under Community control.

Before I comment on the 1979 draft budget proper, I should like to say once more, as I said during the debate in September, how much I regret that six Member States have yet to amend their legislation to accord with the sixth VAT Directive replacing financial contributions from the Member States by the Community's own resources. At the moment it seems unlikely that the new deadline of 1 January 1979 will be met, and this at a time when it seems that the limit of 1 % of VAT will shortly be insufficient and have to be raised.

I now turn the 1979 budget itself. In September we regretted to note that, in its preliminary draft, the Commission had given up its role as driving force of the Community, as the rates of increase of payment and commitment appropriations were the lowest in the Community for a long time.

This attitude is at the very least paradoxical. It comes at a time when three things are obvious. Firstly, it seems clearer than ever today that the Community budget is no longer the book-keeping exercise it was before, and that the intention is to make it a means of encouraging the economic and financial integration of the Community.

Mr Bangemann rightly reminded us that the European Parliament, in a resolution of April 1978, declared that this process should take place at three levels, viz.: firstly, the transfer of the financing and administration of sectors of activity where the Member States can no longer cope because of the very size of the problems involved — representing a small country, I could tell you a thing or two about that — secondly, the coordination of national activities at Community level, thereby increasing their efficiency, and thirdly, the Community financing of activities with a view to strengthening the European identity in relation to the outside world.

Our second point is that this awareness of the new role for the Community budget is one of the main reasons why the 1978 financial year saw a 28.9 % growth over the previous year, that is a rate of growth higher than the average for the budgets of the nine Member States. And our third point is that when the Council forwarded its draft budget, the European Council at Bremen and the Bonn Economic Summit had already been held.

While the Commission could originally claim that it had to come to terms with economic stagnation, objectives were substantially altered in July, with the decision to opt for a resumption of economic growth. Does the Council, which made substantial cuts in the Commission's already inadequate appropriations, feel that these commitments are the concern of the individual Member States alone and not of the Commu-

nity, as if there should be no reflection of these priorities in the draft budget proposed to us?

As I said a moment ago, we must agree that all this is paradoxical. In any case, it should reassure all those who see European integration as a challenge to national sovereignty. If the Community carries on in this way, they will have nothing to fear.

Let us be realistic. In its operations the Community has to translate political guidelines into action. This means that it, like every Parliament, has to start with its budget.

This Assembly must therefore assume its responsibilities and remedy the failings of the other institutions, in the light of past experience. If we want to see a substantial increase in the volume of the budget, our demand cannot be couched in purely quantitative terms. As we have said, we must examine those items for which appropriations have been entered in the past but not used, and earmark funds for sectors where we can reasonably expect to see action taken in 1979. This, I believe, has been the view of the Committee on Budgets, prompted in particular by its rapporteur.

In proposing that the Commission's budget be increased by about 990 m EUA in payment and 2 650 m EUA in commitment appropriations, the committee was attempting to encourage increased Community expenditure on structural policy. It hoped to restore the appropriations cut in what it regarded as priority areas.

I shall not go into detail as my group will be speaking in the debate sector by sector. But I should like to make the point that, fundamentally, the Committee on Budgets did so out of a view of this 1979 budget as an instrument of structural policy, regional and sectoral in nature. Good examples of this are the increases in appropriations for the Regional Fund, the Social Fund, industrial policy and food aid.

We should like to repeat that these proposed increases were not thought up for the sake of entering appropriations, regardless of whether they were going to be of practical use in reaching objectives or even spent at all. On the contrary, these appropriations reflect the legitimate concern expressed in the Bangemann report, that is to take into account the rate of expenditure in preceding financial years and the returns it yields.

In conclusion, I should like to repeat my congratulations to the general rapporteur on his work, and refer again to our legacy to the directly elected Parliament, which should be an exemplary budget before the 1979 poll.

Make no mistake, the precedents we create today and the procedures we are putting in train will considerably influence the activities of the new Assembly, and will therefore be much more of the nature of a starting point than the conclusion of a long process of consultations.

**President.** — I call Mr Shaw to speak on behalf of the European Conservative Group.

**Mr Shaw.** — Mr President, I would like to start by congratulating Mr Bangemann on the culmination of the tremendous amount of work that he has put in these last few months. All of us who heard him this evening putting forward our case, the case of the Committee on Budgets, will have realized what a master he is of this very complex procedure, and we are grateful to him for acting as our leader this year.

Of course, one must remember, as indeed certain other speakers have done, that this will probably be the last time this procedure is conducted before direct elections. If that is so, then I believe we shall end on a very high note. However, should direct elections take place next year, I foresee a considerable number of changes. I warned last year that I did not think that the present procedure would stand the strain much longer, and although our rapporteur looks his usual robust self, the strain underneath it must be beginning to tell with the number of amendments that have flowed in, the number of meetings he has been to and the general preparation that he has had to make. So this is a very important occasion, but what is possible with the size of Parliament we now have will not, I believe, be possible in the same way with the new numbers that will be involved after direct elections.

Mr President, I think Mr Bangemann will have to look to his laurels next year, because his colleague was unduly modest in saying that he felt a little diffident speaking between himself and myself. I felt that he showed himself more than adequate to represent his group and that there might well be a little competition next year between the two of them.

Mr President, this year we have seen under the leadership of our rapporteur, a far greater awareness of the budget on the part of the specialized committees than ever before. I did my best last year to arouse the interest of the specialized committees, but I congratulate Mr Bangemann; he has done it far better than it has ever been done before. The result is that we have well-thought-out and well-debated amendments to the budget and also, thank goodness, just a little bit more time than we had last year. I feel that time is the enemy of our present budgetary procedure, because we are doing everything in a rush.

I shall deal with one point first, Mr President, and that concerns Parliament's budget. There is a problem this year, and I know that our rapporteur, Mr Ripamonti, will probably be dealing with this later, as he clearly expects some amendments on this point at a later stage. However, this is the only period of general debate, and so I must make my point now if I am to make it at all. The point I wish to make is about the

additional expenses and staff required after direct elections. I believe that the Committee on Budgets was right in its decision to delay budgeting for the period after direct elections. I believe it right that we should delay making decisions for as long as possible, even if it does mean a supplementary budget. Two reasons only I will give. The first one is that I understand that no less than three countries still have to complete their internal legislation for direct elections. If that is the case, why should we seek to recruit staff, raise their hopes and all the rest of it, when we do not know for certain as yet that direct elections will, in fact, take place at that time. For that reason alone we are right to delay. The second reason is that I believe there is still much to understand about the needs of the directly elected parliament. And if we have learnt one thing, Mr President, it is this, that once you engage staff in this Parliament, you have great difficulty in asking them to move on if they do not prove satisfactory, or indeed if you find that you do not, in fact, need them. So we have to be very careful to make sure firstly that we have identified correctly our future needs and secondly that we pick the right people for those needs. We shall obviously need extra staff, but we have to know exactly what their duties will be. We will then have a better chance of choosing the right first-class quality staff that we shall want for those jobs. For those reasons therefore I believe that we are right to delay.

I now come to Mr Bangemann and the Commission budget. I will not go through the details of the budget, because others from my group will speak in more detail. But may I deal with just one or two points?

Firstly, agriculture. How right Mr Bangemann was to deal in such detail with the problem of agriculture. Clearly, we have got to have an agriculture policy, but clearly also, there have got to be some significant changes in it if we are to get it right. Now then, I will only say this, and it is directly connected with the budget. I believe that mca's are being much misused at the present time, and they must in my view be restored as quickly as possible to their original intention. They were, let me remind the House, designed as a temporary balancing factor, to be used in periods of rapidly fluctuating currencies. But in no way were they intended as a long-term distortion of the market. And I quite agree with our rapporteur that there is not enough help in the structural field, which is so important if we are to get the balance right.

May I now turn to another factor, the factor of staff. Here again we should be grateful to Mr Bangemann, because he has gone into this matter of Commission staff with great thoroughness. And I think that we have to accept that, in the procedure that we adopt each year, it is almost inevitably the rapporteur's job — and sometimes a very difficult job — to take the lead in examining the requirements of the Commis-

## Shaw

sion with regard to additional staff. I found this last year: it was a duty that I took on, and I felt I was right to take it on, and I am glad that Mr Bangemann has taken it on again. Because it is very easy for us to adopt the attitude: oh well, let them find the staff from somewhere, we are not going to let them have any more. It is very easy, but often it is very wrong. So I welcome the fact that our rapporteur did exactly what he did, namely he examined with great thoroughness what the requirements were.

I, for my part, and my group's, support him in what he has recommended. But having said that, I believe it right that we should remind ourselves that it is not just enough to look at the new tasks that are being created during the year and translating that automatically into new staff. Because jobs change. Some jobs increase; some jobs decrease, and when we recruit new heads of staff, the budget in the year of recruitment shows the cost for a part-year, and then later years will be involved in the full costs, and clearly the beginning of a career is most likely involved, and so there will be additional costs in the years ahead. All this has to be borne in mind, and we must, in dealing with staff, pay particular regard to the criteria of flexibility and mobility. The opportunity of changing jobs and of changing departments. Every effort must be made — and the Committee on Budgets has always urged this — to ensure that a rigid framework is not set up where officials are locked into particular sectors and are not moved out when the work in that sector declines.

A year ago we called for measures that would make for a higher turnover rate amongst the more senior staff in the Community institutions. I am not at all sure at this moment, and perhaps the Commissioner could expand a little on this at some stage, how far this has been successful. I tend to the view that there should be a very thorough use made of screening procedures and techniques of O & M and so on: even to the extent of calling in outside bodies to make reports on the staff employment situation. This does not apply just to the Commission, it applies to Parliament as well. Often I think it should apply to national governments also. These are important and very difficult points, and to try and reach an honest balance between what is necessary and what is, if one may say so, a luxury, is sometimes difficult. But I know the difficulties, and I feel that Mr Bangemann has dealt with this matter in a very thorough and competent way, and I give him my support on that matter.

One other point I would support him on is the introduction of a reserve that reminds us of our obligations and of future burdens that we shall have to take on with regard to enlargement. We have talked a lot about enlargement in various fields, particularly the political needs for it. But the fact is that we, as the Committee on Budgets, are I think right, under our

rapporteur, to emphasize that the cost is going to be substantial, and it will not just start before that time, and so here again I support him in the amendments that he has brought forward.

Mr President, the nine member countries have created a Community that is new and that has a joint identity. In it, we enhance the influence of all of us as the Community, but also, by being successful as a Community, we influence our own well-being. Clearly, Mr President, our major task must be to identify our common problems and, where appropriate, to identify their common solution. I think it has been significant, Mr President, to have heard this point emphasized again and again by various speakers tonight — that in looking at this budget we are seeking to identify problems that may in the past have been appropriate to nation states but which because of the advance of technology and the increased costs of things are now better performed by joining with others. And where better than by joining together in the Community of which we are all members? But at the same time we are seeking to identify our national problems, and because we are working in a greater climate of confidence and progress — which we ought to be in the Community — helping ourselves better than we should be able to on our own.

I say all this because we are today part of a joint budgetary authority, and I believe if we are to get the real meaning out of the Community, the Council and Parliament have got to learn to work together. We must identify our differences; we must seek genuine conciliation. There must be, on the part of both Parliament and the Council, a determination to reach agreement. And yes, this will mean compromise. I know my friend, Lord Bruce, always has doubts on compromise. This will mean compromise, but it will be compromise on both sides. I believe that this year, although we are starting with differences that the President-in-Office of the Council indicated were large, yet if we look at some of those differences we find they are structural rather than of great difficulty. I believe that given good-will we can reach another agreement at the end of the day. Of course there will be hard bargaining and of course there will be hard words, but hard bargaining and hard words never hurt anybody — they never did, and never will. What is important is to show that there is at the end of the road a possibility of a genuine agreement that will further the cause that we all have deep in our hearts, namely the cause of the Community.

**President.** — I call Mr Spinelli to speak on behalf of the Communist and Allies Group.

**Mr Spinelli.** — (1) Mr President, I should first of all like to remind Parliament that the position which it adopted unanimously on the Commission's preliminary draft and the Council's draft was decidedly nega-

## Spinelli

tive. This dissatisfaction was expressed in an unusual way — for such measures are never used in the normal run of things — by unanimously approving a document proposed by Mr Bangemann, which noted that both the Commission's preliminary draft budget and the Council's draft, because of their size, excessive caution and lack of initiative, failed to meet the needs of the Community.

Speaking on that occasion on behalf of the majority of our Group, I requested the Commission to submit an amending letter, seeing that that draft had been drawn up before the decisions in Bremen which had changed the situation.

The amending letter arrived punctually, but did not take account of the new political events. In fact, neither the Commission nor the Council replied to the European Parliament's request — which had been debated and voted as I have just described — or rather they disdainfully replied with total silence. In all our discussions in committee, we saw not the slightest attempt by the Commission or the Council to change that position one jot.

In these circumstances, we could have decided to refrain from any detailed examination of the draft budget and vote against it, and to ask Parliament to do likewise. I believe, if I am not mistaken, that the French members of my group, who did not take part in the work of the committee, will follow this line of action. However, the majority of our group has always pursued a different policy, that of seeking, above all, to cooperate with all groups or individual colleagues fired with European spirit, to improve whatever offers room for improvement; in this way we intend to give practical demonstration of our involvement in the issues of today, and our ability to work side by side with all those who share our objective.

Secondly, we wish to give a clear and unequivocal indication of the crucial points in respect of which it is necessary to change certain policies or introduce new ones, given that what is at stake is the future of a Community which wishes to progress; and we wish to do our utmost to rally the majority of Parliament to our point of view. That has always been our position in this Parliament for as long as Italian Communists have been members, and I personally believe that we should stick to this line in our forthcoming electoral campaign. This approach lies at the heart of the various amendments and modifications we have proposed. I shall not dwell on the less important ones which have either been adopted by the Committee on Budgets, and will therefore be defended by the rapporteur, or will be defended when we come to the various titles concerned. I shall merely consider four amendments which, in our opinion, would provide a different kind of budget from that presented by the Council, and at least an initial reply — which, even if

inadequate, would have the virtue of clarity — to the disturbing questions which the European Parliament raised by voting the resolution tabled by Mr Bangemann.

Let us look briefly at these four amendments: the first concerns the Regional Fund and proposes to increase commitment appropriations to 1 000 m EUA. After the Council's statement at Bremen on the need to speed up, concurrently with the achievement of the monetary system, the correction of regional imbalances, it was only natural to assume that the figures which had been a source of confrontation in the European Council, and which Parliament had accepted with the greatest reluctance, had been overtaken by events. We are gratified to note that this proposal has been adopted and tabled by Mr Bangemann, the Committee on Regional Policy, Regional Planning and Transport, the Christian-Democratic Group and, finally, on a proposal from Mr Bangemann, by the Committee on Budgets. We trust that it will receive Parliament's approval and firm support.

The second amendment concerns the following subject: faced with the growing need to make use of the loans mechanism, over and above the Community's own tax resources, and the consequent need to place this new revenue and expenditure under Parliament's political control, we disapprove of the Council's refusal to accept the second part of the budget proposed by the Commission. We have therefore proposed the reinstatement of the Commission proposal. This proposal is based on the assumption that the new Financial Regulation will be adopted — just as last year we took as our basis the European unit of account, and the whole budget was established on the assumption that the regulation on the European unit of account would be adopted by the stipulated date. If the new Financial Regulation was not adopted, and the existing regulation was still applied, it would still be necessary to vote the entry in the budget in another form, even if this would not make for greater clarity. We are pleased that this proposal too has been accepted by the Committee on Budgets, and we trust that it will be adopted by Parliament.

Our third amendment proposes a remark under Titles 6 and 7 of the EAGGF's Guarantee Section which, last year, was approved by Parliament and deleted by the Council. We are proposing it again this year, in the same form as last year, but have prefaced it with certain considerations which should strengthen its importance. Firstly, we point out what the Commission has said to the Council and to Parliament concerning the overall assessment of budgetary problems, namely that a tighter rein should be kept on agricultural expenditure. Secondly, we refer to the Bangemann resolution unanimously adopted by Parliament in April, which calls for a better balance between agricultural and other expenditure. Thirdly, the amendment points out that the joint Council

**Spinelli**

meeting of Ministers of Agriculture and Finance of April 1978 stressed that the ideas put forward in the Bangemann report should be taken into consideration. Finally, the amendment mentions the Council's request to the Commission, made in Bremen, to submit suggestions for reviewing the agricultural regulations by the end of the year.

Apart from this preamble, the text of the amendment is identical to that voted last year and calls upon the Commission and the Council to submit proposals and adopt decisions by the end of the year, with a view to fixing an effective rather than indicative ceiling on commitments under the EAGGF's Guarantee Section, modifying the procedure and criteria for fixing prices to enable the progressive reduction of the Guarantee Section, the simultaneous development of the Guidance Section, and the phasing out of compensatory amounts.

We are proposing this amendment once again because we consider it important that Parliament should have faith in itself and should affirm its ideas at a time when there is some evidence of change at agricultural policy level, and there is perhaps a hope that the Commission too is moving in this direction. As we are now how quickly all the champions of inactivity and the *status quo* mobilize their forces to forestall all those who wish to take action, I believe that Parliament would be failing in its duty if it abandoned Mr Gundelach to the mercy of those people, instead of supporting him with a clearly defined position.

To avoid any misunderstanding, I wish to say that this proposal of mine has nothing to do with those tabled by Lord Bruce, the European Conservatives and others, which request a reduction of expenditure under such and such an item of the EAGGF's Guarantee Section: it has nothing to do with those proposals because, as the Commission has repeated umpteen times and as has been confirmed by Mr Klinker in his report, it is impossible to change commitments in the budget which we have assumed and which we cannot avoid.

I well remember how, when these things were being discussed by the Commission, first Mr Mansholt and then Mr Lardinois would say with an ironic smile: 'After all, we can put down whatever figures we wish, even low ones if that is what Parliament wants: later on, when we have to carry out this expenditure, we will ask for supplementary budgets.'

We must call for the amendment of the regulations, rather than expecting that the expenditure under those regulations will not be carried out.

Mr Klinker has said that if a ceiling was imposed, the principles of the agricultural policy would disappear. They would not: responsibility for expenditure above

the ceiling level would simply be assumed by the producers themselves, rather than the Commission, in order to maintain certain prices. That is what needs to be done, precisely in order to maintain the principles of the agricultural policy.

I therefore wish to urge Mr Bangemann, who voted in favour of this amendment last year and who, this year, merely says resignedly that 'the Council has never accepted it', to be more resolute. Someone has to cast the first stone, Mr Bangemann! We must state and repeat what we consider necessary, even if there is opposition.

Finally, we are dealing here with a part of the budget which accounts for two-thirds of the total, even if this fact is dissimulated by saying that it represents only 60 % of the entire budget. However, compared with the Commission's budget — which is used to implement policies, while the other budgets are merely operational — it represents over 70 %, whereas the proportionate share of the Guidance Fund has fallen.

In my view, this is one of the points on which we should adopt a position, and I would ask all the groups to give detailed consideration to this problem. We must establish in all frankness whether there exists a majority opposed to change, or a majority in favour of change and progress.

I would mention here the amendment on aid to the developing countries. I note that whereas we are prepared to provide food aid to dispose of our surpluses, we are reluctant, if not opposed, to supplying general aid to the developing countries.

As I have already said in this House on several occasions, we must realize that the question here is not to aid poor countries in difficulty, but to safeguard our very future, because the oft-repeated need to revive economies will not be met until we start developing consumption once again. We must work out an approach which provides the basis — as has not been done up to now — for our development and that of the developing countries. We must not be a club for rich countries, but should take part in the creation of a new world order within which we must assume our responsibilities towards those countries and towards ourselves. It will be a long road, but we must embark upon it...

**Mr. Aigner.** — (D) Tell that to the Russians.

**Mr Spinelli.** — (I) I see things somewhat differently. The Communist countries, with the exception of China, which is perhaps now beginning to face up to a different reality, are currently implementing a policy under which they themselves create obstacles to their development, owing to the emphasis which they lay on economic self-sufficiency in their approach to foreign policy.

## Spinelli

A more important problem is that of our relations with the developing countries. For this reason, we have proposed a figure which at least represents a commitment of a similar order to our intended commitment in the Mediterranean. Not all these commitments will lead to expenditure in the current year, but they must nevertheless be provided for this year. If the Socialist Group wishes to propose a lower figure, we can then discuss it. The important thing is that we make a serious commitment.

A Commission official has recently said, on behalf of the Commission, that it would not be able to carry out this expenditure. I cannot accept that explanation. It is truly shameful to think that, faced with dramatic requests from developing countries and the vital need to relaunch our economies in a new direction, the Commission is able to say that this cannot be done; it must be done, if the means exist.

If these four amendments are adopted, we will vote in favour of the budget because, even if it is not satisfactory, it will at least look like a different budget which is moving in the direction requested by Parliament in September. If they are not adopted, we will have to abstain and pursue our attempt — for as long as necessary — to persuade our colleagues to support these positions.

**President.** — I call Mr Cointat to speak on behalf of the Group of European Progressive Democrats.

**Mr Cointat.** — (F) As the last spokesman for the political groups, I should like to join my colleagues in their congratulations to the general rapporteur, Mr Bangemann, and to our rapporteur Mr Ripamonti, without forgetting Mr Lange, chairman of the Committee on Budgets who, like my friends Mr Aigner and Mr Shaw, knows how much midnight oil is burnt over a period of weeks and months in analyzing and 'digesting' the seven volumes of the budget!

As agreed, Mr President, I shall restrict myself to a few general remarks, leaving matters of detail on the individual chapters of the budget to other colleagues, especially as we were now discussing this budget for the fourth time this year. I do not wish to repeat what was said in July, September and October. I should simply like to thank Heinrich Aigner for quoting Jacques Chirac just now; this proves that we are on the same road, making common cause, which I find encouraging.

In July we outlined our general ideas and gave the Council and Commission to understand that we felt a degree of concern, and a certain uneasiness. When the preliminary draft was submitted in September we expressed our unhappiness to the Commission, as we regarded some of its proposals as over-cautious. And

then, last time, in our general consideration of the draft budget, I had the feeling that practically every group regarded the draft budget as bad. What do we see today? Well, Mr President, we see the European Parliament confronted by — *pace* the Commissioners present — an indolent Commission, which has submitted a list of schemes without an overall policy, and — *pace* Mr Lahnstein — an inert Council, ossified even, frequently snagged in the coils of its own indecision, which has simply deleted the few new schemes which the Council did timidly put forward.

We thus have to deal with what is first and foremost a budget for stagnation, designed solely to keep the wheels of the Community turning somehow, but without expectations, a dreary, routine exercise. And then we find that we have to deal with a penny-pinching budget, aimed at reducing expenditure, and eschewing progress towards the building of Europe. And finally we have to deal with a budget which still embraces only one common policy, the common agricultural policy, which therefore takes a disproportionately large proportion of the budget. Of course I cannot fully share Mr Spinelli's attitude towards this common agricultural policy. It is true that it makes up 70 % of the budget, but 70 % of not very much is not a vast sum, and as I said last time, half a loaf may be better than no loaf at all, but it is still only half a loaf!

I would have hoped for other common policies, which would probably have helped to tone down the criticism of the common agricultural policy, which is after all the keystone of Community integration.

In this worrying situation, what could the Committee on Budgets do? What could it do without guidelines? What could it do when faced with a formless inconsistent budget, where originality is elbowed aside by platitude, a budget to which there is even less than meets the eye? The Committee on Budgets had no other resort but to rhetoric and overbidding, which is perfectly understandable. We are all bound to come to the defence of the sector which interests us most, which arouses our feelings, and which we know best, and each sector seems vital. The Committee on Budgets was unable to be selective. It accepted what seemed necessary and was submitted by the other committees. And as everything seemed necessary, without guidance, without a philosophy, and without any consistency, it ended up by accepting everything. But what is the true situation? 990 m EUA extra on payment appropriations, an increase of 7.6 % and 2 650 m EUA of extra commitments, an increase of 20 %. To be frank, this is quite unrealistic. The Council will not accept this increased expenditure even if the whole Parliament votes for it. As usual — and I think Mr Lahnstein will agree — the Council will reject most of the proposed modifications on

**Cointat**

compulsory expenditure, as it can hardly reverse its decision. On the matter of non-compulsory expenditure and amendments, the Council may resort to the margin for manoeuvre, which is a mere + 5.7 % as opposed to the 7.6 % increases in payment appropriations and the 20 % increase in commitment appropriations. Furthermore, the Council has reduced payment appropriations for non-compulsory expenditure by 9.8 % compared with 1978, and the margin is only + 5.7 %. This means that payments will be less than last year, whatever happens. To sum up, the preliminary draft was not a good one, the draft is bad and the budget will be bad too.

In this desperate situation, what attitude does the Group of European Progressive Democrats take? It is one of perplexity. My group feels that the only way of persuading the Council to change its attitude towards the 1979 appropriation is to make choices, perhaps painful ones but courageous ones, and my group feels that we must set priorities, as we cannot do everything in the same year.

Our position on priorities is first of all to consolidate and improve what we already have, that is to say agriculture and the Regional Fund and, in particular, to set up a real energy policy, as energy is after all the Community's major problem, in order to help economic recovery and improve employment prospects, as everyone knows that without energy there can be no jobs; the Group of European Progressive Democrats has therefore tabled a number of amendments in line with these principles and priorities.

This is also why, in this perplexity, the Group of European Progressive Democrats will closely follow the voting on the amendment, with these principles in mind, and will vote on these lines. We shall not adopt our final position until we see the results; we shall not be able to say whether we are going to vote for or against the budget, or abstain, until we have heard the explanations of voting.

That is the current position of the Group I represent, but I should like to add a few words on my own position. I shall not vote on the budget for the following reasons: first, because the budget is not geared to economic revival as laid down by the European Council; it will not help to build a European and independent Europe. Furthermore, as I said a moment ago, payment appropriations for non-compulsory expenditure will be lower than the 1978 figure whatever happens, and I find this hard to accept. Finally, the Assembly has budgetary powers; it holds these powers, and will hold them alone, under the Treaty. I believe that Parliament must use the only effective power it has; the only way of making fundamental changes to this budget, as it is unsuitable, is to withhold approval on first reading; on second reading the Assembly can only reject it.

And if it is not approved on first reading the Council may realize that it will have to revise the budget from

top to bottom. That is my personal view and not that of my Group, which has yet to be decided. I hope the Council will take note of all these points.

**President.** — I call Lord Bruce.

**Lord Bruce of Donington.** — Mr President, my group would like to congratulate Mr Bangemann on the report he has presented to Parliament for the Committee on Budgets. Mr Bangemann, to our certain knowledge and certainly to mine, has worked hard and arduously and thoroughly on the task that he has now accomplished, and one cannot help in a way admiring the genial and confident ebullience with which he has presented it. It is true, Mr President, that there were times when one thought perhaps that Mr Bangemann himself was a little conscious of the fact that perhaps he was being over-optimistic — because he is optimistic by temperament — particularly when he referred to the way in which Commission and Council have in fact carried out budgets that have been passed by this House. There his confidence seemed, I thought, to desert him a little, and I think I detected an atmosphere of agreement between himself and Commissioner Tugendhat when Commissioner Tugendhat once again admitted — and his frankness does him credit — that at least three-quarters of the budget was completely out of control anyway, and there was nothing anybody could do about it. This I thought rather punctured Mr Bangemann's natural and genial self-confidence, and one detected a sigh of regret that this in fact should be the case.

So, Mr President, we are considering today a budget three-quarters of which is out of control. No upper limits can be set to it — I quote from Mr Tugendhat himself. Now the Committee on Budgets, and indeed the members of the political groups, have laboured hard and long with the specialist groups to get out this quite formidable wodge of amendments. The ultimate effect would be, if they went through Parliament, and they might even, would be to increase commitments by 2½ thousand million EUA and payments by some 993 million EUA. These are not vast sums, but they are matters to which the Council must now address itself. Now on that, Mr President, we have to rely on precedent as to what will happen. And of course we know quite well what is going to happen.

The Council will consider these amendments, or such of them as are passed by Parliament, and will then of course proceed to chop them down to size — whatever size, they have not particularly made up their minds yet, but it will be the size determined by the lowest common denominator of the Nine. Such is the good principle of unanimity that is so conveniently adopted on this occasion. After which there will then be the conciliation procedure, to which my colleague Michael Shaw has paid such moving and sedate tribute. If I quote him correctly, 'hard words will be said', but then of course they are justified for



## Lord Bruce of Donington

him in hard bargaining. So we shall have conciliation proceedings, and eventually an agreed version will be presented to Parliament. And at that stage there will be agreement, because it is traditional, Mr President, as you know, that in the final analysis Council and Parliament always agree. And they agree on the basis that all the procedures have been followed through. This indeed has become the ritual. My colleague, Michael Shaw, to whom I pay a further tribute, has spent a very large amount of time indeed, to my certain knowledge, over the past two or three years in perfecting the versions of the procedures, the detailed minutiae of the Financial Regulation, even the details of the negotiation between Parliament and the Council, and the position of Parliament vis-à-vis the Commission. The minutiae have been determined down to the last detail and come the end of the December session, we shall then have an agreed document which will contain the budget. And the sole justification for arriving at agreement on that budget and adopting it jointly between Parliament and Council is that that is the budget, and therefore the will of Parliament has been expressed, and therefore the budget will be carried out. That indeed is the only justification for the procedure.

Mr President: not so, not so. Because of course when one comes to examine the income and expenditure accounts for any particular year — and I have in mind 1977 since I happened to be rapporteur for the budget — one finds that the budget that is in fact carried out, the actions that are in fact taken, bear no relationship to the budget at all. For example, in the year 1977 — and I fortunately have the figures with me — as you will recall, Mr President, following a minor incident with what I will loosely term the French Connection — that is to say the conversations between President Spénale, Mr Poincelet, Mr Cheysson, Mr Cointat — Parliament was almost induced to abandon its procedures all for the sake of some 41 million u.a. And when that agonizing procedure was finished, then Parliament assumed that it had won at any rate a partial victory, and that, finally, Parliament would get its way. Not so, not so. In 1977 the actual expenditure carried out was some 707 million u.a. less than the actual budget itself, and this is taking only cancellations into account. This is not taking into account carry-forwards. The position is even worse with carry-forwards. And so Parliament, that was priding itself upon having a margin, whatever that may mean, under Article 203 of 125 or 127 — I have forgotten the precise figure — a margin which it can exert itself, found that the budget which it had passed was in fact in default in terms of expenditure by no less than 707 million u.a.

So, what are we today discussing this budget for at all? Three quarters of it is out of control *pace* the Commissioner himself. Why are we discussing it at all? Because we know perfectly well in advance, and Mr Bangemann has a sneaking suspicion of this in

this mind, we know perfectly well that in the event Council and Commission will do exactly what they want anyway.

I give a more specific example, again relating to 1977. Under Chapter 32, 'Energy', of the 1977 budget, which I had the honour of piloting through this House with the House's indulgence, we said that there were going to be 85 million u.a. in commitments and 39 million in payments. In the course of conciliation, Council pressed very hard, very hard indeed, and they reduced the commitment appropriations under Chapter 32 from 85 to 80 million, and payments from 39 million to 34. And they had a glorious victory, and Parliament was very bitter about it, but at any rate, it said to itself, they didn't cut us down by too much. So the figures that emerged at the end, in the final draft published in the Official Journal as adopted by Parliament, appeared as 80 million on the commitments side and 34 million on the payments. In fact, Mr President, there did materialize in terms of expenditure 24 million in commitment that were entered into, out of a budget of 80, and out of the total payments appropriations which Parliament thought it had piloted through after much struggle, 27 million u.a. was spent. So what is the budget all about? When we know in advance that after all our labours, all the efforts, all the paper examination, all the examination by committees, by political groups and all the rest of it, that in the ultimate, Council is going to get its way as judiciously as possible, and as discreetly as possible, from time to time, by an obliging willingness of the Commission. Mr President, never in the recorded history of man was there so great a unanimity in favour of so great a vacuum.

Mr President, where are we going to go from here? I am not one of those that regard the formal powers of Parliament as enshrined in the various regulations and treaties as being of very much importance. Indeed, Mr President, today I have demonstrated why they are of no importance at all, because they exist in legal form but in practice they are completely bypassed. I have always assumed, and I still aver, that one of the greatest powers this Parliament possesses, or ought to possess, is the power of persuasion. And this indeed can be a formidable power and should never be ignored. In fact the utmost reliance should be placed upon it, but if Parliament is going to exercise the power of persuasion, Mr President, in connection with budgetary and indeed with policy matters, there has to be a receptive audience — a receptive body in terms of the Commission and a receptive body in terms of the Council. Because otherwise, if they concentrate as they do now upon the ritual rather than the reality, nothing that can be said in Parliament will have any influence upon them at all.

The fact of the matter is, Mr President, as indeed is obvious by this budget, three-quarters of which is out of control, is that the Commission has no policy and

### Lord Bruce of Donington

no purpose. The Council has no policy and no purpose, other than the maintenance in existence of the formal shell of the Community and of its institutions, behind which they can work out their own private deals and deal with their own pressures, Member State by Member State against one another. Ideally, in that situation, the Commission should be the body that should be the champion of Europe. The Commission has no such formal ties through to the parliaments of Member States. There they sit, the 13 wise men of Europe, acting impartially, acting in the manner in which they think is best for the future of Europe. What have we had out of them in terms of a policy and in terms of a purpose? What have they produced in terms of a call which will find any answering chord amongst the people of Europe? Have they produced a plan, or even a series of thoughts, on how to tackle on a Community basis the question of unemployment? Have they produced any kind of paper, have they produced any kind of purposeful document and policy to deal with inflation? No.

The Commission is so bemused by the philosophy that is alleged to infuse the Treaty that they decline to look at anything outside the Treaty at all. So from time to time, in order to preserve the façade, it calls in outside advice to advise it how to deal with the various problems of Europe. It did it with the Maldague committee, which published a report in 1975, which pointed out quite clearly what some of the principal causes of inflation were. The Commission did not like it, it shuddered at the first one; I suspect it put the second and final one in the drawer, but in any case it did nothing about it, and despite promises from Mr Davignon, took very great care that its subject matter was never a subject of discussion. So far with inflation. Exactly the same will happen in relation to the MacDougall report. The MacDougall report put forward a position quite clearly that before there could be effective economic and monetary union in Europe, some redistribution of public finances would be necessary on a very considerable scale, comparable with that embarked on inter-state in the United States. What do we have from the Commission on that? Ha! A passing reference in the speech of the President of the Commission and very little else.

In short, they are cocooned, they are cocooned within the Treaty itself. It is something they cannot break out of, and even that presents them with difficulty, which of course is inherent once again in the budget. Ha, ha: we have a situation in which, on the one hand, Mr Davignon is selling us the advantages of forming cartels, and on the other hand, Mr Vouel is busily telling us that all cartels are of course in breach of the Treaty. And from this delightful academic argument which is proceeding within the Commission, to which I would dearly love to be privy if only for the purpose of having a quiet smile with myself, nothing of import

is going to emerge. And it is indeed reflected in the budget, Mr President. And this is indeed reflected in the budget, because, of course, the Commission does not know what it wants to do next in industry. It does not know what it wants to do next in connection with competition. It is all at sea with itself, and so of course is the Council. The Council is exactly the same way. Members of the Council cannot cure unemployment in their own countries, so why the heck should their collective brains be able to kill it in Europe? Most of the Member States cannot kill inflation within their own countries, except at a very exceptional cost in unemployment, which in some cases is concealed due to the employment of migrant labour. An when the migrant workers depart, unemployment is concealed thereby. So they have no policies for inflation and indeed this budget reflects precisely that situation.

Now what I would respectfully suggest to the Council and the Commission is that they should apply themselves to some of the realities of life in Europe. Realities which are experienced by the 250 million population, for whom the very existence of the Community is at the moment in most cases a supreme irrelevance. They should endeavour to get themselves out of the delights of the ritual dance — in which I have had the honour of participating now on the last four occasions — and get down to the realities of politics, which are concerned with the lives, the hopes and the fears of people, instead of insulating themselves behind their own particular institutions.

If they had applied their mind to it, the Commission could long ago have produced some challenging plans, some challenging purposes that would have had and would have attracted some interest in Europe, that would have found some answer in the hearts of its peoples. They could have done this a long time ago, but they substitute the oceans of paper, the hours of discussion, dispute and formalization; they substitute these things for the direct exercise and the practise of the art of real politics, which is concerned with the people and not with form, which is concerned with reality and not with ritual.

Now my group over the past three or four years has consistently taken the position that the Council by and large has been unfair to the Commission. And so what we have sought to do previously is always almost on principle to restore to the Commission those cuts that have been so arbitrarily, or so we think, imposed by Council. We are not doing that this year at all, because we have found out by experience — not only out of the mouths of the Commissioners themselves when they come in committee and tell us something quite different sometimes from what the preliminary budget says — we know perfectly well from the examination of the accounts that the Commission's performance does not even measure up to its promise, however much that process may be accentuated by the difficulties within Council.

## Lord Bruce of Donington

My group would say to the Council that the time is fast running out for the European Community, unless some measure of agreement on issues of practical politics and real worth is reached at Council of Minister level and unless these do receive the full support and expertise that the Commission and its apparatus can bring to bear to carry out the will. Otherwise, why should we not just maintain one office, one Directorate-General, DG VI, and leave that to run the common agricultural policy — after all, it is three-quarters of the budget — and leave the Member States to run all the rest of the affairs in cooperation whenever they like, for example in connection with the Development Fund for non-associated countries, which still is not in the budget? Member States can work together without necessarily having to combine within the formal structure of the Community. They can do it and that proves it, because they have long resisted being brought into the Community budget in any way.

So, if the structure of the Community is to be maintained, is to be enlarged, is some new purpose is to be injected in it, let there be some obvious sign from both Commission and Council that it is their will that this should happen. Because if we go on with the situation where, as my friend, Mr Tom Dalyell, would say, various odd sums of money are distributed here and there in pepperpot fashion in support of various odd policies which reflect the minimum of national agreement, very often matters which are completely harmless, the whole ethos of the Community will disappear. And indeed as Mr Cointat has already said, he has very grave doubts as to the progress, if any, that has been made over the past four or five years.

My group will therefore approach these draft amendments on a pragmatic basis. We shall support, for reasons that Mr Tugendhat has explained, the purely nominal but nevertheless important cuts in the so-called storage costs. Some of the British will support a rather larger cut, because, of course, we do not have much stuff stored in Britain anyway, and receive very little revenues in respect of the storage. But that is a purely British viewpoint.

We shall support Mr Spinelli's amendment which aims to some limitation, in very closely defined terms, of agricultural expenditure and we shall hope to be able to obtain the unanimous support of the House for those. At the same time, my group will support the efforts that are being made in this Parliament by the Regional Committee to have a slightly more than titular Regional Fund, which I hope to deal with at a later stage. They will support the efforts that have been made within the Social Affairs Committee and in other committees marginally to improve these things. But they will be done on a selective basis. There will be no blanket support for this budget as such.

We do this in the hope that at the end of the day somebody somewhere will inject a spark of life into the Community budget and into its policies, so that the will to work together, that is so very often expressed in such glowing terms after repeated conferences that take place, may be expressed in the actualities. When that day comes, Mr President, my group will support them to the full, and for myself, after my brief time in the Community, I shall rejoice.

**President.** — I call Mr Dalyell to present the opinion of the Committee on Energy and Research.

**Mr Dalyell, *Draftsman of an opinion.*** — With reference to Lord Bruce's speech I should like to say that for my constituents and indeed the electors of the East Lothian constituency where I was canvassing yesterday for the by-election, the Community is not a supreme irrelevance. In fact, I believe that people are far more interested than we think in Community policy. I am not only talking about the fishermen of the East coast of Scotland. I believe that there is a genuine interest in Community policies.

Mr President, speaking on behalf of the Committee on Energy and Research, I am grateful to have four minutes at this time, because I would like to put a long and detailed question to Mr Lahnstein before he goes so that he and his advisors can have time to reflect on it. It is a matter which has created very deep divisions of principle in the Committee on Energy and Research. The question is basically whether or not the Community should spend many millions of units of account on coal.

Now in a sense, I put down the marker on this question now, because if I interpret the feelings of the Committee on Energy and Research correctly, we are looking for some guidance on this matter and trying to find out what the Council really thinks about the Commission's proposal. Part of the proposal stems from the very understandable proposition that oil is finite, there are problems with nuclear energy, we have coal surpluses and therefore, somehow or other, we must use this coal. Now the first question I ask is whether it is the Council's view that responsibility for coal use in the power station context is better borne by the Community than by the Member States, because Lord Bruce did refer to the pepper-pot effect or the watering-can effect. Some of us have the gravest doubts as to whether a topping-up operation in relation to coal in power stations is really a sensible use of limited Community funds. People say that the Community must encourage the construction of coal-fired power stations, but for anybody who knows the facts — we would be dealing with one, two or at the most three coal-fired power stations — the costs are very unrealistic. Furthermore, some of us are very bothered about the idea, as Mr Bangemann put it, of taking coal from Dortmund to Copenhagen or Milan,

**Dalyell**

because frankly the ridicule factor comes into it. If one were to tell the Milanese, or so we learnt when we went to Ispra, that we were to convert power stations from oil to coal when those very same power stations have been converted from coal to oil not so many years ago, one would frankly be laughed at.

Time is running out. My last question tonight is whether it is sensible to talk about these kinds of intra-Community trade in coal when we don't have control over the imports of coal. Now the President-in-Office knows very well that every week cheap Polish coal goes from the Polish port of Gdynia to Denmark; indeed I gather that some goes also to North Germany. Now I make no complaint about it,

but I just wonder whether, unless you control that, it is realistic to have the kind of policy that bothers Mr Bangemann and bothers me. Time is up now, and I leave that in question form and hope to resume briefly on behalf of the Energy Committee tomorrow.

*10. Agenda for next sitting*

**President.** — The next sitting will be held tomorrow, Tuesday, 24 October 1978 from 9 a.m. to 1 p.m. and from 2.30 to 6 p.m with the following agenda :

— Budget debate (continued)

The sitting is closed.

*(The sitting was closed at 10.15 p.m.)*

## SITTING OF TUESDAY, 24 OCTOBER 1978

## Contents

1. Approval of minutes . . . . .	39	<i>Regional policy and transport (continued):</i>	
2. Membership of committees . . . . .	39	Lord Bruce of Donington; Mr Caro; Mr Cifarelli; Mr Prescott; Mrs Kellett-Bowman; Mr Yeats; Mr Bangemann, general rapporteur; . . . . .	59
3. General budget of the European Communities for 1979 (continuation of debate): Research, energy, industry, exports (continued):		Agriculture and policy on the sea:	
Mr Dalyell, draftsman of the opinion of the Committee on Energy and Research	40	Mr Klinker, draftsman of the opinion of the Committee on Agriculture, Mr Cifarelli; Mr Hughes . . . . .	66
Mr Fletcher-Cooke; Mr Noè; Mr Notenboom; Mr Spinelli; Mr Brown; Mr Fuchs; Mr Ellis; Mr Ripamonti; Mr Tugendhat, Member of the Commission . . . . .	41	Mr Scott-Hopkins; Mr Vitale; Mr Howell; Mr Pisoni; Mr Brøndlund Nielsen; Mr Tugendhat . . . . .	71
Social affairs:		Development and third countries:	
Mr Albers; Mr van der Gun; Mrs Kellett-Bowman; Mrs Dahlerup; Mr Tugendhat	52	Mr Lagorce; Mr Lahnstein, President-in-Office of the Council; Mr Bangemann; Mr Tugendhat . . . . .	76
Regional Policy and Transport:		Motion for a resolution	
Mrs Kellett-Bowman, draftsman of the opinion of the Committee on Regional Policy, Regional Planning and Transport	57	Mr Spinelli; Mr Osborn; Mr Porcu; Mr Bangemann; Mr Lange; chairman of the Committee on Budgets . . . . .	80
4. Welcome . . . . .	59	6. Agenda for the next sitting . . . . .	85
5. General budget of the European Communities for 1979 (continuation of debate):			

IN THE CHAIR: MR COLOMBO

*President*

(The sitting was opened at 9.05 a.m.)

**President.** — The sitting is open.

1. *Approval of minutes*

**President.** — The minutes of the proceedings of yesterday's sitting have been distributed.

Since there are no objections, the minutes are approved.

2. *Membership of committees*

**President.** — I have received from the Socialist Group a request for the appointment of Mr Pierre Joxe to the European Parliament Delegation to the Joint Parliamentary Committee of the EEC-Turkey Association.

**President**

Are there any objections?

The appointment is ratified.

*3. General budget of the European Communities  
for 1979 (continuation of debate)*

**President.** The next item is the continuation of the debate on the draft general budget of the European Communities for 1979.

Continuation of the debate on research, energy, industry and exports.

I call Mr Dalyell.

**Mr Dalyell, draftsman of an opinion** — Mr President, last night I spoke for four minutes on behalf of the Committee on Energy and Research.

Some of us feel that the Parliament is in danger of making proverbial collective monkeys of itself if it does not pay heed to what Mr Lahnstein said in his speech during this debate last night. Mr Lahnstein reminded us that we had added some 2 500 million units of account in commitment appropriations and 993 odd million units of accounts in payment appropriations, and he told us quietly, kindly, tactfully and politely that he was surprised that Parliament should add such a sum of money when it knew perfectly well that many of the appropriations had not actually been spent.

May I briefly remind him that at the last question time he gave a very thoughtful answer to a question that some of us put, namely, why were many of the appropriations not taken up by the individual Member States? And I would like to add that I hope that in November or December — before the end of the German presidency — some kind of interim answer will be given to this problem which bothers us all.

Indeed, Mr President, the fact that so much is not being spent and that Parliament is in danger of over-bidding puts a special obligation on me as spokesman of a parliamentary committee to say what we really want as a matter of priority and what we are serious about. So the rest of my speech is concerned with what the Committee on Energy and Research is really serious about.

I think I speak for the majority of my colleagues, from Mrs Walz on the right of the political spectrum, to those on the left when I say that there is a consensus in the Committee on Energy and Research that we want those things that are best done on a European basis rather than on that of the Member States. That is our criterion. Therefore, we are

speaking with one voice when we ask the Council — and I know this is also the view of the Commission — to give every possible support to the JRC in a number of its ventures. Speaking as a non-Italian member of the committee, I feel I can say, especially now that the JET project has gone to Culham, that very many of our colleagues from the Federal Republic, France, Holland, Belgium and the UK, feel that we have an obligation to our Italian colleagues to ensure that Ispra is a success. So, where the budget is concerned, the work being done at Ispra is for many of us a really serious priority. I refer to the urban waste programmes, to the decommissioning of power stations and to the very sensible climatology project which, as the World Meteorological Offices recognizes, is best carried out at Community level.

This applies equally to solar energy.

Those of us from the Committee on Energy and Research who went to Ispra and talked to Dr Aronovitch, Dr Dinkelspieler, Professor Villani, Mr Contzen and others realize that they are doing good work. I say without hesitation that the Council should look kindly on all the appropriations for nuclear safety development at Ispra. Very few of us, including myself, are professional nuclear physicists, but we cannot fail to be impressed by the fact that the hard-headed choosy Canadian and American utility companies are putting some of their own money into the work at Ispra in the form of contracts.

If the Americans think that the work is of a sufficiently high standard to warrant investment in a European Community effort, that is sufficient proof for most of us that worth while. Therefore the Committee on Energy and Research urges that all possible support be given to work being done at Ispra.

This brings me to the subject I raised in question form last night and which is the major subject of contention with the committee. It concerns coal as well as the very subject that Mr Lahnstein himself raised in his opening speech, i.e. over-bidding by Parliament.

And it concerns in particular the thorny subject which bothers many members of the committee — I am sorry Mr Lange is temporarily absent as he has decided views on the matter, but I see Mr Flämig and Mr Brown in the Chamber i.e., the fact that 100 million units of account are being put into an energy reserve. Some of us want the Commission or the Council or indeed some of our own colleagues to state precisely what this means, because there is a suspicion that this is a back-door method of reintroducing the proposals for intra-Community trade in coal. The diffi-

**Dalyell**

culty is that those who talk blithely about the need to use coal have a point when they refer to coal stocks. But I must put it to the House that a very real issue has to be faced, i.e., whether the Community should encourage the use of coal when there is a nuclear alternative. I want to ask those who say that we should put Community money into the development of the coal industry whether they themselves have ever been down a coal-mine.

Mr President, I represent some 1 500 miners and their families. Mining is a declining industry in my area. I do not know any official of the National Union of Mineworkers or any other mineworkers' organization who wants his son to spend his life down a coal mine. The truth of the matter is that the price of coal is the price of lung disease, pneumoconiosis, and very often of life itself. Now I say this because it is germane to the argument. Of course for safety reasons we must be careful about nuclear developments. The demonstrations against nuclear power stations are very often about safety. But whatever the rights and wrongs of the coal situation, the truth is that, where safety is concerned, the track record of the nuclear industry is infinitely better than that of the coal industry. Those like my colleague Mr Ellis who have many years' personal experience in the management of mines, know perfectly well that, whatever techniques are developed, mining will never be a safe industry, either from the point of view of personal health or from the point of view of accidents. Just watch a pneumoconiotic retired miner trying to climb a flight of stairs!

We really must address ourselves to this issue as a point of policy. If we need to mine coal, then we must do it. But if we are going to take a coal option because we are afraid to face up to a nuclear option, because of the political demonstrations by various so-called conservation organizations which seem to be too powerful politically, then I put it to Council and the Commission that we must ask for some kind of a price tag or cost analysis of the effect of avoiding and evading a nuclear decision. If we politicians are not strong enough, determined enough or sure enough of our facts to face up to the nuclear demonstrators, then we must admit our weakness. To put it bluntly, some of us believe that the 100 million units of account that has been put into an energy reserve is little more than a sop to anti-nuclear demonstrations and anti-nuclear feeling, which are based on ignorance and prejudice and inspired by the need to have a cause to demonstrate about. Although all my colleagues do not agree — there are divisions in the Committee on Energy and Research on this matter — I believe that a 100 million units of account and more is a lot of money to spend on humouring ignorant nuclear prejudices and, if Mrs Dahlerup will forgive me, dotty demonstrators in Denmark and other countries.

There are of course two sides to the argument. All I am asking, — and many of the members of the committee feel very strongly about this — is that if we are going to give in to anti-nuclear feelings, then it must be made perfectly clear what the cost will be to the European taxpayer of this surrender to what some of us regard as ignorance. There must be a clear price tag so that we can all see precisely the financial cost of giving in to demonstrators and groups who, for reasons which we need not go into in detail, are against the nuclear option. In view of the fact that some of us in the Committee on Energy and Research feel very strongly about it I am putting this question to Council and Commission: are they prepared to give some kind of a cost tag for what is involved in using coal instead of creating more nuclear capacity?

Finally, Mr President, the Committee on Energy and Research would like to reiterate that it fully supports many of the Commission's initiatives which satisfy the criteria that what is best done on a Community basis should be done on a Community basis. But what we are totally against is overbidding and putting in appropriations for actions for which there is neither a clear use or which are better carried out the level of the Member States.

*(Applause)*

**President.** — I call Mr Fletcher-Cooke.

**Mr Fletcher-Cooke.** — Mr President, this is the last budget debate before direct elections, and when the next budget debate comes along, I have the feeling that the attitude of Parliament, which will then have direct touch with direct constituents, will be very different. I believe that as soon as the link between Members of this Parliament and their constituents becomes direct they will be much less anxious, and much more reluctant, to pile new taxation upon those constituents, and that is one of the reasons, at any rate, why I welcome the advent of the direct elections link, because I think it will act in Members of Parliament as a very salutary brake upon proposals for spending vast amounts of public money.

Even before direct elections, I think some of the proposals that this Parliament proposes to make are very bad publicity for such elections, because I think people will get the impression that, far from being guardians of the public purse, we who come here are irresponsible in the amounts which we insist are spent even though the Council and the Commission are, in many cases, unable to spend them. And therefore, as a child in these financial matters but by no means a child in politics, I view most of these vast proposals with alarm. Large commitments are thrust upon the Commission and the Council before they are asked for, and without any detail having been provided.

I would like to instance a Chapter of Title 3, Chapter 3750, which is the subject matter of an amendment

## Fletcher-Cooke

by the European Conservative Group, which unfortunately has not yet been distributed. Now that item deals with proposed expenditure on the reorganization and deployment measures in certain crisis-hit industrial sectors. This matter is of course exceptional in sense that it is contrary to the general philosophy of the Community. I am not saying it is wrong at all; in times of depression it is necessary to lift the normal rules of competition and to intervene in a manner which normally would be repugnant to the members of my group. But if it is to be done by way of exception, as it must be, then the limits of it must be clearly defined. And when the sums in that particular Title, — payments of 8 million and commitments of 30 million, are proposed — I ask on what industries, in what manner, and when is it proposed to spend this vast amount of money? And answer comes there none. In many cases not even the policy line has been decided, much less any sort of detail of the particular industry and the particular way in which it will be spent. Then I am told, well, it will be coming along very soon, but it just isn't time for us this October, and you do not want a supplementary budget, do you? Well I do, in those circumstances. I think it absolutely wrong that until detail is provided at least in outline that we should, as it were, pick a number out of the air and think it will be about that amount of money, and then vote it, in the sense that we allow it to be spent.

That is not the way any Parliament in the world, to my mind, should behave. We have, therefore, put down an amendment which in no way conflicts with the principle that money should be available for these industries in decline, but which asks that some detail be provided before it can actually be disbursed. I very much echo what Mr Dalyell said just now concerning Title 10, Chapter 102, about the 100 million for, I think it is, primary energy. This round figure is clearly a wild guess. It can be nothing else, and it is not right to indulge in accounting of this sort with these vast amounts of money. Surely, there are enough commitments of a vague sort in the previous titles dealing with energy and with industry. To pile Pelion upon Ossa at the end of the budget, with more reserves being voted and more back-up money for energy, seems to me to be totally out of hand. When, if only as a symbol, our amendment is distributed, I hope both the rapporteur and the Committee, and indeed Parliament as a whole, will consider it deeply, because if we go on as we are going on now, we shall bring Parliament into serious contempt, and it will not be good for our image when we come to present ourselves to the electors next June.

**President.** — I call Mr Noë.

**Mr Noë.** — (I) Mr President, I shall divide into three sections my analysis of the energy items in the

Community's budget the aim of which, as we know, is to reduce the Community's dependence in the matter of energy supplies. The first group of items concerns actions aimed at prolonging the existing situation. This is the section to which I feel bound to draw particular attention, since I have always maintained that, given the length of time it generally takes to introduce new energy systems, we must do all in our power to maintain the *status quo*. It is in this light that we should read items 3201 and following, concerning prospecting for hydrocarbons and for uranium resources and aid for coal stocks and for the utilization of coal in power stations.

Mr Dalyell has just been speaking about the problem of coal. I agree that nuclear energy could, to some extent, reduce the use of coal; but I must point out, as I did two weeks ago in Strasbourg, that there are electricity-generating uses of energy resources, and there are other uses. For the electrical-power applications Mr Dalyell is perfectly right: we do not need coal because nuclear energy will suffice in future. But in all the non-electrical applications there is still uncertainty. We saw at Ispra, for instance, attempts to produce hydrogen from water by the thermo-chemical method so that in future — in some twenty or thirty years — we can have fuels or energy vectors which can substitute for petroleum in the non-electrical applications. And it is precisely in this area that, in a few decades, coal may have a role of primary importance to play in the Community. I am thus perfectly in agreement with the measures proposed in the budget to the extent that they can ensure that, when the time comes, the Community does not find that it has no coal mines from which — by liquefaction or gasification — it can obtain fuels to replace oil in the non-electrical applications.

The second group comprises items aimed at changing the existing situation. This is the case of Item 3355 'Plutonium recycling in light-water reactors'. At present, the plutonium contained in the irradiated fuels which have already become 'spent' in power stations, has no further use. The Commission deserves praise for proposing that, while we are waiting for breeder reactors, it should be used in the reactors now existing as a replacement for enriched uranium.

As regards Item 3357, energy research and development, I should like, *à propos* of solar energy, to say a few words on our recent visit to Ispra. There, we were taken to see an experimental shed where work is being done on solar collectors; but we were not given enough explanation about another, and in my view fundamental, line of work being done at the Centre: the construction of special apparatus, of storage tanks for a more detailed study of the enormous problem of conserving energy from summer to winter. For there is little sense in talking about solar energy until we manage to transfer the 'energy hoard' that we can accumulate during summer, the time of the most



Noë

intense solar radiation, for use in winter. Two sets of experiments, then, are being done at Ispra: on the one hand, trials with putting into these reservoirs chemical substances which will increase the energy-absorbing power of water and, on the other, a search for the optimal ratio between the surface area of the collectors and the volume of the reservoirs in order to find an economic solution which, once it is obtained, would provide a great impetus to solar energy applications, at least as far as environmental heating is concerned because it is too early yet to talk of electricity generation by this method.

Finally, Mr President, as regards the group of items to which Mr Dalyell referred, and which concern improved safety or improved knowledge of the safety problems in reactors and in the whole fuel cycle, I feel bound to say that these are of fundamental importance, first and foremost because of their psychological implications. Certainly, it is our duty to oppose the resistance to the introduction of nuclear energy of which Mr Dalyell spoke, but we must oppose it with appropriate means. And it is precisely these items that give us the means: for example, the item dealing with irradiated-fuel reprocessing. The importance in this context of the amendment which I have submitted — to reinstate the 350 000 EUA proposed by the Commission — lies in the fact that it concerns the problem of safety, both in light-water reactors and in fast reactors. As regards fast reactors, what is being done is an attempt to achieve something like what Rasmussen has done in America, that is, to calculate the probability of particular types of accidents. As regards light-water reactors, the research that is being done, such as that on reprocessing installations, is of much more recent date than that on nuclear production installations. I wish to stress this point, because last Thursday the most widely read Italian daily published, on page 3, an article containing at least three gross errors. The article spoke of the dismantling of nuclear power stations that are no longer operative — a subject with which our committee is currently concerned — and, in view of the three serious errors contained in it, I felt obliged to write to the editors of the paper. Just to give you an example of the seriousness of the errors, let me tell you that it was claimed in the article that special care must be taken in the dismantling a nuclear power station because it contains plutonium. But, of course, there is no plutonium, for the simple reason that the plutonium is contained in the fuel, and the fuel is removed after it has been used. So that is an untruth.

The article also claimed that the first stage — let me remind you that nuclear power stations are dismantled in three stages — would last two or three centuries. Actually, it is believed that it may take about twenty

years; so, once again, a completely distorted picture is being presented: if the first stage should take three centuries, we can imagine how long the complete dismantling cycle would last! Finally, it was stated — and stated explicitly — that a non-operational nuclear power station may be even more dangerous to the surrounding population than one that is working, because there is no supervision.

That is another absolutely false statement, which only goes to illustrate what kind of information is being fed to the public.

Mr President, in concluding I want to say that I hope that in future more attention will be given to this sector, as I have always urged. As for nuclear energy, since it is our only means of progress in the coming decades, it is essential that we study more closely the problems on which we do not agree and that we are prepared to face public opinion boldly and, if necessary, to expose the purveyors of false information.

**President.** — I call Mr Notenboom.

**Mr Notenboom.** — (NL) Mr President, I wanted to say something about the industrial policy seen as part of the economic policy. The budget gives us no clue as to what industrial and economic policy the Community wants to pursue. By that I mean that the Community's policy in this area extends beyond the budget on its own. So we can say that the budget only reflects a small part of the Community's economic and industrial policy. That is good, because at present people are inclined to judge the Community's policy exclusively by the budget. I am the last person to minimize the significance of the budget; on the contrary, I am proud of the fact that the budget is such an important instrument, and important in terms of Parliament's powers, and I should like to express my thanks to the rapporteur, the latest rapporteur of this Parliament, for setting out so clearly the outcome of our 25-year struggle for those powers. I was closely involved in those struggles for a few years. Very gradually, and thanks to the enormous efforts of the few but very capable and dedicated budgetary experts, supported by their political groups, and thanks to the occasional concession made by the Council and the frequent support of the Commission, the impressive campaign resulted in the successful extension of those powers, much more than the Community electors now realize. And for that I would thank the rapporteur. So I do not mean to infer that the budget is unimportant, but that the Community's economic and industrial policies extend to many more areas than simply the budget. I am referring here to the harmonization of conditions of competition, the elimination of technical barriers to trade and all the measures designed to create a single market.

## Notenboom

I am also referring to the unification, the harmonization of national aids. In this area, too, very little has been achieved and is given insufficient prominence in the budget.

As for the conjunctural policy, the budget of the European Communities does not yet have a conjunctural function, that is, it has no budget deficit whose economic function is to damp down the economy if it starts overheating or to stimulate it if it loses momentum. Our budget is not yet designed to do that, nor is it large enough to have an economic impact on the Community.

Then there is the extremely important currency policy on which such important moves seem to have been made in Bremen. That, too, is highly important for the economy, industry and trade in general. Nor is that yet reflected in the budget, although we catch a glimpse of it here and there. I am referring to the mechanism for medium-term support; our rapporteur, and we, too, want to have that included in the budget as part of the loans policy. Whether we shall succeed this year is open to question, but it is an expression of the will of Parliament to enable the budget to play its part here. And it is of great significance for Parliament's supervisory powers, now that a number of matters are no longer under the jurisdiction of the national parliaments, that this Parliament should gradually take over supervision of such expenditure, even if it does concern loans.

Why do we give such priority to a number of items which we might call industrial items or items of the economic policy? It is because they give an impetus to the Community policy, because they are a more effective and less expensive contribution to the restoration of a proper level of employment in the Community. They increase our competitive capabilities at a time when the world economy looks so different.

It was our desire to see the Third World gradually — or for some people, abruptly — put in the position of producing goods for the world and Community markets at competitive, or in some cases, very competitive prices. Our acceptance of these products and our rejection of protectionist measures against them is perhaps the optimum form of development cooperation. We deliberately did that. Now that it is happening, gradually or abruptly, it is our job on the one hand to accept this cooperation and on the other to ensure with great care and progressiveness that Community industry, and the Community economy in general, can develop in those sectors where we have a lead or where we can achieve a lead thanks to the skills of our workers. Consequently, those industries must be encouraged. The European Community must be able to be competitive on world markets and thereby contribute to a new worldwide division of labour.

If we are to attain that goal, in the very first place powerful and efficient large, small and very small

undertakings are essential. That is where the impulse must come from. The free play of forces is, however, not always adequate, certainly not in view of the important need to restructure in order to attain that objective without State assistance. Temporary incentives from the State are frequently necessary in order to achieve results along that path. But the Community decision-making procedure is very sluggish. We have not achieved much along that path. Nationalism is running riot. Our Member States often give preference to thousands of millions in uncoordinated aid from national budgets rather than hundreds of millions of Community aid via the Community budget. Mr Dankert said as much yesterday and in his report on behalf of the Committee on Economic and Monetary Affairs. And so we attach great importance to increases in a number of items in the economic and industrial sectors, partly as a continuation of what was discussed in Bremen. Not as Mr Aigner said yesterday on behalf of our group, because we enjoy spending money. As a rule, the budgetary experts, drawing on their national experience and the national role they have played or still play, feel that they must point out to their colleagues the need for thrift in this period of overspending and on account of the inflationary consequences which may follow too great an increase in the budgets.

Because of their national experience, most budgetary experts, such as myself and many others here, are well aware of this. If we then press for increases in various budgetary items it is not because we work nonchalantly from the point of view that it is easier to do so in the European Community than in the national parliament. That is not our attitude at all. But as Mr Aigner said yesterday, because of our gradually increased budgetary powers we are now in a position to make a breakthrough in the Council's decision-making procedure which is in deadlock.

That is why we consider an increase of 2 or 3 million to 10 million for vast areas not too small. Mr Dankert said yesterday that we should not cooperate. I think that the wrong attitude. Even a small amount will enable a three-fifths majority in our Parliament to break through the deadlock in the Council under certain circumstances and thereby make a start on a Community policy in place of national policies. That is partly what gives me the incentive to cooperate here.

I shall not go into every item, because Mr Ripamonti is to speak on behalf of our group. But to give but one example, we must have doubts about item 3702 on data processing on which we have tabled an amendment. After all, Parliament has supported and approved the Commission's four-year plan. Now this amendment is intended to bring about its implementation and get it going. This is also how our point of view on item 2703 on integrated circuits must be understood.

## Notenboom

Although this is a token entry we want to ensure that these programmes get off the ground as soon as the Council has taken the necessary decisions.

The same is true of item 3 710 about which Mr Ripamonti may well say something. The explanatory statement is phrased in such a way as to enable the Commission to make an immediate start if this item is adopted, even if the Council tries to delay it for other reasons.

Mr Lahnstein may feel that Parliament is being somewhat aggressive. And we must not adopt the same attitude in the case of every item. We must not follow this policy line blindly, but I think that in his report Mr Bangemann has set out very pertinently the legal bases for our action. That is why we support him.

It is our aim to make full use of the budgetary powers which are an advance base in the overall powers of this Parliament not in an impertinent manner but in full knowledge of what we can do with a view to direct elections. We want to make the most of our budgetary powers in order to be the best possible partner for the Council. We are not slavishly following the Commission's proposals. It is not our intention to reinstate automatically every item in the Commission's proposals which the Council has deleted. We act on our own behalf. I am referring here, for example, to the support for oil refineries so that we can alleviate somewhat the crisis in that industry. In the first place we consider that the amount is too small to help solve this gigantic problem. And in the second place we believe that such an amount can easily be raised by this industry itself which in general is flourishing. These are just a few examples with which I want to illustrate the position which our group will adopt tomorrow on the industrial and economic items in the budget. We are convinced that in so doing we shall be giving effect, however modestly, to what the Heads of Government said in Bremen about greater coordination in the economic policy sector. You could say that that is the task of the national budgets, but if we do not make a start in the European budget on what was decided in Bremen we would lose all credibility. I hope, however, that despite what he said yesterday Mr Lahnstein will be prepared to tell his colleagues in the Council what our group and other groups are driving at. We do not want to oppose the Council in everything, of course we don't. We hope for proper consultation with the Council and trust that the Council will accept our arguments. We listen to what the Council has to say. I hope that the Council will also listen to what we have to say and that when it takes its decisions, after the European Parliament has voted tomorrow, it will take due account of all these arguments so that the 1979 Community budget will be enabled to play more of the role which is necessary for the Community.

(Applause)

**President.** — I call Mr Spinelli.

**Mr Spinelli.** — (I) I rise again, this time to deputize for Mr Leonardi, who has not been able to come owing to bad weather conditions. I wish to justify some amendments that we have submitted to the chapter we are now discussing. As I note with pleasure that the Christian-Democratic Group has adopted two of these amendments, on data processing and on aeronautics, I shall spare the House an explanation of these and am happy to leave the task of speaking in their support to Mr Ripamonti.

I should like to explain briefly why we have proposed that item 3232, Aid for inter-Community trade in power-station coal, should be deleted. We appreciate the need for diversification of energy sources and for increasing the utilization of coal. This is why we have been in favour of incentives to promote the use of coal in generating stations. However, it would be a mistake to conclude from this that special protection measures must be accorded to European coal, whose production costs are, inevitably, too high compared with those in other parts of the world. So, since European coal is produced at prices that are too high, we should be operating a form of price discrimination with respect to coal relative to other energy sources.

We should not forget that not only is Europe less rich in coal deposits than other continents, but that it has been exploiting its coal mines for ages, while elsewhere coal mining has begun relatively recently; consequently, we have to extract our coal from great depths, whereas in America, for instance, open-cast mining is practised. The result is that German coal is about three times as expensive as American coal f.o.b. at European ports, and that British coal is two to two and a half times as expensive. In this situation, it would be against our interest to try to maintain artificially a costly output of coal; what we should do is continue with the ECSC's traditional policy of aids to reconversion. If we do, we shall still be heavily dependent on outside supplies of coal, but it is in our interest to promote diversification rather than maintain forms of production which are extremely dear, artificial and, in effect, irrational in economic terms.

The object of the proposal under consideration being precisely to create subsidies in order to promote intra-Community trade in coal, which means maintaining a high price for coal, I believe that it does not accord with the Community's overall energy policy.

**President.** — I call Mr Brown.

**Mr Brown.** — Mr President, I am speaking this morning on behalf of the Socialist Group and I do not intend to rehearse all the many arguments concerning

**Brown**

the main proposals. My colleague, Mr Dalyell, dealt with that, I thought, most effectively and covered in his thrusting arguments many of the things that my group has been saying.

I propose to deal only with issues that have arisen, mainly the problems in the coal sector. Now the Commission has put forward three proposals for coal. The first is covered in Item 3230 and refers to the use of coal in power stations; something the Commission proposed in 1979. It proposed that money be made available to encourage the construction of new coal-fired power stations and also the reconversion of power stations to coal. I only mention this as a matter of fact. I do not agree with its arguments. The House has heard me argue my case in the past and I have reservations, not least of all the one touched on a moment ago by Mr Spinelli. My experience of the conversion of power stations to coal is that you finish up with a much more expensive way of producing electricity, which can only raise the cost of living of families in the Community. I do not believe that to be a very wise thing. I will not rehearse all the arguments again, but I believe it is a mistaken view. Nevertheless, the Commission has in fact proposed it, and was totally accepted by the House. Then in Item 3231 we have aids for Community coal stocks. This again was put forward by the Commission in 1976 and received unanimous support in Parliament in 1977.

The third item it brought forward No 3232 — aids for intra-Community trade in power station coal. The Commission, I understand, has only this week sent a formal proposal to the Council. Now this proposal itself (3232) was the subject of a report on behalf of the on Committee on Energy and Research by my colleague, Mr Brugger, in which he cast a great deal of doubt upon the validity of this proposal. The Committee on Energy and Research at its meeting last week took the same view that there were in fact grave reservations as to its value, and certainly the Socialist Group adopts the same view. As Mr Spinelli observed, if you begin to subsidize European coal there is no guarantee that the producers of imported coal will not in fact lower their price, and all you will get is a continuing process of fighting and arguing. There is no such guarantee, that is the point I make. I would like the Commission and the Council to explain to me why they believe that to subsidize the movement of coal throughout the Community will in some way result in cheap coal for the users. I do not believe it will, and when added to the proposal to convert power stations to coal, I suggest that the total net effect of those proposals will be to raise the cost of producing electricity in the Community.

In the Commission's preliminary draft budget for 1979, they called for 40 million units of account for the use of coal in power stations. Secondly, they called for only a token entry in coal stocks and thirdly, they

asked for 100 million units of account for intra-Community coal. Now, I have to say this, and I hope my colleague will forgive me, but at a rather poorly attended meeting of the Committee on Energy and Research Mr Bangemann was able to persuade the committee to accept only a token entry for these three items. On reflection the Socialist Group felt that the sums for the power stations should be 20 million units of account in payment appropriations, with a full 75 million units of account for commitment appropriations, and therefore we have got, as the House will see, an amendment tabled in Doc. 296/132 which makes this clear to the House.

The Committee on Budgets decided to accept Mr Bangemann's suggestion to establish an energy reserve fund of 100 million units of account for what is euphemistically called primary energy sources, and that it be placed in Chapter 102. Now, like my colleague, Mr Dalyell, I was nonplussed by this and I confessed to the Socialist Group yesterday and again to the House today that I do not understand what is meant by this term. I had got a couple of possibilities — one was that I thought I was being told that it was a reserve of money. Then when we pointed out that this was a wrong-headed approach, there was a change of course and I was then told it does not mean money at all, it means stocks. I then raised the issue that we have got more coal mountains in Europe than anywhere else; I did not quite understand what we wanted to build up even more for.

So perhaps today we might get from the Commission exactly what they thought they meant by primary energy sources. One of the interesting things is that if you go through the work of the Commission they already have proposals for coal, for uranium, for hydrocarbons. They have received my plaudits for it. They have already recognized the need for supporting stocks of various sources. And therefore I do not follow, if you have already got it in the budget, why do we now want to actually add another heading, to produce more. We do not know what that 100 million is for, and I certainly have no intention whatsoever of voting in favour of it until it is explained much more succinctly to me and I am shown what advantages can be gained.

Furthermore, we believe, Mr President, that Mr Bangemann, with great respect to him, is in fact somewhat misguided in what he is doing and we do not think he perhaps understands. He is in the middle of budget work, and the budget is a very absorbing issue. But he is talking about energy, and we on the Energy Committee and in the Socialist Group feel that we do understand that little aspect of the budget rather well. We have therefore proposed an amendment to paragraph 27 of the motion for a resolution, which reads as follows, 'Considers it urgent that on the basis of the outcome of the Bremen Summit the Council should

**Brown**

take rapid decisions on the Commission's outstanding proposals in line with the resolution unanimously adopted by the Parliament in October 1978. The Community's energy policy must continue to be based on three general aims: to reduce dependence on energy imports, to encourage additional sources of energy and to push through energy conservation programmes'.

The House will note that I have been a constant opponent of the phrase 'alternative sources of energy'. They are lumped together in very many ways, but most people understand them to mean solar energy, wind power, wave power, tidal power. I keep submitting that these are not alternative energy sources. They are, in fact, additional because nobody can possibly believe that you can get rid of nuclear power and substitute the sun in its place. Therefore I hope the Socialist Group is now coining a new phrase which will be accepted by the House and that in place of alternative energy sources it will talk of additional sources of energy.

*(Applause)*

Lastly, I would call to the attention of the House once again that in Strasbourg two weeks ago we did adopt a resolution put down by the Socialist Group which, I think, clearly defined the position. Firstly, we called upon the Council of Energy Ministers at its forthcoming meeting to accelerate its progress towards adopting an overall Community energy policy. Secondly, we demanded in particular that the Council adopt the Commission's outstanding proposals on support for the Community's coal industry and for joint hydrocarbon exploration projects as well as agree on a Community approach to the refining sector. Thirdly, we stressed the need for the Council to deal with these matters in a Community spirit in order to overcome the real problems arising from differences in individual Member States' energy supply patterns and fourthly, we reiterated in addition the view that a Community approach is needed to the problems of nuclear technology, especially regarding reprocessing radioactive waste and the development of fast breeder reactors.

So we really do not believe that Mr Bangemann has got it right and we suggest that the House adopt our recommendations contained in draft amendment No 132 and also our second amendment to paragraph 27 of the motion for a resolution. I hope that the House will find it possible to support us.

*(Applause)*

**President.** — I call Mr Fuchs.

**Mr Fuchs.** — *(D)* Mr President, ladies and gentlemen, it is to my regret that I have only just found out that I am supposed to be speaking on this subject. So I should like to add a few comments to

what Mr Brown said, because the Christian-Democratic Group is moving in a totally different direction.

I fear that Mr Brown is considering energy policy from the present situation in the Community and the individual Member States, but I believe that if we are to pursue a Community energy policy that we must take account principally of the views which will concern us in the short and medium term. Consequently we must consider energy policy from this angle, and in this context I would point out that one of the Community's declared objectives is to cut our dependency on imports of primary energy, of hydrocarbons such as oil and natural gas, by at least 50 %. But we have a long way to go before we achieve that. So we must do something to exploit the energy sources we have in the Community and avoid the danger that possibly even coal production might decline still further. That is the risk we are running at present. The budget entries are intended to provide a Community contribution to ensure a reasonable production total, a contribution which can, of course, only be in addition to what must be done by the Member States. If I state that more coal should be used to produce electricity, then this is an essential basis for our energy policy as a whole. It does not refer to specific Member States but to the Community as a whole. Consequently I consider the amount entered in the budget for the use of coal in power stations is absolutely necessary. The same is true of the entry which is intended as aids for intra-Community trade in power station coal. I cannot accept that the only result will be an increase in the price of imported coal. If we are not capable of making greater use of coal produced in the Community, then we shall find ourselves isolated as far as energy is concerned, and I say most emphatically that we shall be bitterly regretting it in five or ten years time. The reproach will be made: Well, why did you not realize it at the time, it was bound to happen! If we become increasingly dependent on imports, we shall soon have to pay for it in increased prices for imported energy, because when our dependence becomes obvious we shall be unable to prevent our suppliers from increasing the prices accordingly. We have had the same experience in other sectors.

I should also like to say a word about the entry under the heading 'Reserve Fund for primary energy sources': What is inherently more necessary than the entry of such reserves? This could occur, for example, in the field of uranium supplies since uranium can be stored without further ado within the Community, the quantities involved being relatively small.

I would therefore ask you to consider this matter from that point of view as, I am sure, do the Christian-Democrats.

## Fuchs

And a final word about research. We know that at present we are forced to rely on coal, oil and nuclear energy, but I would warn you not to neglect the other additional energy sources. I will not use the term 'alternative energy sources', because I agree with Mr Brown that solar energy, windpower and geothermal energy are not alternative energy sources for the simple reason that, as all scientifically reliable forecasts maintain, by the year 2000 they will still only represent roughly 5 % of total energy production. But I believe that we must not simply ignore the possibility.

In particular for political reasons we must make it clear to those outside the Community that we are exploring every avenue which can be scientifically shown to have a good chance of success and which might lead to the development of additional energy sources, especially recyclable energy sources. That is absolutely essential. I know that the road will be long and hard, with little chance of immediate success. In the global discussion, not only at the level of the layman but also at the scientific level, the reproach will be justified again and again that we may have failed to follow one particular path, and that is something which we should prevent. I would refer here, for example, like Mr Noè, to hydrogen as an additional source of energy; this is a most important matter for the future. Politics means predicting planning now how we intend to approach the energy policy of the future.

We should therefore consider this question from these points of view and draw the corresponding conclusions in the budget as well, so that we cannot be accused of having wrongly assessed the situation or not drawn the proper conclusions for reasons of expediency. That is also the right approach to tomorrow's vote on this chapter of the budget.

(Applause)

President. — I call Mr Ellis.

Mr Ellis. — Mr President, I have been provoked into making this brief intervention in the debate by what I can only describe as my friend and colleague Mr Dalyell's general onslaught on coal and I will say this to him: I feel he was highly irresponsible in his speech. The issues are very complex indeed and I am not going to use a budget debate to go into the whole energy issue. What I would say to him is that this irresponsibility was moderated by the fact that his arguments were less than impeccable and that is putting it in as kind a way as I possibly can. To put it more bluntly, I would say that his logic was quite perverse. I certainly was unable to follow it and I have jotted down some of the arguments he deployed in this general onslaught against coal.

For example, he said that there were a great many accidents in coal mines; that there was pneumoconiosis in coal mines. I would put this point to him: probably the biggest single cause of accidents in all our countries is the motor car, but I am sure he would not now wish to argue that we should ban all motor cars! That is the kind of perverse logic that should not be applied to what are really very, very important and very, very serious matters.

Another argument that he used was that no father would send his son down a coal mine and that, therefore, we must close all the coal mines. Well that is an outrageous *non sequitur*. Most fathers want their sons to be prime ministers, or film stars or, dare I say it, even Members of Parliament, but I am sure that Mr Dalyell would agree that it would be extremely difficult to arrange a world where everyone was either a prime minister, a film star or an MP, a kind of world of prima donnas. That is the kind of argument that really does not stand up under examination.

A third line of argument that he used was a subtle — at least I assume he thought it was subtle — defence of nuclear power; he seemed to think that the ploy of attacking coal somehow would deflect the anti-nuclear lobby. Well, disingenuousness, I think, is never really a sound basis for advancing any argument whatsoever.

I will say this to Mr Dalyell and to many of my friends and colleagues from my own group: who have spoken the argument for coal stands on its own merits within the general energy context. I must say I found very odd the kind of Walter Mitty situation where we have just heard Mr Fuchs speaking on behalf of the Christian-Democratic Group stoutly defending the coal industry and so many of my socialist colleagues stoutly attacking the coal industry. It does seem to be an extraordinary situation. I say that the argument for the coal industry stands on its own merits. Can I just put one little point, using Mr Dalyell's own argument. For many years, large American oil companies have been purchasing coal companies and in his speech Mr Dalyell said that one argument in favour of certain work that was going on in Ispra was that the Americans were putting money in it, and that was good enough for him. Well, the Americans are putting money into coal. Admittedly they are putting it into American coal but the argument seems to be no weaker than the argument that Mr Dalyell himself put forward when he was talking about Ispra.

What I am disappointed in, is the seeming lack of solidarity for coal. There are three broad measures which have been proposed, if proposed is the word. There is the question of coal stocks; there is the question of burning coal in power stations by adapting the power stations and there is the question of intra-Community trade. Very little has been done in the

## Ellis

Community and in the Council of Ministers to put these proposals into effect. There may well be all kinds of reasons, but I suspect that in the Council there are some very petty reasons indeed why none of these particular proposals has in fact been put into effect. While the Council has its own ways of going about things, I must say I am very disappointed to sense the same kind of pettiness amongst parliamentarians.

As Mr Fuchs out, demand for energy has to be looked at in the long term. It is no good saying that there are stocks of coal now; there may well be stocks, and I will say something about stocks in a minute, but in the long term there is a kind of actuarial certainty about the demand. If one were to chart the consumption of energy year by year from, say, 1 800 onwards, the graph now looks very much as if it is asymptotically approaching infinity. It is virtually rising straight upwards, so that there is no question at all in my mind that there is going to be a serious shortage of world energy sources in due course. Therefore it does surprise me to find people talking rather blithely about getting rid of — because that is what it would mean, one cannot close collieries and open them very readily — our indigenous coal resources.

It surprises me also to hear people talking about supporting research projects into, for example, solar energy. I have nothing against solar energy, although I accept the point that Mr Brown made about solar energy, that it is a long way from coming to fruition. But to talk in terms of supporting that kind of expenditure and at the same time not supporting the already available indigenous energy in our Community does surprise me.

Mr Brown spoke about the mountains of coal. I have told this story in this Parliament before and I will tell it again, because it is a message I would like to get across to some of my socialist colleagues, in fact not just about coal stocks but about stocks generally. I might even make a speech some day about surpluses. I would subtitle it 'A plea for the rational'.

There used to be a breed of men in my country after the First World War who were the last remnants of the 19th century. They were called the coal owners and they were a rum bunch of people and they had a way of dealing with stocks. They just stopped the collieries working, put the colliery onto a one-day week or a two-day week; that was their policy for dealing with stocks. It is not a very socialist policy, I would have thought. The story I told the Parliament was that the system they had in my village was that if the colliery hooter would blow at 6 o'clock on the previous evening, Ezekiel Phillips, who was not overfond of work, used to sit and wait and would hear the

hooter and would say there was more music in that colliery hooter than in the whole of Handel's Messiah.

Now the point is that supporting stocks is not necessarily a bad thing. One can have open-ended commitments; we have in my country at the moment an open-ended commitment to produce coal, just as there are open-ended commitments to produce butter. But before one makes a general onslaught on stocks, one has to be very careful indeed to be certain that one has all the facts.

Mr Spinelli made a reference to the need to diversify. I have just had the privilege of paying a visit, with a Parliamentary delegation, to Japan and I was very impressed with Japan, very impressed indeed, but I could also see some of the difficulties of the Japanese. One of their biggest difficulties, I felt, was that there was an island of 110 million people being forced to live on their wits, depending only on the skill and the diligence of its people, because there are no indigenous resources at all. Now if we want a Europe of that kind, it is the kind of Europe that I think we would be very, very irresponsible to advocate. Therefore while it is perfectly true that coal in this Community of ours is more expensive than in America, as Mr Spinelli pointed out, that does not mean that we must get rid of our coal resources.

As a matter of fact, just to get the facts right, we should remember when people talk about the expense of producing electricity by coal that it is only very recently, within the last two or three years, that electricity produced by nuclear power in my country has become cheaper than that produced by coal. Well now, I am a great supporter of nuclear power and I did not object throughout the 20 years that we have been producing energy by nuclear power about the high cost of nuclear electricity. I could see the need for it, the long-term need, and therefore I am happy to finish what I have got to say by putting the position of the Socialist Group quite clearly in case people have been misled.

The Socialist Group supports the coal industry. We are in favour of having the 75 million units of account commitment for power stations; that is part of the Socialist Group policy. In our document on energy policy we come wholeheartedly down on the side of coal. The issue whether or not certain monies, some 100 million units of account, should be put into some reserve account because decisions are not being taken is another issue and I have a great deal of sympathy for this. This is a budgetary issue, it is a political issue affecting the Council; it is not — and I repeat this which is an official Socialist Group point of view — it is not in any way whatsoever to be regarded as coming down against coal.

*(Applause)*

**President.** — I call Mr Ripamonti.

**Mr Ripamonti.** — *(I)* Mr President, the progress of the debate on the Community's general budget — that instrument of coordination of the economic policies of the nine Member States, of reducing regional disparities and imbalances between geographical area, population and resources, of producing new measures to substantially reduce the economic and social costs of unemployment, while at the same time containing inflation — might suggest that the speeches drawing attention to the various aspects of Community policy, including industrial policy, are expressions of so many sectional interests. As Mr Bangemann rightly observed in his excellent and most interesting speech, industrial policy guidelines are not reflected solely in specific intervention instruments and neither, as Mr Notenboom pointed out, can they be assessed only in terms of these, but they must be seen in the context of an overall strategy.

This overall strategy — aimed at changing the structure of the European economy, an economy open to international competition, yet at the same time striving to resolve the problems, which have now become continent-wide, at reducing substantially the unemployment rate, of eliminating pockets of poverty and want, at ensuring a better quality of life and cultural and social progress — is not obvious in the objectives of the budget which — for all that the Committee on Budgets, taking into consideration the relative shares and the mutual interactions of the various aid policies, has approved them — qualitatively and quantitatively are not of a size or a scope to produce the kind of structural change in Europe's economic development that is required by the crisis now gripping Europe and the world.

The General rapporteur was right to point out that it is precisely at a time of economic crisis that missed opportunities for rationalization, innovation and restructuring become particularly apparent. This means — and I am at one here with the general rapporteur — that the Community must try to work out an industrial policy which will make good these shortcomings.

It is my view that, among the complex of objectives which lie at the base of the industrial policy, we must identify which are our short-, medium- and long-term aims within the context of our ultimate goal of Europe's all-round growth, both economic and social, through the achievement of economic and monetary union; an economic union which will ensure for Europe an increasingly important role as a factor for in the world economy balance and progress.

The European Economic Community should assume a pivotal role in the world as an element of stability and progress, of democracy and freedom in the service

of all humanity. This is why we must encourage innovation and technological progress, technological forecasting, the development of alternative technologies, their knowledge and application. All these measures are of fundamental importance in the medium and the long term, particularly as regards identifying the sectors of future strategic importance which need not necessarily be identical with those that appear most obvious today. We must encourage investment in high-technology industries so that we can change the entire structure of industry within a context of closer and more effective cooperation between the industrial and the developing countries, with the ultimate aim of achieving, what is in any event inevitable, a well-balanced international division of labour.

In the short term, we must try to speed up and encourage spontaneous reconversion and restructuring processes, in order to maintain the level of employment, to improve overall productivity, while at the same time safeguarding the competitiveness of our enterprises both at the domestic and international level, and we must allow for additional costs necessary to improve the quality of life, working conditions and environmental standards.

When we consider this aspect, ladies and gentlemen, we see that there is a direct correlation between industrial policy and regional policy (regional redevelopment) and the social policies (the mobility of labour and occupational retraining); between industrial policy and the formation of an entrepreneur class, whose creative abilities, managerial training and — if you will forgive my mentioning it — willingness to undertake risks must be developed.

These policies are certainly not fully reflected in the budget appropriations. Mr Commissioner Davignon's political initiative on behalf of sectors in chronic crisis — especially for the metallurgy sector, where the crisis has hit not only the 'absolute' but also the technologically advanced industries — find no expression in the budget proposals.

Ladies and gentlemen, after the decisions of the European Councils and after all the Parliamentary debates, what is being proposed to us for industrial policy in the budget is as follows: in the Commission's draft, the total of items 3701 to 3751 involves commitment appropriations of 62 000 000 EUA and payment appropriations of 42 700 000 EUA. The draft budget proposed by the Council provides for a commitment appropriation for the same items of 2 000 000 EUA and payment appropriations of 1 700 000 EUA. So that you can realize more clearly what this figure of 1 700 000 EUA means as a payment appropriation for industrial policy, let me remind you that this is equivalent to the expenditure needed for the construction of



**Ripamonti**

80 dwellings of the council-housing type. That is supposed to be the contribution from the European budget to the policy of structural economic change! This is why, ladies and gentlemen, on behalf of the Christian-Democratic Group, I have tabled an amendment to Item 3750 to speed up Community aid for industrial reorganization, particularly of small and medium-sized enterprises.

There is little point, ladies and gentlemen, in adopting, in terms of Mr Notenboom's high-minded report, the industrial policy guidelines for small and medium-sized enterprises if then, at the stage of finalizing the budget, we ignore the need for preferential financing to promote reorganization of small and medium-sized enterprises. This is why we have concentrated on the high-technology sectors, putting forward again the question of data processing, raising the problem of the aeronautics industry. Both the European Council in its decisions and the political forces represented in this Assembly have stressed that this must be done if a breakthrough is to be achieved in the Community's industrial policy.

The funds allocated for industrial policy are altogether inadequate in comparison with the objectives which we have on so many occasions identified in our debates: they are insufficient for the essential measures recommended by Parliament and they are insufficient to meet the constructive suggestions contained in Mr Bangemann's report.

I hope, therefore, that the Council of Ministers will see fit to amend its decision and to reallocate the resources equitably, in line not only with the expectations of the people of Europe but also with the decisions adopted by the European Council in Bremen and the industrialized countries meeting in Bonn.

(Applause)

**IN THE CHAIR: MR BERKHOUWER**

*Vice-President*

**President.** — I call Mr Tugendhat.

**Mr Tugendhat, Member of the Commission.** — Mr President, Mr Ripamonti brought together the threads of this debate and showed, I think, very eloquently how each of the various sectoral policies of the Community fits together into a coherent pattern. But the debate itself was largely dominated by the arguments over the relative merits of coal and of nuclear power. In their different ways Mr Dalyell, Mr Noè, Mr Spinelli, Mr Brown, Mr Fuchs and Mr Ellis all devoted a large part of their speech to that particular aspect of the problem. I would therefore like to devote a few remarks to what they said.

I think anyone who listened to all those speeches, but who was unaware of the proposals that the Commission has put forward and was unaware of the various draft directives and other proposals under discussion in the Council, might have supposed that we were interested only in coal, and that we were in some way actually opposed to nuclear power. From the strength of the speeches and from the vigour with which a number of opinions were expressed, that would certainly be a reasonable conclusion to draw. It would, however, not be a true one. Our proposals cover the full range of energy activities. They cover oil, and they cover coal, and they cover nuclear power. They cover the whole range of activities. Moreover, if one considers that our research programme is really very largely devoted to nuclear power, and if one considers the important new project of JET, it is very clear indeed that the Commission has a vivid appreciation of the importance of nuclear power, and any suggestion that we are in some way unsympathetic to nuclear power, or that we are threatening its future or anything of that nature, is not really based on a realistic appreciation of the facts. I would ask Members to consider our research programme as well as our energy proposals, and I think they will then find that we really do cover the whole field and that nuclear power is by no means a poor relation.

So far as coal is concerned, I found myself in complete agreement with the views put forward by Mr Fuchs. I thought the way in which he summed up the problem was absolutely correct, and really it means that I need say very little on the subject, because I can subscribe so absolutely to what he said. But I would like to emphasize that the aim of the Community should certainly be to reduce the Community's dependence on imported energy. We want to reduce our dependence, not just on a specific type of energy, but also on imported energy, and the thrust of our proposals, and the thrust of the Community's energy policy, is to reduce dependence on imports. Now, Mr Spinelli, who was making a speech which was not entirely favourable to our proposals, talked about the need to diversify dependence. On that part of his speech, at least, I can absolutely agree: that we do need to diversify our dependence, which means having a dependence on a variety of different fuels. Certainly some will be imported, but an important part should be indigenous. Mr Brown argued that our proposals for coal might actually increase costs, and he was critical of us on those grounds. Well, I agree that some of our proposals might indeed lead to higher costs, but I think that the experience of the 1960s, culminating in the crisis of 1973, shows us that, as in so many matters, what is cheapest today is not always cheapest in the long run, and that diversity may sometimes require paying a little bit more, but diversity, and a strong proportion of domestic, indigenous supplies, can provide a very strong defence against the harsh winds that can blow in other parts of the world.

**Tugendhat**

It might be helpful for me to conclude this part of my intervention by trying to describe what the principle underlying the Commission's approach to energy is. We believe that energy is a Community need — I think that is obvious — and that in many ways the provision of new sources of energy, and the tackling of a number of energy problems, can be done better at the Community than at a national level. This does not mean loading yet more burdens onto the shoulders of the industrial worker in Dortmund, mentioned yesterday by Mr Lahnstein. Not at all. If we are to do things at Community level, then certainly they should not be duplicated at national level. I have said many times that I do not regard Community expenditure as piling Pelion on Ossa. If we are to have expenditure at Community level, it should replace expenditure at national level, and the industrial worker, whether in Manchester, Dortmund, Milan or Marseilles, should not have to carry additional burdens. Quite the contrary, he should get better value for the money he put in. In the American expression, he should get more bangs for the buck, and that I think, as with so many Americanisms, is a very vivid way of describing the situation.

The Commission is certainly grateful to the House for its constructive approach to our energy proposals. Most of Parliament's proposals present a reinstatement of amounts which were reduced or deleted by the Council, and we are extremely grateful and pleased to see that. In one case, the use of coal in power stations, Parliament has suggested a smaller figure than we did. We think that is also right, because the Council has taken so long to reach a proposal that it would not any longer be possible to spend the amount which we originally asked. It was not a case, to take up Mr Dalyell's point, of over-bidding: it is that if a decision is delayed for a long time, clearly there is less scope for spending the money. The Commission also welcomes Parliament's proposal to create a special energy reserve, although for the reasons which I described earlier in my speech — the fact that I do think we are taking account of all the various energy interests, and the fact that I do not think we are over-weighted in one direction — we do not feel it right to amend our proposals at present.

As I said, Mr President, energy dominated the debate, but I would just like to turn briefly to one other aspect which was raised, in particular, the remark of Mr Fletcher-Cooke, when he said that he thought that we made demands for money without knowing what we were going to spend it on, 'and answer came there none'. Well, I would like to try to provide a small answer. I agree that under Article 375, we have been dilatory, that it has taken the Commission a long time to adopt a proposal for a Council regulation fixing the basic rules for granting interest-rate subsidies and premiums. We have now, however, I am pleased to

say, adopted a proposal, and as I emphasized in the last debate which we had in the Parliament, though we are culpable on this occasion, it is one of the very few occasions when we can really be blamed for not having put forward a proposal. But where we should be blamed I accept it, and, as I said, we can be for having been slow on this occasion.

But it really is not right to say that we do not know what we are going to spend the money on, and we just want the money to bang it in the budget without knowing what to do with it. That really is not true at all. After all, it is clearly stated, and I think the House is familiar with this, that the industries that we are going to concentrate on in the first instance are textiles and shipbuilding — two industries which are certainly in crisis. And in answer to the question, how are we going to try and tackle it? — Well, the answer is that we are going to try to do so by interest rate subsidies and investment premiums. I agree that we may have been late, but it really is not right to say that we do not know what we are going to spend the money on, and we do not know how we are going to do it. Those are the industries, and those are the ways in which we are going to do it. That, Mr President, is all I wish to say at this stage.

*(Applause)*

**President.** — We now move on to the chapter on social affairs.

I call Mr Albers.

**Mr Albers.** — *(NL)* Mr President, speaking on behalf of the Socialist Group, I come now to the items relating to social expenditure and I shall follow in the footsteps of Mr Notenboom by stating that it would be quite inappropriate to assess the Community's social policy simply in the light of this budget. The appropriations entered for this purpose are far too modest, amounting as they do to only 5 % of the total Community budget.

Clearly the tripartite conference on 9 November will be of great importance to social policy. The broad policy lines will have to be laid down on the basis of socio-economic consultation. It will be necessary to determine what future possibilities are open to the European Community to pursue a worthwhile social policy through additional measures such as the harmonization of legislation or projects which genuinely point the way for the development of the social situation in the European Community.

My group therefore sets great store by retabling the amendment which was not accepted in the Committee on Budgets. That amendment relates to the staff of the Economic and Social Committee. We maintain that the requests made by that Committee for staff must be met. We believe that this Committee has an important part to play in the specific area of socio-economic consultation and that it must be given

## Albers

the necessary resources. The amounts available in the budget are only modest. They relate to actions described in the 1974 social action programme and in the action programme for migrant workers and their families adopted in 1976.

We are therefore particularly critical of the cuts made by the Council. This applies especially to the measures in favour of young people. A small amount has been entered to enable the youth forum to function properly. The youth forum must also play its part in the consultations. We therefore maintain that the item originally entered for this purpose must not be deleted.

I come now to language tuition. It is quite clear that, given the present problems of youth employment, the development of language teaching in the European Community can play an important part by helping to promote the mobility of young workers. We therefore gladly support the amendments on this point. The same applies of course to the exchange of teachers and students, and also to vocational training, particularly as a means of making it easier for young people to find jobs. A proposal for a regulation has been drawn up on this subject, and should enable, pursuant to the decisions of the European Council in Bremen, an action to be implemented, starting on 1 January 1979, with a view to creating new jobs in industry, in the services sector and in the public service. We cannot go on talking about this indefinitely. The money earmarked for this purpose must not be blocked in Chapter 100 but must be made available in specific budget items; Parliament has a right to be informed, from month to month, of the way in which this money is spent next year.

Our group considers this subject so important that we shall not leave it at this. We attach great value to practical action to combat unemployment among young people and are convinced that the ideas held on this point in Parliament and reflected in its amendments, must be respected. We shall stick to our guns. Our attitude to the budget as a whole will largely depend on what happens to these items. That is the view of the Socialist Group.

We would make just one exception, in the case of an amendment tabled by Mr Rippamonti, on behalf of the Christian Democratic Group, to Article 302. The purpose is to make 650 000 EUA available again for the exchange of young workers. Our group cannot support this amendment because there is no proper programme for this purpose. We have held a discussion but there was certainly no consensus on this point; we stand by the view that the Commission must first prove that it is able to come up with a worthwhile programme. We do not want to prevent this money from being made available in the future. We attach great value to the exchange of young workers. The promotion of mobility is clearly an

important factor in combating youth unemployment. We therefore ask the Commission not to hesitate but to submit a suitable programme at an early date so that these 650 000 EUA can be entered with the normal payment appropriations, perhaps in a supplementary budget. We have made an exception in the case of this article, since as a matter of general principle we do not think it right for specific items of the budget to remain unused because the Commission has not prepared a programme or because no expenditure can be made.

We wish here to appeal to the Commission: the pretext that projects simply cannot be implemented can never be acceptable. When it comes to youth unemployment in particular, everything must be done to spend the available money and see that it is really used for the purpose for which it is intended.

The same principle applies to migrant workers. It is quite unacceptable to make any cuts to the modest amount entered in the budget for the improvement of the housing conditions of migrant workers and for the development of teaching projects for their children. The same clearly applies also to the projects for the housing of handicapped workers and for their inclusion in the employment process. Therefore the modest sums earmarked for this purpose must be maintained in accordance with the Commission's proposals. My colleague, Mrs Dahlerup, will be speaking on the subject of the employment of women. I would say this: if there is an action programme for the employment of young workers and if money is made available for this purpose and projects worked out, the problem of unemployment among women must be approached with the same vigour. One final word about elderly workers. It is quite clear that in years to come, especially because of the difficulties in certain sectors of industry — I have in mind the textile sector where we are again hearing talk of a crisis cartel and the dismissal of workers —, there will be very real problems in ensuring the employment of older workers. It is therefore particularly important that Parliament has tabled an amendment seeking to maintain a token entry in respect of guaranteed income during retraining. This is a subject which will have to be looked at closely in the next few years. An increasing number of workers will have to temporarily leave employment because there is not enough work available in their sector. If they are given the possibility of finding other jobs through re-training, their incomes must be enabled to support themselves and it is therefore most important for the budget to include this token entry — unfortunately not an actual figure because Parliament cannot go as far as that; we must keep this whole matter in mind and actions and projects must therefore be developed.

Finally, it seems self-evident to me that the projects to combat poverty in certain old cities and backward

## Albers

areas of the Community must not be cut back or suspended; on the contrary they must be continued. The whole history of social development today proves that poverty is on the increase; cuts in this sector are therefore unacceptable.

(Applause)

**President.** — I call Mr Van der Gun.

**Mr Van der Gun.** — (NL) Mr President, on behalf of the Christian Democratic Group, I wish to make a number of observations on the social policy as reflected in the Commission's proposals and also on the Council's reaction to them. I am sure you will agree that we are living through an economic crisis which is more far-reaching than any other crisis experienced since 1945. It is also a crisis of longer duration. Unless one is an incorrigible optimist, one is bound to assume that it will last for a few more years still. Against that background, we have also looked into the action which the European Community could take here. A further important consideration is that the consequences of the present economic crisis are very extensive and create serious inequalities because at given times the crisis affects totally different groups and regions. One need only think of the situation of women and young people. One need only think of the regions. We find that, despite all the talk about solidarity, the difference in prosperity between the regions is increasing rather than diminishing. We also find that a number of weak sectors of industry are throwing in their hands. We were therefore unusually curious to see how the Community would approach these problems. There has been no lack of talk about the need for the Community to acquire a more social face. The national governments believe that these problems can no longer be solved in the national context and that the European Community must now play an active and determining role in this area.

Well now, my first conclusion is that the proposals made by the European Commission represent the absolute minimum that could be expected under the conditions now prevailing in Europe. We also find that practical implementation of the Commission's proposals could go somewhat further than is at present the case. I agree with Mr Albers that our debate today is not the occasion for further examination of this problem. The Tripartite Conference and the next part-session in Strasbourg, at which we shall be debating economic developments in 1979, provide a much more appropriate opportunity for studying this matter than the discussion of the budget.

I do, however, want to address a few remarks to the Council on the subject of the cuts made by it in the budget as proposed by the Commission. Given the fact that a number of sectors of industry are facing particularly hard times, one might reasonably have

expected the Council to endorse the Commission's proposals for support to the weaker sectors in order to compensate as far as possible for the consequences of their present weakness. But no, the proposals have simply been rejected, although it is clear that only an active sectoral structural policy pursued in consultation between the Commission and the social partners can remedy the difficulties of the weaker sectors of industry. I had also thought that we all agreed, at least in theory, that one of the gravest problems now facing us in Europe, and not only in Europe, was the fact that supply and demand for labour are out of balance. On the one hand there is a very serious degree of unemployment and on the other a large number of vacancies which no personnel can be found to fill.

In this situation the Commission has put forward a number of proposals. It has prepared a number of model projects in an attempt to bring supply and demand back into some form of balance. These proposals too have been rejected by the Council.

In the same vein, the Commission has submitted a proposal for special measures to assist workers leaving agriculture and the textile industry. There can be no doubt that there is a massive exodus from these two sectors which will unfortunately continue for some time to come. On this point too the Council has shown no readiness to act. It has cut the appropriations proposed by the Commission. The Commission has also quite rightly proposed an income guarantee for workers participating in training, retraining and conversion courses for the period of this training, in accordance with the wishes expressed by a number of Member States. Here too the Council's reaction has been negative.

Many weak groups are particularly hard-hit by the crisis. Mr Albers has already drawn attention to this fact, and young people are very badly affected. They are facing real difficulties all the time and in the next few years the situation will remain such that there will be no jobs open to them in our working community. The Commission has — I might almost say at long last — put forward plans of action and proposals in this area. One might have expected the Council to welcome these proposals. But far from it: once again the Council has cut the proposed appropriations.

The same applies to the handicapped, one of the weakest groups in our society, who are hard-hit by any recession even if it is on a much smaller scale than the one we are experiencing today. We see the Council adopting the same line in the case of this group too. We Christian-Democrats find it incomprehensible and unacceptable for the Council to be adopting this attitude in the case of problems and groups of this kind. I can assure you, on behalf of the Christian-Democratic Group, that we shall use all possible means to ensure that at the very least the Commission's proposals for combating unemployment

Van der Gun

ment and promoting the creation of new jobs are given absolute priority in Europe; we shall support all the amendments tabled with that end in view.

*(Applause)*

**President.** — I call Mrs Kellett-Bowman.

**Mrs Kellett-Bowman.** — Mr President, the Conservative Group, takes a very keen interest in social affairs. My group feels very strongly that it would be wrong for Parliament merely to seek to restore, right across the board, all the cuts which have been made in the social sector without making our main priorities clear. We feel that it is important, in the first place, to have very clear priorities — and I must admit that in the past this Parliament has not always been quite clear about its priorities — and, in the second place, not to seek to restore or write back into the budget amounts which are unlikely to be able to be spent. This point was made by my honourable friend Mr Fletcher-Cooke in referring to the industrial sector, on which the Commissioner has given a full, satisfactory and, if I may say so, somewhat contrite reply. We are glad to know that the Commission has now adopted proposals and knows exactly what it proposes to spend the money on. To do otherwise, would raise hopes which cannot be fulfilled and, without doubt, bring Parliament into dispute. We feel, as do most other groups, that the most serious problem facing the Community today is that of staggering unemployment, and we therefore support measures in the budget to restructure, or retrain, or redeploy our forces. We support too guaranteed income during retraining, without which we shall not persuade people to give up what they are doing at present and go for retraining, because otherwise they would imperil the standard of living of their families.

But we are not fond, as a group, of signing a blank cheque, however highly we may regard the recipient. We feel it is essential for the Commission to be more specific in some of their proposals, rather than asking merely for a rather vague lump sum. Where we have considered that they have done this, we have either preferred the insertion of a token entry, rather than a specific sum, or are prepared to support the Council, in such an alteration.

But we simply cannot see any point in forcing on the Commission commitment appropriations which it says quite frankly that it cannot spend. For example, the programme of pilot projects to combat poverty has made steady progress from 1977 and 1978, and in the proposal for 1979, but in line 3366 the Council has not changed the Commission's proposed amount. Despite this fact, one group sought to increase the amount, although there was a very clear statement by the Commission in committee that they could not prepare enough pilot schemes to absorb further sums. This seems to my group to be very unwise, since if we

do this and fail to commit these funds, when the next budget comes along, the Council will not take our demands seriously. It is for this reason that my group was opposed to an increase of 4 million EUA both in the commitment and payment appropriations for pilot projects, which was carried in the Committee on Social Affairs, I may say, only by the proxy vote of a member of that committee who had not heard the Commission say that they could not commit the additional money.

Now with all due respect to Mr Bangemann, the Budget Committee's compromise of voting the commitment appropriations but not the payments does not seem to me to meet our objections, since it is the lack of suitable properly proposed projects which is the bottleneck, and not the payment for such projects.

Now I was most interested to hear Mr Albers say a moment ago that his group is opposed to Mr Ripamonti's amendment on the exchange of young workers, because, he said, there is no programme available and the Commission must first of all produce a clear programme. Then he added that when this is done, there could be a supplementary budget. Now this applies with at least equal force to the programme wishing on the Commission extra money for pilot projects for which it has not asked. But when you choose very clear priorities, as my group has done in the case of action against unemployment, it always leads to heartsearching on some other items before us. Where we are not supporting projects, it does not mean by any means that we regard them as unworthy in themselves, but merely that we are determined to devote our energy to curb the major curse of unemployment, and in this we very much hope that Parliament will follow us.

*(Applause)*

**President.** — I call Mrs Dahlerup.

**Mrs Dahlerup.** — *(DK)* Mr President, I am speaking on behalf of my group on the questions relating to social policy. In his excellent speech of presentation yesterday Mr Bangemann referred repeatedly to the fact that the Commission had described its draft budget as a tailor-made suit. Mr President, I can picture in my mind how the Commission sees itself in this suit — an elegant shade of blue, pin-striped, well-pressed, streamlined, just the sort of suit men put on when going out to accomplish great things. I will not ruin the Commission's good mood in advance by describing what a suit like this can look like after it has been to the Council for cleaning, because the fact is that I cannot see a suit at all. In my country we have a very famous writer called Hans Christian Andersen, who wrote wonderful fairy tales, from which people really can learn a great deal. One of his tales was called 'The emperor's new clothes'. It is about an emperor who sent people off far and wide to

**Dahlerup**

gather splendid materials for a new suit of clothes. For many unfortunate reasons the emissaries returned home without any material for the emperor's new suit; naturally, they did not dare say this, so they told the emperor: 'Here we have the fine new materials, they are the most splendid materials available but are all invisible, invisible except to the cleverest people.' They pretended to make a magnificent set of clothes and they pretended to dress the emperor, telling everyone that only stupid people could not see that the emperor had a fine new set of clothes. The emperor strutted around allowing himself to be admired, and everyone said, 'How marvellous'. No one would admit that they could not see the splendid new suit until a little boy cried out loud: 'But look! The emperor is naked, he hasn't got anything on at all!'

Mr President, I have worked a great deal on this draft budget, I have endeavoured to read all the proposals put forward by the Commission and have searched at great length for reasonable proposals designed to support and assist women in the Community, both unemployed women and women with no training, and I feel exactly like the little boy in the fairy tale who could not see the emperor's fine new clothes. I cannot see the Commission's imaginary suit, having searched and searched for proposals in favour of women.

I made a mental note of what Mr Vredeling said on this matter on 10 October. I asked him to give me a clear answer as to whether unemployment had hit women harder than men, and he replied in the affirmative. Women are at present, and this applies throughout the Community, far worse off than men, even in relative terms. This goes both for young women and for older women. Women are much harder hit by unemployment, with the number of women registered as out of work exceeding 40 %. Understandably, therefore, I have hunted high and low for proposals seriously designed to remedy this problem. In his speech here on 10 October Mr Vredeling also broached the question of the Women's Bureau, saying that it was virtually powerless as it had a staff of only two. Despite Mr Vredeling's plea for more staff there was no proposal at all from the Commission to increase the establishment of the Women's Bureau, the selfsame department that the Commission uses as a flower in its buttonhole, describing it at every opportunity as something of major significance that has been entrusted with important tasks, but which nevertheless still only has a staff of two. I prefer to believe that it is excessive modesty on the part of the Commission that is the reason for its failure to put forward a proposal for a reasonable staffing level in this one little area, and, along with my group, am willing to help the Commission.

We have accordingly tabled a draft amendment which seeks to remedy the desperate position of the

Women's Bureau. I would urgently appeal to all my fellow Members of Parliament to show women, by giving 100 % support to draft amendment No. 147 tabled by my group, when the vote is taken, that in Parliament at least there is understanding for the desperate situation in which women find themselves. The proposal is an extremely modest one but has been drawn up in a very special way. The amendment clearly indicates, for example, that the 12 officials, with which we wish to supplement the Commission staff, are to work in the Women's Bureau, and clear details are also given of the tasks that my group wants those who are appointed to deal with. This is not because I in any way lack confidence in the Commission, I am not in any doubt as to the Commission's own ability to administer the staff allocated to it but, on this issue, I just want to be absolutely sure that the staff that Parliament will undoubtedly authorize for the Commission are, in fact, used to carry out the specific tasks that we want them to carry out.

I would also very strongly recommend to all the groups that they fully support the amendment tabled by the Committee on Budgets. We have proposed — and it is only a modest increase — that the number of special measures to assist unemployed women be doubled; even this is help of a kind.

I do not feel that we should give the Commission any further opportunities for continuing to use the excuse of lack of staff and lack of funds, if the real problem is lack of imagination, lack of finalized programmes and lack of will when it comes to helping unemployed and unskilled women. Let us now see whether the suit that the Commission sees before it really is a suit. My group attaches very considerable importance to ensuring that the Commission is given the means of action that it has requested and I certainly do not want, once we have completed the entire budgetary procedure, to be still standing here feeling like the little boy in the fairy tale who looked at the emperor and said: 'He hasn't got anything on at all.'

*(Applause)*

**President.** — I call Mr Mr Tugendhat.

**Mr Tugendhat, Member of the Commission.** — I would hesitate, Mr President, to compare the Commission with an emperor, especially in this day and age when emperors tend to get de-throned rather more easily than in the past. But I can assure Mrs Dahlerup that one thing that we certainly will not claim is that we have clothes when we do not. Indeed I find myself all too often pointing out our own absence of clothes rather than claiming that we have them, when we have not. I must say that if all groups in the Community were as well-served by their spokesmen as Mrs Dahlerup, life might be very much easier. I note that Mr Bangemann has doubled the sum of money which

## Tugendhat

we had suggested, and I congratulate her on her achievement.

Women and young people represented the theme of the debate which we have just had, and this I think goes to show that this Parliament, like the Commission and the Council, recognizes the urgent financial need in the social sector. And this is why, I think too, that the Council on 20 July accepted the level of commitment appropriations which the Commission had earlier put forward. Its attitude, of course, was more restrictive when it came to payments. The level of payment appropriations has been substantially reduced, even for existing actions, because of the low rate of spending in recent years, and the endowment to promote the employment of young people was reduced from 110 million EUA to 40 million EUA. The Commission realized a long time ago that the rate of spending for the Social Fund is particularly low. This is a problem about which everybody who has studied the matter shares our concern. For that reason we have produced a new set of rules which have been adopted and which provide for a system of advances. In our opinion, the new rules which we have introduced really ought to go a long way towards tackling the problems of the Social Fund.

The key, however, does lie very much with the Member States, and the fact of the matter is that some Member States really do not get as much out of the Social Fund as they could if they put forward their claims at the proper time and in the proper manner, and if they took the maximum advantage of the opportunities that are open to them. We are in an absurd situation. For the perfectly understandable reason that the rate of spending is so low, the Council has reduced the payment appropriations, but the Council is of course made up of the Member States, and it is the Member States themselves who are in large part responsible for the fact that the rate of spending is so low. It is chicken and egg situation: whether we should cut the payment appropriations because the Member States do not put in, or whether we should keep up the payment appropriations in the hope that the Member States will be quicker off the mark and more diligent in this matter in the future. I hope very much that in future the Member States, particularly those who have been backward in coming forward, will be able to work the Social Fund more efficiently, and I am sure that the new rules which we have produced ought to help in that regard. We are also producing a detailed report on the problem, and this will be submitted, at its request, to the Control Subcommittee chaired by Mr Aigner.

**President.** — We now move on to the chapter on regional policy and transport.

I call Mrs Kellett-Bowman to speak on behalf of the Committee on Regional Policy, Regional Planning and Transport.

**Mrs Kellett-Bowman, *draftsman of an opinion.*** — Mr President, I am bound to say that it was with a

mixture of shock, disbelief and anger that the Committee on Regional Policy, Regional Planning and Transport, for which I had the honour to draft an opinion, greeted the Council's draft budget. Copenhagen, we felt, they might have ignored, but the fine promises of Bremen — the new impulse, as Mr Meintz put it, to help iron out regional disparities — we firmly believed they would honour. And they present us with a draft budget based on the miserly sums of the 5 and 6 December Summit as though Bremen had never been. They offer us a sum which the Commissioner yesterday described very firmly as being, and I quote exactly, much less than is really needed to correct the regional imbalances which have now become an imperative necessity. Moreover, he went on to say that, if Parliament's authority can achieve a higher figure, the Commission would be delighted, especially since the structure of the amendment this year is technically acceptable.

As Mr Notenboom put it this morning, we must express in European terms what Bremen said. So my committee put forward three amendments to try and breathe new life into the faltering regional policy. And I am happy to say that in our endeavours we have been most nobly supported by Mr Bangemann and the Committee on Budgets. Of these, Amendment No 12 on the quota section is by far the most important at the present time, though Amendment No 13 concerning a non-quota section could in the long run prove equally important as a step towards a true Community regional policy. And my committee believes that if we are to have a true Community regional policy these two items must be kept separate and not together as the Council appears to want. The figure of 620 million EUA was approved by the European Council on 5 and 6 December, and the Commission which considers itself bound by this European Council decision — but we believe it should not feel so bound — entered this figure in the preliminary draft budget for 1979, although it admitted that with such an appropriation, I quote, 'the Fund can contribute only in a very modest way to solving the regional problems of the Community.' Believing this, we feel that the Commission itself should have entered a larger figure and that, since they failed to do so the Council should have rectified their error.

It should be noted of course that we are talking only of commitment appropriations and not of payment appropriations. The amount of payment appropriations, as Mr Bangemann never tires of pointing out to this Parliament, in fact depends on the commitment appropriations entered. Some of the appropriations committed during a given financial year are paid, obviously, during that financial year, and some during subsequent years. As this Parliament knows, experience in recent years shows that on average 35 % of the commitment appropriations for a financial year are used for payments during that financial year. To



**Kellett-Bowman**

this sum must be added the payment appropriations corresponding to the commitments from years preceding the financial year in question. As Mr Bange-mann pointed out in his address yesterday, it is essential for commitment appropriations to be raised to 1 000 million EUA if satisfactory payments are to flow. It is an astonishing fact that the commitment appropriation of 620 million EUA entered in the draft budget amounts to a decrease in real terms in the endowment of the Fund in relation to an index total for 1977 of the order of 85 million EUA. A scandalous state of affairs, Mr President, and one which we believe threatens the stability of the whole Community, when we consider that regional disparities are increasing rather than diminishing.

A note drawn up by the Directorate-General for Regional Policy in the Commission of the European Communities (PE 49.841) shows that the inadequate appropriation approved by the European Council in 1974 for 1977 would have corresponded to 705 million EUA in 1979, taking into account inflation since 1974. The same note also shows that if the value in real terms of the Council's 1977 endowment were maintained, an appropriation of 644 million EUA would have to have been entered in the 1978 budget. If we add to this figure an appropriation of 100 million EUA for the non-quota section, we arrive at the appropriation of 750 million EUA which was entered by the Commission in the preliminary draft budget for 1978 and approved by the European Parliament last year at the first reading during the budget debate. When we compare what I can only describe as a mere holding figure of around 650 million EUA with the appropriation of 580 million EUA approved by the European Council and the appropriation of 581 finally adopted for the 1978 budget, we see that even in 1978 — and this is what is so terrifying, Mr President — even in 1978 there was a very worrying decrease in real terms of the order of 70 million EUA.

Now the endowments approved by the European Council for the first three years of operation of the Fund were regarded only as endowments to launch the Fund so to speak, to prime the pump. And it was always understood at that time that they would have to be increased, and not reduced in subsequent years, as Member States gained experience of working the Fund. The Council moreover agreed that these endowments would be of a non-compulsory nature at the end of the initial three-year period. So, the European Parliament must use its power of amendment to increase the endowments.

A further decrease in real terms proposed by the Council in the endowment of the Fund compared with 1977 is quite unacceptable to my committee and, I feel sure, to this Parliament. The Commission, which realizes that the appropriation approved by the European Council for 1979 is too modest, has already, in its triennial financial estimates, proposed an endowment of 1 250 million EUA for 1981, which in its

view is more adequately tailored to the problems requiring solution. Thus the Commission, at a time when it does not consider itself bound by a Council, proposes a figure double that adopted by the Council. This important point is confirmed by all the Commission's proposals. When they are free to exercise their own judgment, they go far beyond the Council's meagre peanuts. But even the Council last year had a twinge of conscience. Mr Eyskens, on 13 December in the budget debate, gave a very clear hint that the Council might well be more generous in the second and third years if Parliament would accept the Council's figures for 1978. He might merely have been getting himself off the hook at the expense of some successor, but that is nevertheless what he said. His words were these: 'I do not consider it illogical for the 1979 and 1980 instalments of 620 and 650 million EUA respectively, as decided by the European Council, to be concentrated on a shorter period. That seems a working assumption that will require further discussion from 1978 onwards.' We have now reached 1978, and some change from the Council is urgently required.

As early as 1975, when the Commission proposed an endowment of 1 000 million units of account in the old units — for 1976, the Council approved only half that sum, 500. In 1975 and 1976, the Commission proposed 1 000 million units, exactly twice the sum approved by the Council for the succeeding year of 1977, and finally in 1977 the Commission proposed 1 000 million European units of account for 1979. Now this, Mr President, is the figure that the Committee on Regional Policy, Regional Planning and Transport entered in the draft amendment which was accepted by the Committee on Budgets, to be voted on by the European Parliament. We are, in other words, backing the Commission's original proposal. Before the European Council in December 1977, the Commission considered the figure of 1 000 million EUA to be reasonable for 1979. Following the European Council decision of December 1977 fixing the annual endowment of the Fund up to 1980, the Commission abandoned its firm position for 1979, but did propose an endowment of 1 250 for 1981 when it is once again off the hook.

The European Parliament, as one of the two joint authorities, is not bound by the decisions of the European Council, which has no standing whatsoever in the budgetary procedure. The European Parliament must therefore not hesitate to re-instate the appropriations which the Commission considered to be tailored to the problems requiring solution. It is also vital to stress the importance of the new departure represented by the last two summits, Copenhagen and, most particularly, Bremen. In the 1979 preliminary draft budget, the Commission entered the appropriation of 620 million EUA adopted by the European Council in 1977 on the grounds that it represented a basis for policy in the present context. However, the context has changed dramatically, or should have



**Kellett-Bowman**

changed, since the Bremen Summit, and the Commission's negative attitude at that time is no longer justifiable. The desire to establish a zone of monetary stability in Europe proclaimed by all the Community institutions must be translated into action by means of a much more ambitious structural policy with regional implications. If the anti-crisis measures are to be successful, the immediate result will be a revival in the rich areas whose production capacity is now under-used, which will further aggravate the differences in regional development. But, Mr President, at the same time it will generate funds which could be used to rectify those imbalances — a point which seems to have been overlooked by the Council.

Like balance of payments deficits, regional imbalances could lead to a need for frequent changes in parities, which is particularly undesirable when the Council is striving for greater monetary stability. Just as Community loans will have to be increased to restore the payments balance, there will have to be an increase in transfers with weak economies such as Italy, Ireland and the United Kingdom. The latter is an essential concomitant of the former. Regional policy is a means to taking structural action, and the Fund is currently the most effective means of redistributing wealth in the Community. It therefore ought to be strengthened, and our amendment to encrease the endowment to 1 000 million EUA is reasonable and justified irrespective of the Bremen Summit decisions, and doubly justified in the light of Bremen.

At a time when the Community is suffering record unemployment, to reduce the Regional Fund in real terms is suicide on a European scale. At a recent meeting of the Committee on Regional Policy, Regional Policy, Regional Planning and Transport, the Commissioner responsible for regional Policy stated that all the commitment appropriations for 1978 could be utilized, and that a commitment appropriation for 1 000 million could be put to good use in 1979, once the new guidelines have been agreed. I would therefore ask the Parliament to support this realistic sum of 1 000 million EUA.

*(Applause)*

**IN THE CHAIR: MR HOLST***Vice-President***4. Welcome**

**President.** — I have the honour of welcoming, on behalf of Parliament, a delegation from the Nordic Council led by the President of the Præsidium of the Nordic Council, Mr Trygve Brattelli. This is the first time a delegation from the Nordic Council has made an official visit to the European Parliament. I am very happy to welcome them in a European language which I am sure all my Nordic friends understand. We particularly welcome this direct contact with

leading representatives of countries which are neighbours of the European Community. We hope that your delegation's work will be crowned with success. You are very welcome!

*(Applause)*

**5. General budget of the European Communities for 1979 (continuation of debate)**

**President.** — I call Lord Bruce.

**Lord Bruce of Donington.** — Mr President, the breadth of the speech that has been delivered to us by my colleague, Mrs Kellett-Bowman, representing the Committee on Regional Policy, Regional Planning and Transport, makes it quite unnecessary for me, speaking on behalf of the Socialist Group, to do anything more than underline the remarks that she has made, with which I would say my group entirely associates itself.

I will, if I may, issue a warning to the President-in-Office as to how the Council may be persuaded to deal with the amendments that have been put forward by the Committee on Budgets, acting in complete accord on this occasion with the committee of which I have the honour to be chairman. They ought to be aware that the grave regional imbalances in Europe, covering practically every country, but more prevalent in some than in others, lie like a dagger pointed at the future of this Community. Unless the European Economic Community takes, and is seen to be taking, steps to redress the gross imbalances in the fortunes of hundreds of thousands of people in Europe, compared with their more prosperous colleagues, then they may be dealing what may prove to be a fatal blow to the whole future of this Community. We are very prone to think that the fortunes of the Nine are determined by those in authority — in banks, in big industry, in the political institutions, even in the political parties. In the short term, Mr President, this may be so, but in the final analysis, the success of the enterprise upon which we are jointly embarked depends not merely on the passive assent of the peoples of Europe, but upon their active support.

Unless, therefore, steps are taken to redress regional imbalances — one principle reason for the existence of the Community at all — it will be quite futile for high-falutin' economists, whatever position they may occupy in the official hierarchy, to talk about economic and monetary union, and all this kind of thing. Because in the final analysis, all these things are subordinate to the overwhelming question as to how the underprivileged and poorer sections of the Community — the poorer sections of Europe — can be brought into a position, not of equality, but into more tolerable conformity with the standards of comparative prosperity that exist in some parts of Europe at the present time.

### Lord Bruce of Donington

In this connection, it is noteworthy that the Commission seems to be slightly more timid than the Council. Commissioner Tugendhat evidently thinks that he is bound to pay some regard to the European Council. I do not know on what grounds. The European Council, as such, has no status within the Community. I have got the list of its members here. It is in the official documents issued by Parliament. It lists the Council of the European Communities. I cannot find the names of those who participated in the European Council mentioned anywhere. And indeed, the Council itself takes a more progressive view than the Commission in this. The Commission in the course of our negotiations about the establishment of the new Regional Fund regulations, has already agreed that the annual amount of the Regional Fund should be determined by the budgetary authority, and in due course, when these regulations are agreed, and we are in the process of conciliation, Commissioner Tugendhat may in fact find himself overtaken by events.

Mr President, I do not wish to detain the House long, save to reiterate the warning that I issued earlier. I do beg the Council to realize what they are trying to tamper with here. Unless they give full and constructive support, not merely to the resolution so ably moved by Mrs Kellett-Bowman, but to its wider extension, including possibly even the implication of the MacDougall report, they may be doing this Community irreparable damage. I hope, Mr President, that they may see the light before it is too late.

**President.** — I call Mr Caro.

**Mr Caro.** — (F) Mr President on behalf of the Christian-Democratic Group I should like to comment, firstly, on the Regional Fund and secondly, on financial support for projects of Community interest in the field of transport infrastructure.

As regards the Regional Fund, I would point out that the regulation amending the Fund's mechanisms is currently the subject of a conciliation procedure between Parliament and the Council, in which the parliamentary delegations are seeking not only to increase the Community aspect of the Fund — above all in connection with national quotas and the unanimity rule for Council financing decisions for the non-quota section — but also to preserve its budgetary rights. This raises the crucial question of the Fund's endowment, which has already been mentioned in connection with the Social Fund.

The Commission and Council consider the endowment to have been decided already by the European Council, which fixed an amount of 620 million ECU. However, in addition to the important matter of the endowment, there is the increasingly thorny problem of ensuring that the appropriations are actually used.

For three or four years now the Commission seems to have been incapable of spending, or even committing,

the appropriations voted by the budgetary authority for both the Social Fund and the Regional Fund. The reasons for this are unclear. The Commission shifts responsibility for it onto the Member States, who in turn blame the Commission.

A full investigation of the almost scandalous failure to use fully appropriations which have been voted is urgently required. Our Control Subcommittee, or perhaps an ad hoc committee of enquiry, should be instructed to investigate the technical, political and social aspects of a genuine Community participation in this sector and it should be fully aware of its responsibilities when the appropriations are voted for the Regional Fund.

That was what I wished to say about the Regional Fund and I should now like to make a few remarks on the budgetary implications of measures to finance projects of Community interest in the field of transport infrastructure.

Firstly, I would like to quote a sentence contained in the Bangemann report which my group fully supports. In connection with transport policy the report states that 'the qualitative leap from preparatory studies to embarking on practical implementing measures has not been achieved'. Of course we, like the Committee on Budgets, approve the proposal for a regulation drafted by the Commission with a view to establishing a Community financing mechanism. Nevertheless, we are obliged to check whether the budget allocation reflects the policy which Parliament has already decided to support. I think it would be a good idea to list the specific projects which are not only being studied but for which we should be able to provide financial support.

Firstly there is the proposal for a high-speed rail link between Brussels and Strasbourg, which would pass through Luxembourg and continue into Switzerland; this is the 'Europole' project. Then there are the project for a bridge over the Straits of Messina and for a Channel tunnel and the projects to improve the roads over the Alps and the Pyrenees which, as you are aware, are of immediate importance as soon as one talks about enlargement.

Let me give you a simple example. We are now in the season of foggy weather and we heard this morning on the radio that aeroplanes are unable to land or take off from certain airports, including Luxembourg airport.

According to the preliminary studies, if you landed in Brussels or Strasbourg you could be in Luxembourg in half an hour in the Europole, and if you landed in Basel or Mulhouse, you could be in Luxembourg in about three quarters of an hour. As soon as we embark on an infrastructure policy of Community interest these projects are of immediate importance because they are relevant to our everyday lives.

Caro

The budget decisions therefore do not reflect the scale of the measures required. I would like to comment on items 3780 and 3781 of the draft budget.

We were astounded that the Council had not entered any appropriations either for studies on, and the preparation of, projects or for financial support for projects.

The Commission proposed 1 million EUA for the studies but merely a token entry for payment appropriations to be used as financial support for these projects.

The Christian-Democratic Group therefore firmly supports the proposal from the general rapporteur and hence from the Committee on Budgets, to reinstate under item 3780 the 1 million EUA already earmarked for preparatory studies and to replace the token entry — included by the Commission despite the Council's negative attitude — by an entry of 200 million EUA in commitment appropriations and 100 million EUA in payment appropriations.

We also support the proposal that the European Investment Bank should be asked to provide the capital for these projects.

The Christian-Democratic Group favours a regional planning policy based on the principle of inter-regional balance and, subject to the above reservations, it therefore supports the general rapporteur's proposals concerning regional and transport policy.

(Applause)

President. — I call Mr Cifarelli.

Mr Cifarelli. — (I) Mr President, I am deputizing for Mr Johnston — not because I have suddenly been transformed into a Scottish Liberal, but because Mr Johnston has been prevented by fog from taking part in the debate. In any event, if it is true that Mr Johnston has always been the most passionate supporter of regional policy, it is also true that I have always been concerned with regional policy and so can bring some personal experience to the problem.

The Liberal and Democratic Group supports the amendments put forward by the General Rapporteur on the Regional Fund. We wish to pay tribute to Mr Bangemann on a demanding job which he has performed conscientiously and knowledgeably: we hope that the House will approve the submissions he makes on behalf of the Committee on Budgets.

There is great significance in the unanimity on this subject within the Committee on Budgets. The amendments for which I am now speaking may be as relevant for Scots, such as Mr Johnston, as for Sicilians; in other words, they are of equal importance for the inhabitants of any Community's peripheral regions. But the fact that, in committee, these amendments were submitted by Members, such as Mr Bangemann,

representing the more developed, the more prosperous regions of the Community, that is the central regions, is very important and leads us to hope that the principles and the needs of regional policy will meet with the comprehension of the parliamentarians of this house and of public opinion at large. An official may put forward, with greater or lesser cogency, a particular proposal; a technologist may engage his own responsibility; but the parliamentarian with his vote puts himself in a very special position *vis-à-vis* the citizens, that is the people who, later, will have to bear the imposts and the taxes. For if you need weapons to make war, you certainly need money to carry out policies and in this case we need the Community's money, the money of the peoples who make up the Community and are its taxpayers.

We are convinced that a serious and resolute regional policy — which assumes a particular importance at a time when we are about to relaunch, as we absolutely must, the economic and monetary union — must necessarily entail, at least over a certain period of time, a heavy financial commitment; for that policy is an essential element of the process of transforming a customs union into something that is much greater and much more significant. Its importance becomes all the greater in view of the fact that our Community of Nine is now on the way to becoming a Community of Twelve, and this will involve considerable transfers of economic factors between countries, and in particular will require specific measures in the field of the Community's Mediterranean policy.

The importance of regional policy is, incidentally, stressed by the fact that for once, the Committee on Budgets amendments ask for an increase of 128 000 000 EUA in the appropriation originally entered in the preliminary draft budget. You all know that, in the face of the proposal to reduce the original appropriation, the Committee on Budgets could have accepted it, or sought a compromise, but in this case, and this is what I wish to stress, the committee reacted to the reduction, which it considered unjustified and arbitrary, by proposing an increase on the original amount.

It is important that we in this House and the public at large realize that these increases for the Regional Fund are not motivated by the desire to help any particular economic sector. On no account must it be thought that behind the activities of the Regional Fund there lurk industries condemned to producing unsaleable stocks. The Regional Fund is there to improve, or to set up from scratch, infrastructures; it is there to create employment in regions particularly afflicted by underemployment or unemployment; thus its purpose — in the common view of all the political groups and forces — is to restore to men their dignity by giving them work and through the maintenance of employment to protect the balance of social forces and so safeguard the democratic progress of our countries.

Cifarelli

In wishing, therefore, to strengthen regional policy, we are acting in line with our earlier declarations and with our stance in the debates which have taken place in this Parliament.

There is another amendment, which has an importance of principle, and which concerns the earmarking of 35 000 000 ECU for certain aids of a specifically Community nature. The Committee on Budgets has adopted the Regional Policy Committee's proposals and the Community must now make up its mind to take the initiative in certain regions, irrespective of what national governments may be doing. If these measures are to have a real impact, their financing must be flexible and must not be tied to an arbitrary 5% of the Regional Fund. These are measures which have a political, and I would also say a symbolic, meaning — 'symbolic' in the sense that they are to bring home to public opinion the practical and constructive side of Community initiatives. In this context, I should also like to remind you that the proposals concerning major infrastructure measures are particularly opportune now, on the eve of that great democratic event when, moved by a single purpose, tens of millions — nearly 200 million — European voters will go to the polling booths in a single day. I should also like to remind you that, in regard to one of these major infrastructure projects, the celebrated Messina Straits bridge, I have asked in this House what would be the Commission's position. If the national government concerned lacks the necessary initiative, it is our opinion that the Community should provide the impetus to overcome hesitancy on an infrastructure project of such importance that it truly deserves to be implemented in Europe's name.

The third amendment concerns victims of disasters, such as that of the 'Amoco Cadiz'. We believe that this terrible experience should be a lesson against parsimony in this sector. We must realize that it is in situations such as this that 'Community presence' is of a special significance; the proposed measures cannot prevent the occurrence of other such disasters, but the inhabitants of Brittany already know what they mean, we know that the Mediterranean coast could also be exposed to this kind of pollution, and therefore a Community commitment in this sphere — even if on a small scale, even if purely symbolic — would have a political importance which must not be overlooked.

The Liberal and Democratic Group, on whose behalf I address you, finds the Council's procrastination on regional policy deplorable. Last July, when the Heads of State and of Government met in Bremen, we and the public at large believed that the need for a common strategy had now been fully understood and that the regional aids which are worked out will help to progressively reduce the disparities between the more and the less developed, the richer and the poorer Community regions. The need for this regional strategy is seen all the more clearly against the background of the burdens of the monetary 'snake' — that

rattlesnake! — of the monetary 'basket': of the Monetary Union parity grid, and above all, in the light of the ultimate objective which is our countries' economic recovery.

We trust that the present general crisis can be quickly overcome, and we know that the first to benefit from the improvement will be the more developed, better equipped, more highly industrialized among the Community's countries. We hope, therefore, that regional policy can be instrumental in ensuring that the time when Europe emerges from the crisis will not prove to be just the moment when the effects of underdevelopment and backwardness in the Community's peripheral regions become exacerbated. What we need, then, is not temporary expedients, not short-sighted parsimony, nor is this the time for more vacillation. We believe that regional policy is one of the pillars of European construction. It is because we hold this view that we support these amendments, tabled, as I told you, by Mr Bangemann in the Committee on Budgets, which, let me stress again, adopted them unanimously.

**President.** — I call Mr Prescott.

**Mr Prescott.** — Mr President, I wish to make two brief points, one on politics, the other on transport policy. I also wish to make a broader philosophical point about the contents of Mr Bangemann's motion for a resolution. Looking through the motion for a resolution, it seems that it contains a considerable amount of policy decision. I agree that money tends to determine what sort of policies one pursues, but I think that in this motion for a resolution the Committee on Budgets has clearly strayed into the area of political decision-making, which in some cases falls within the terms of reference of other committees which have not yet taken a decision. In other cases resolutions have been tabled in this House, which, it might be argued, could be included in a budget document. However I am bound to say that that would make the budget more of a political statement on general policy by the House, and this is something which I personally cannot accept.

Perhaps I should give one or two brief examples of what I mean. If we look, for example, at paragraphs 41-43 of the resolution, it is clear that they include decisions on the prospects for a directly elected Parliament, an objective which, as most people in this House know, I am not particularly wedded to. The way events are moving we will not have the elections, but if we allow events to take their course we will see by June. The point I wish to make is that in paragraphs 41 to 43, there is considerable discussion of such matters as authority for a kind of two-chain system, which clearly gives the impression that the House has a legislative function, which although it may be the view of the majority in this House, is a political matter which has still to be thoroughly

## Prescott

thrashed out between us. Paragraph 43, speaks of decision-making being made more transparent. I agree that there may be an argument for this, but we have yet to define clearly what we mean. When it says it must not be allowed to be blocked by the inaction of one body, presumably that means that the veto should not apply in decision-making processes, again a controversial matter of considerable political importance. The assumption in paragraph 43 (c) that the policy of the Community should not be seen only as a complement to, or coordination of, national policies, presumably implies that its function is to direct rather than complement: clearly a controversial political decision which I believe this House needs to thrash out rather than pass in a resolution of this form.

Another example in the second section to which I wish to refer is the section on policy on the sea. In this case the resolution, which I fully endorse, does not include the controversial point which occurs in paragraph 241 of the explanatory statement where the rapporteur summarizes the objectives of a future European policy on the sea. I agree with many of them and shall comment on them in a moment. The inclusion of legally controlled and non-discriminatory access for undersea drilling operations is clearly against international law as presently agreed by all the nations of the Community. This is determined by the Seabed Convention which clearly gives the right to the coastal States for mineral explorations. We as yet have not challenged that ruling. If an energy policy were developed in the Community, that might well be at the heart of it. The sole point I wish to make is that it is not the law at present. Indeed we have an international convention on this matter and before this House comes to that kind of conclusion or adopts such an objective, it certainly needs a fundamental political debate.

So the first point that I make, Mr President, is that I believe that, in adopting this resolution the Committee on Budgets has in fact assumed considerable powers with regard to policy decision making. I believe that it is not right for us to adopt this procedure and I also want to make clear that if we adopt this motion for resolution certain members of my group will not be happy with the endorsement of all the political policy objectives contained in the report. I am a little surprised that my comrade, Mr Lange, as chairman of this committee, has allowed such a resolution to go through in this form. He has constantly lectured many of us in various committees on the terms of reference of individual committees. But when I approach people about this, they say that the political committees are not doing anything. That may well be an argument, but it is not one I easily accept as a member of the Political Affairs Committee. In any event it does not justify another committee laying down political policy objectives or indeed energy or social policy objectives without the proper committee thrashing out that particular matter. But the point I want to put on record is that, although I am sure my

comrade will be returned if direct elections take place — he may well become chairman of Committee on Budgets — I would not like to be part of an assembly which quoted this resolution as a precedent for recognizing that a budget committee should have such powers. I therefore wish to put on record that I regard it as a highly questionable policy decision that seems to be going by default where this resolution is concerned. I am sure others will want to make their contributions later.

The second point, with which I very much agree, is contained in paragraph 26 of the resolution and concerns the policy on the sea. Most Members of the House know that, as a seaman of 10 years experience, I take a particular interest in this topic, that I am concerned about the developments in this particular field and have spoken on a number of occasion on resolutions recommending many of the things it includes. I congratulate the rapporteur on the fact that he sees the need for separating expenditure. I fully support and endorse such action. We shall thrash out the conclusion at a later stage and I can see the logic of separating those expenditures. I therefore, support it.

In conclusion, Mr President, I wish to propose an amendment to this section. It is clear that this section calls for a uniform policy on the sea. I am not one who advocates Community policies for their own sake or for the development of the European Community as such. But I do accept what is proposed, on the basis of the evidence that there has been total failure on the international and level national to deal with the increasing problem of pollution at sea. Going back to the *Torre Canyon* incident of many years ago, I can always remember an expert from the shipping industry, Lord Geddes, giving evidence to the House of Commons and stating that that this was an isolated incident which would never happen again. I am glad to say that the politicians did not agree with the expert, and the evidence soon showed that in this case the politicians were right and the expert was wrong. If we are realistic we shall have to conclude from these increasing incidents that it is only a matter of time before another *Amoco Cadiz* catastrophe takes place. Take the *Eleni V* off the coast of Britain. The point I wish to make about these incidents is that they are increasing, and that, common to all of them, is the fact that major navigational errors take place. It is to do with the competence of the people involved more than the equipment on the vessel, though the equipment on the vessels as we will see in the case of the *Eleni V*, was far from satisfactory. Nevertheless, it is the competence of the seamen and the officers which has been called in question. In this House we have time and time again debated the question of flag of convenience vessels and the incompetence of crews. The recommendations in this resolution implicitly say that the national states are not able to enforce standards. Many nations are not prepared to enforce the internationally agreed standards.

## Prescott

Shipowners do not take action in their chartering arrangements and charterers fail to ensure that these standards are observed. Insurance companies, for commercial reasons, duck out of their obligations to do anything about it either. Therefore, the only way we can enforce standards is through legislation and government action. Nationally, this is difficult to do as action by one state may mean that the ship and its cargo, in this case oil, is diverted to another port. The ideal solution would be international action, but unfortunately, while conventions are signed quickly, ratification takes an average of 5 to 10 years, and I estimate that the latest one in 1978 will take at least 15 years to implement. When it is implemented, laying down the certificates of competency, it will be difficult to distinguish between a Greek certificate, a Liberian certificate and a British certificate. So the only effective procedure is the one the Commission has embarked on, the one that the Council of Ministers have agreed, namely, to have a regional agreement as embodied in the Hague agreement, including Community countries and countries like Norway etc. So that we will effectively enforce those international standards which the national states refuse to enforce in the case of ships registered in their name, and by that we will have taken a major step towards ensuring the competence of the crews and reducing accidents. Mr President, I welcome the Hague resolution; in our amendment to paragraph 26 we have just included the possibility of compulsory pilots on loaded tankers. It is quite obvious that pilots would reduce the danger of gross navigational errors taking place in the confined water of the Member States, and that would be a major step forward with regard to the general policy we have of using the port state to enforce these standards. I hope the rapporteur can accept that.

**President.** — I call Mrs Kellett-Bowman.

**Mrs Kellett-Bowman.** — Mr President, I wish to speak on the non-quota section of the Regional Fund, which my group suggested as far back as three years ago, and believes is essential to an effective regional policy. The purpose of Amendment 13 is to reinstate Chapter 56 as proposed by the Commission in the preliminary draft budget, because we believe this is vitally important if the non-quota section is to mean anything and if the regions are to have a real say in their affairs. The Council, alas, has merely transformed it into a new article under Chapter 55, which deals with operations in the quota section. Operations in the non-quota section are quite different and justify the creation of a separate chapter. The sum to be entered under the non-quota section should be laid down in the course of the present budgetary procedure. Both the Council and the Commission have limited themselves to merely making a token entry, although the Council intends to fix a percentage amount for the non-quota section in the revised

Regional Fund regulation when it is finally agreed. But this is non-compulsory expenditure and it should not be rigidly fixed by regulations. The amount should be determined each year as part of the budgetary procedure and kept quite separate from the quota section.

To make matters worse, the Council intends to limit this sum to 5 % of the Fund, although the Commission proposed around 13 % and the Conservatives proposed 20 % three years ago. The draft amendment reinstates the initial endowment of 100 m EUA in the commitment appropriations and obviously the creation of a non-quota section should not lead to a reduction in other Fund operations. The non-quota section corresponds to new operations for which no provision has been made and funds to finance them must be added to the existing operations. In other words, there must be an overall increase in the Regional Fund, a total of 1 100 m EUA, every penny of which could and would be committed.

**President.** — I call Mr Yeats.

**Mr Yeats.** — Mr President, I think there is one salient fact underlying this debate and all debates in this House on the Regional Fund, namely that from the start the Regional Fund has been totally inadequate to meet the needs with which it is meant to deal. Now we all know that in the Treaty of Rome it is stated that one of the basic requirements in the establishment of the Communities was that there would be an assimilation of the varying standards of living in the richer and the poorer areas. This was an absolutely fundamental part of the provisions setting up our Community; and this concept is one to which we all pay lip service, in Parliament, in the Commission, in the Council. Everyone agrees that there must be this assimilation of the richer to the poorer areas. But there is no real effort, and there never has been any real effort in practice, to carry out this principle.

I remember way back in 1975, at the time when the first Regional Fund was being set up, we had a visit from a very distinguished European statesman, who stood at that rostrum in this Parliament and made an eloquent, impressive speech in favour of a regional fund. He went into the Council within a week and persuaded them to cut by half the already inadequate provision proposed by the Commission. And from that day to this, we have had this type of restrictive attitude. The result has been that in the last 5 years, so far from there being a lessening of the gap between the richer and the poorer areas, there has been a substantial increase, if one takes, for example, my own country of Ireland, the United Kingdom and Italy. The gap in living standards between them and the rest of the Community has increased quite substantially.

Now my group has always been adamant in its call for a genuine regional policy backed by an adequate

Yeats

regional fund. And once again, as I have said, we are faced with a draft budget with a totally inadequate regional fund. I would like to say that we will certainly be supporting the amendment to increase the commitment appropriations for the Regional Fund to 100 million EUA. We feel that this is the absolute minimum necessary so that regional policy in the Community can at last be effective.

At this time when unemployment is the greatest single evil, the greatest single problem that we face in the Community, it is clear that of the various Community instruments, the most potentially effective one in dealing with unemployment and providing jobs is the Regional Fund. The Regional Fund can provide jobs in the infrastructure of the various countries, in the building industry; it can provide for industrial development in those very deprived areas where the unemployment level is invariably at its highest.

We must also, I think, consider the new position that will arise should the European Monetary System come into force, as is proposed, on 1 January. We have to consider the whole problem presented by the enlargement of the Community. And I think it is quite clear that before this enlargement can take place, we must work out our own regional problems and provide an adequate system for dealing with those regional problems before the new states come in. After they come it, obviously, will be too late.

Finally, Mr President, I would like to move formally our group's amendment calling for additional funds for regional studies undertaken at the request of the Member States. This amendment seeks to increase payment appropriations by 200 000 EUA, giving a new total of 540 000 EUA. Our justification for this amendment is based on the need for such regional studies, particularly around the Irish border region. I think that this House is familiar with the problems and the troubles of this area and the need to create goodwill and cooperation in the area. The Community has already assisted studies in certain parts of this border area and further studies are needed to complete a full analysis of how best the Communities can cooperate for their mutual advantage. I feel that this Parliament fully understands the need to help the people in these areas to live together in harmony and I would stress, of course, that such studies can only be carried out with the full agreement of the member governments concerned. In this limited way the Community can help, and I think that this is an excellent and proven means of helping which I would recommend to the House.

(Applause)

**President.** — I call Mr Bangemann.

**Mr Bangemann, general rapporteur.** — (D) Mr President! In his speech Mr Prescott referred to a number of points which ought to have been brought up later

on, for example, the motion for a resolution on the fisheries policy. Despite the fact that we are jumping ahead I should like to reply to Mr Prescott because I do not want some aspect of his criticism or his suggestions to go unanswered.

First let us look at what is set out in the motion for a resolution, especially from paragraph 41 onwards. Of course the budgetary policy cannot stand in isolation. We cannot make a differentiation between the budgetary policy on the one hand and all the other policies on the other, and draw a clear and simple dividing line. We cannot do that because we all want the budget to be the instrument of our policies. When we draw it up, when it is established, it reflects our policies. You will find expressed in the budget political statements, our political will, and of course that must be set out in the motion for a resolution. A motion for a resolution which is concerned with such budgetary problems cannot be apolitical. But everything which is set out in paragraphs 41, 42 and onwards is the result of the budgetary discussions. I am not depriving any committee of anything, we have simply drawn the consequences of our budgetary procedure and our budgetary powers. All we are doing here is bringing two parts of a budgetary authority together, and that is a kind of a two-chain system, although we are all aware that an important part of this relationship — the question of the relationship between the budgetary and legislative powers — has not yet been finally clarified. This is being done at the moment. Both sides have their own approach to the problem, and that is all that I have set out in paragraph 41. If Mr Prescott cannot accept that personally, well, he is quite at liberty to do so. But I should like to scotch the false impression that I have exceeded the limits of what is proper in this debate on the 1979 budget.

The Committee on Budgets has made even greater efforts than in the past to maintain close contact with the expert committees because you are correct when you say that it would be wrong for the Committee on Budgets to take over the role of the expert committees and, as it were, take their policy decisions for them. We have avoided that, and if you consider the large number of requests made by the Committee on Budgets which correspond exactly to the requests made by the expert committees, you will see that this cooperation has borne fruit. In that respect, too, I believe that your criticism is unfounded.

You also referred to the policy on the sea, which in fact leads us on to the next Chapter. Mr Prescott made a suggestion which I find acceptable — and we have discussed it in the Legal Affairs Committee — that we should endeavour to make it compulsory for a pilot to be taken on board to be responsible for the route taken by a tanker. This would be possible under present law, provided the tankers are in a nation's territorial waters. But the tanker routes which ought to be



**Bangemann**

laid down are well outside territorial waters as prescribed by present law. We did consider this question in the Legal Affairs Committee. It would be very difficult to oblige tankers to take on a pilot in those waters where they should do so. We could discuss the matter if the law were changed; perhaps in the meantime there are other possibilities.

Mr Prescott also criticizes the fact that in the motion for a resolution we define our policy on the sea in a more restricted manner than later on in point 241 of the explanatory statement.

That was deliberate; we are only asked to vote on the motion for a resolution. The explanatory statement is really only meant to expand on what is contained in the motion for a resolution. If you note, however, that in point 241 I mentioned the future policy on the sea, you will see the difference. The motion for a resolution contains a statement of what can be done at the moment. That means in essence what is involved in the fisheries policy, in the environmental policy as it affects the sea and everything we can do at the moment in terms of control measures to implement our fisheries and environmental policies. What is set out in point 241 is a conception of what the future policy on the sea might look like, and if we come to an international agreement on undersea drilling operations, then we can and should incorporate this aspect of the policy on the sea into Community policy. But we do not need to discuss it now because it is not the subject of the vote. I am, however, very pleased that Mr Prescott agrees by and large with these proposals — and with him his political group — because I think it is important that the major political groups should be in agreement if we want to make a consistent start to our new policy.

**President.** — We now move on to the section on agriculture and the policy on the sea.

I call Mr Klinker to speak on behalf of the Committee on Agriculture.

**Mr Klinker, draftsman of the opinion.** — (D) Ladies and gentlemen, the Committee on Agriculture adopted the opinion I submitted and the proposed amendments based thereon by a large majority. Since then the Committee on Budgets has met and discussed these proposed amendments. As the general rapporteur, Mr Bangemann, has told you, for most of the proposed amendments we agreed on the wording so that at tomorrow's vote we can probably come to a reasonable arrangement for this sector, too.

One important point agreed by the expert committee was the rejection of any ceiling being placed on the current market organizations because the committee felt that this would infringe current legislation. The financing of a market organization can only be

changed if the market organization is also subject to a change in its principles. But the committee agreed that without the common agricultural policy there would be no Community and that the common agricultural policy has also opened up a number of markets in the Community to industry. The common agricultural policy, ladies and gentlemen, is the kingpin of the Community and the criticism that the agricultural policy is costing too much — the committee felt — must be met by detailed arguments.

The committee feels that the cost of the common agricultural policy must necessarily account for a large percentage of the Community budget since the agricultural policy is the Community sector where integration has made most progress. If for supranational reasons the Community must conclude agreements with third countries and developing countries which infringe the principle of the Community preference and cause financial burdens, then the committee feels that it must be made crystal clear that agriculture is not to be blamed for the resultant costs. The costs must be borne by the Community, even if they are financed from the agriculture budget.

Ladies and gentlemen, no progress has yet been made, I regret to say, towards a common economic and monetary policy. This, too, results in financial burdens falling on the agriculture budget which the committee feels cannot simply be laid at the door of agriculture. If those not concerned with agriculture level criticism at the scale of expenditure on the agricultural policy, then those who bear the political responsibility — and by that I mean in particular the representatives of the Council of Ministers and the Commission — should make these relationships clear to the public. It would be better for the understanding of those people unconnected with agriculture if we were to speak less of surplus mountains and more of the fact that this is a Community storage policy which makes the Community immune to crises and which can be proved to have benefited the consumer in the past. I believe that we must do all we can internally to find long-term solutions to the problem of surplus production, as we are trying to do in the case of milk, for example. Tomorrow we are beginning a seminar for the Committee on Agriculture chaired by Mr Ertl, the President-in-Office of the Council of Ministers, and we shall be able to discuss all these problems with the experts attending the seminar. The Commission must plan its milk policy for a longer period, so that the producers and the processing undertakings can arrange their activities accordingly. This policy must not result in a reduction in income for the dairy farmers whose livelihood depends on milk production. The committee believes that it must be made clear that only a sound and efficient agricultural industry is capable of providing the consumer with high-quality and relatively inexpensive products and also of providing a market for the industrial products utilized on the farm for production.



## Klinker

That is no small percentage. But the maintenance of an effective agricultural industry presupposes — in the committee's opinion — that it will be granted price increases which at least correspond to the rate of inflation.

Ladies and gentlemen, having made these comments on principles I should like to add a few on the budget itself.

The total entry in the draft general budget of the European Communities for 1979 amounts to 13 020·86 m EUA, an increase of 5·2 % over 1978. We believe — and this is clearly stated in my report — that the amount should be allocated differently, that everything must be taken out of the Guarantee Section which does not directly affect agricultural revenue or farmers' incomes but which involves purely political measures, and that changes must also be made in the Guidance and Guarantee Sections.

The committee feels it is very important to point out that the common agricultural policy is also responsible for Community revenue. No mention is usually made of that in public, that 1706 m EUA is collected in duties, 430·9 m EUA on the sugar levy and 7·2 m EUA on the isoglucose levy, a total revenue of 2 144·1 m EUA. That this represents 16·46 % of the Community's total revenue after all and should be mentioned.

So we can say, Mr President, ladies and gentlemen, that the Guarantee Section really costs only 6 194·6 m EUA, that is 47·57 % of the Community's expenditure. And this expenditure is even lower if we take into account that certain agricultural expenditure, such as that on ACP sugar or New Zealand, butter, costs the two market organizations 380 m EUA and 240 m EUA respectively and that they result from the Community's external obligations. If we left those two amounts out of the calculations, the cost of the common agricultural policy would amount to 5 574 000 600 EUA, which is 44·95 % of a Community budget amounting to 12 400 000 086 EUA.

Mr President, we can therefore state that the only really integrated Community policy accounts for less than 45 % of the Community budget and that this policy guarantees food supplies for the inhabitants of the Community. It did so in the past and will do so in the future. The committee feels that the security provided makes these costs acceptable, all things considered.

Now, the Committee on Agriculture has also said something about structural measures and calls on the Council and Commission to submit a somewhat more discriminating programme in future. We shall be able to discuss that, too, in Echternach. As regards food aid, the committee feels that the minimum amounts proposed by the Commission should be regarded as the absolute minimum which could be given as food aid. Consequently the Committee on Agriculture will

call for the reinstatement of the figures proposed by the Commission and support the Committee on Development and Cooperation which has proposed virtually the same.

The proposed amendments have been coordinated to that extent and I hope that they will get through as such. (see under)

Finally, may I make a few brief comments about the fisheries policy and call on the Commission to show a little more courage.

It has been instructed to implement this policy and not simply act as the Council's secretariat but make its own proposals in order to develop in a constructive manner the Community's policy on the sea and thereby help to guarantee all the jobs which depend on it. In the past, grave problems have arisen and it has been clear that the Council was unable to escape its own shadow. The Committee on Agriculture is of the opinion that the Council of Ministers and the Commission must be given a push so that the obligations resulting from current agreements negotiated by the Community are finally taken up. I believe that the proposed amendments we have tabled on the fisheries policy and which were largely coordinated with the Committee on Budgets contain what is most essential. On the basis of these considerations I therefore propose that this House adopt the proposed amendments as drawn up in agreement with the Committee on Budgets.

*(Applause)*

President. — I call Mr Cifarelli.

Mr Cifarelli. — *(I)* Mr President, I should like to begin by pointing out that unfortunately I was not present when Mr Klinker's opinion was discussed and approved by the Committee on Agriculture. I mention this not because I am opposed to that report but to lend weight to what I have to say on behalf of the group which I represent. I should also like to make a few personal observations in line with the views I have already expressed in this Assembly on several occasions, regarding a number of important amendments and I shall discuss these in the order of voting.

First of all, after thanking the rapporteur, Mr Bange-mann, and the draftsman of an opinion, Mr Klinker, I must stress that, although this is the last budget of the indirectly elected Parliament, we cannot avoid meeting the basic observation that unfortunately, yet again this year, agricultural expenditure accounts for three-quarters of the Community's general budget. As we have already pointed out on several occasions, this is no doubt due to the fact that the agricultural policy is the most consolidated and wide-ranging of the Community policies and the one which invests practical, overall interests: both national interests and the individual interests of agricultural products.

## Cifarelli

We agree with the draftsman that the agricultural policy has provided the Community with secure food supplies; it has assured the Community of stable prices; it has led to a reduction in the imports of certain food products to the advantage of the balance of payments of our Member States; and it has made the financial situation of those engaged in agriculture more secure, with increased incomes in some areas. However, it cannot continue to be the only policy and it will have to be readjusted in the wider general context of the other Community policies.

I need not repeat what I said this morning, on behalf of my group, in relation to the regional policy. While the regional policy is of foremost importance in that it is a policy aimed at restoring balance in the crisis industrial areas, the backward agricultural regions and socially deprived areas (such as Naples, for instance, in the case of my own country) and everything possible must be done to defend the regional policy appropriations against inflationary depreciation, the agricultural policy appropriations nevertheless continue to get priority.

It is true that the monetary compensatory amounts have been reduced by about 10 %. This was done in response to repeated demands by Parliament which were simply consistent with the logic and validity of Community commitments and Community life. However, even taking this into account, there still remains the extreme disparity between the budgetary appropriations for the agricultural policy and those for the other policies.

Because certain truths are repeated over and over does not mean that they are any less true. Jesus said: 'Love one another as brothers'; the fact that, unfortunately, we continue to ignore this Christian precept does not make Christ's words one thousand nine hundred and seventy-eight years ago less valid now. I hope that it will not take us one thousand nine hundred and seventy-eight years to realize the absurd imbalance which exists between the Guarantee Section and the Guidance Section. The basic fact is that the appropriations for the Guarantee Section are twenty-one times higher than for the Guidance Section. It is true that measures have been introduced to exceed the ceiling on structural aid; individual projects have been abandoned, with more emphasis placed on Community measures in the area of structural policy; however, it is extremely significant that yet again in the 1979 budget we have this great disparity in favour of the Guarantee Section which in effect is leading to an illogical, unjust and politically unwise squandering of Community funds. May I add that in some instances the Community has shown extreme caution and reluctance. For example, in the case of Italy, there was a promise that the necessary measures regarding forestry and technical training for young people would be introduced by 30 September. All I can say is that the

sums for forestry are ludicrous and are in no way proportionate to the size of the problem we are dealing with.

According to Mr Gundelach, we need long-term measures. Much has been said about the co-responsibility levies. A seminar on this problem is starting in Echternach tomorrow. May I ask why, if a ceiling or limit can be fixed on structural commitments, a ceiling cannot also be fixed on interventions for the exclusion of certain products from the market?

In political economy every intervention must answer two requirements: the first is that it must be consistent with its objective and not produce adverse effects; the other is that it must be in line with the political will and therefore comply with the economic commitments made by the authorities responsible for it. We have repeatedly emphasized the need to avoid surpluses and to adopt measures accordingly.

The co-responsibility levies have been criticized for their ineffectiveness but we have seen that in the milk production sector for example, no effort has been made to organize the producers so that there is a coherent link between market outlets and production. As long as we have watertight compartments and some sectors are producing on the strength of Community intervention while others are left in an extremely precarious situation, it is obvious that we can only expect negative results.

I should like to make another observation, also on the subject of the common agricultural policy, concerning certain adverse effects connected with the implementation of the budget. Because of the legal implications of the Treaty and the way in which the common agricultural policy came into being, we find ourselves unable to intervene regarding appropriations since they are based on regulations and once a certain system has been established, its effects are legally binding.

The time is now drawing near when we will have an elected Parliament, a Parliament which will be the result of the huge convergence of the citizens of Europe and which already has budgetary powers, acquired slowly and with considerable effort.

This Parliament cannot stand idly by in such a situation nor can it resign itself to playing a marginal role in this expenditure which is annually drawing millions of units of account from the Community's financial resources. Furthermore, we must point out that, because of the nature of the budget debate, it is frequently necessary to have supplementary or integrating budgets which provide a way of side-stepping the control which Parliament is entitled to exercise.

While making these criticisms, we nevertheless recognize the Commission's efforts in drawing up the requirements in the Guarantee Section. Our main complaint is the imbalance between different

Cifarelli

products, different kinds of regulation and one Community region and another, but we are aware of the efforts to create an accurate information system which will enable the Commission to make proposals strictly based on the actual situation and to make reasonable estimates.

Mr President, I wish to conclude by repeating why I shall vote in favour of the amendment proposing to fix a ceiling or maximum limit on the EAGGF Guarantee Section. I asked my group for freedom in voting and my request was kindly granted. By taking this course, I am acting on the general principle that there should be an end to a situation which, if allowed to get out of control, will lead to undesirable results. Since we are all in agreement regarding these criticisms, I should like to see Parliament take a definite, unequivocal stand on the matter.

**President.** — The proceedings will now be suspended until 2.30 p.m.

The House will rise.

*(The sitting was suspended at 1.10 p.m. and resumed at 14.30 p.m.)*

**President.** — The sitting is resumed.

The next item is the continuation of the debate on the budget.

I call Mr Hughes.

**Mr Hughes.** — Overwhelmed by the presence of so many members in the Chamber, and of the Commission, it is with some reluctance that I rise, Mr President. The detailed amendments tabled and spoken to already by Mr Klinker on behalf of the Committee on Agriculture cause me no great difficulty. They are simply trying to make more apparent some of the requisite changes in budgetary processes which we would like to see. However, at the heart of the whole of this budget debate lies the curious anomaly that some two-thirds of the expenditure is on the EAGGF Guarantee Section, and yet it is totally outside the competence of this budget and this debate to do anything about it. If I may quote from a passage in the preliminary draft budget:

In the Commission's view, it is essential to stress once more that the amount of expenditure by the EAGGF Guarantee Section is governed not by the budgetary authority, that is to say by opening budget appropriations, but by the legislation on the common organization of the various markets.

And then, it underlined its next sentence itself:

The budget merely reflects those rules; it is an instrument of implementation and management, not an instrument for influencing the causes of expenditure.

So we now find that, as to some 70 % of what this budget is about, this House has no effective voice or control. We find, for example, that in 1977 total Guarantee Section expenditure was some 6 590 million EUA. The appropriation in this budget for

next year is 9 600 million EUA for the Guarantee Section. Clearly the growth in that sector, over which neither this Parliament nor, it seems, many other institutions in the Community, has any effective control inevitably pre-empted expenditure in other fields. The contribution from own resources available to this Community cannot be expected to grow at the rate of which the EAGGF expenditure has grown and we therefore find ourselves in the position that whatever schemes we may have as a Community Parliament outside the agricultural sector, we have lost the budgetary control which we may vestigially have possessed to provide the money for them because agriculture automatically takes away so much that there is nothing left. We have got to go back to finance ministers on bended knee to ask the Council out of their largesse, to provide us with the funds, and it is not surprising that their largesse occasionally is less than generous.

It is no good this Parliament asking for more for social affairs or for regional transport activities so long as we fail completely to take effective control over how the money is spent in agriculture. We then come to one of the difficulties in the actual figures provided in the budget, the figures presented both in the original preliminary draft and now in the letter of amendment and so forth, that we have to work on. One asks, are these figures worth the paper they are written on?

And I would draw Commissioner Tugenhat's attention to a particular problem as an example: what this Parliament and apparently the Council and Commission have agreed is not reflected, in anything that can be remotely referred to as a transparent way, in the budget appropriations. I would draw Commissioner Tugenhat's attention to the entries under item 6240, on page 20 of the Letter of Amendment, Document 320, and Item 8360, on pages 50 and 51 of the same Letter of Amendment. This refers to the method of paying for the cessation of milk production and so forth. In the Council regulation which this Parliament voted through the recitals at the start included the following statement:

Whereas these measures are designed on the one hand to restore the balance in the market in the products concerned, and on the other to achieve the objectives set out in Article 39 (1) (a) of the Treaty, etc.

Whereas the Community's contribution to the expenditure should therefore be financed in equal proportions by the Guidance and the Guarantee Sections of the Agricultural Guidance and Guarantee Fund.

Very clear: that is what Parliament voted back in 1977. Without any further reference to this House, the Council and the Commission in their wisdom chose to change that proportion to 60 : 40. Sixty per cent out of the Guarantee Section, 40 % out of the Guidance Section. Parliament had no say in that change. We had voted for equal shares: Council, for whatever reasons, decided to change the proportion.

## Hughes

It is necessary to remind the House how we deal with the Guidance Section in budgetary terms. Because if ever there was a figment of a fevered imagination, it is the actual budgetary element involved in the whole of the Guidance Section. We have for a number of years voted a notional sum of 325 million units of account to cover that. Up to about 2 years ago, as I remember, anything that was not spent went into the infamous, or famous Mansholt reserve. Various balances, fictitious or otherwise, built up in this reserve, and over the last year and this and next year, the Commissioner for the budget has, like bold Lochinvar, ridden out and pinched it, appropriated it, transferred it, or whatever. What happened to the money in the intervening year since it went into the reserve, whether it was let out at interest or what happened to it, no one quite knows. But, quite clearly, in order to build up the Guidance Section to even the minute proportions it now has, we have had to raid the Mansholt reserve until, while it may last in 1979, by 1980 there will not be enough left in that reserve to provide a remotely adequate Guidance Section budgetary line. Under these restraints, one finds with interest that for this milk scheme the Guidance Section was given an appropriation in 1978 of 123.9 million EUA and its 40 % share of that scheme meant that, of its anticipated payments in 1978, it used the lot. No difficulty at all. But when we come to the 60 % that had to come out of the Guarantee Section: here we find that the appropriation entered for the Guarantee Section was 225.7 million. Now, I would be grateful if the Commissioner could tell me how a 6 : 4 relationship emerges between those two figures. If the 123.9 m represents the Guidance Section's 40 % contribution, which is the way Council said it was going to operate this procedure, how does 225.7 m represent the share of the Guarantee Section? There is no 6 : 4 relationship in those figures. Then we find, when we turn to the 1979 budget, some very curious arithmetic. You start off with the estimate that you need some 187.9 m EUA out of the Guarantee Section to deal with this cessation of milk production and conversion to beef. You then say, how much have we got left over unspent? And between the preliminary draft budget and the next one, that figure changes. By, so it seems to me, some sleight of hand, you decide that sometime this Parliament is going to be offered the chance to do a transfer of 106m EUA from the 1978 appropriations to those for 1979: this budget then takes away from the number you first thought of, 187m EUA, the 106m which you are fictitiously transferring, and comes up with the 81 million necessary to make the books balance.

Now it is all very well to accept the theoretical restraints affecting control over agricultural budgets. That, with difficulty, and a great deal of difficulty, one has got to some extent to accept. What I find wholly unacceptable is the evidence that what we are going to be voting through tomorrow is capable of being laundered, in monetary terms, at the whim of Commission or Council, without any reference to any authority at all. This is why I use this example of the cessation of

milk production. If the regulation adopted by Council says payment shall be in the ratio of 60 % from the Guarantee Section and 40 % from the Guidance Section, I challenge Commissioner Tugendhat, on the evidence presented to this House, in this Budget, to produce one pair of figures that represent a proportion of 6 : 4. The figures presented in this budget are a total fiction, a total negation of the probabilities and are not in accordance with the regulation under which Council and this Parliament have been operating. It is this that worries me at a strictly budgetary level. I do urge Commissioner Tugendhat to tell us how a figure of 81.9m EUA following the letter of amendment for 1979 under Article 6240 squares with the figure entered for the 40 % expenditure under the later Article, which is a figure of 73.4m EUA. There is no 6 : 4 relationship in that at all.

This is the example I use, because I suspect that in the Agricultural Fund as such, without recourse to Section 100 for monies, there is a great deal of transfer from one year to the next of unexpended monies of which little detailed account is given. I am not accusing anyone in the Commission of chicanery in any degree, but if one is trying to have transparency in the way the agricultural element is presented, this cannot be the way to do it. As such the agricultural section of much of this budget is an element of fiction, not merely because you are working on best estimates, guesses, hunches — think of a number, double it, subtract three — and all the rest of the equipment for indicating broad levels of expenditure, but because the Commission and the Council do not appear to me to be living by their own regulations and are moving funds about to suit their convenience to a degree which I find unacceptable.

I turn now to a much broader area, and that is when one sees that for 1979 the total appropriation for commitment to the Guidance Section is some 550 000 EUA and that total appropriation for the Guarantee Section is 9 600 m EUA. My group and I are satisfied beyond any shadow of doubt that that proportion is wholly wrong, that, even at the best, the amount spent on the Guidance Section is completely inadequate. It is for this reason, given the weakness of our technical budgetary position, we have got this succession of symbolic amendments to reduce by one EUA certain elements to indicate our whole dissatisfaction with the balance between the Guidance and the Guarantee Section. But if our dissatisfaction with the agricultural expenditure was simply that what is allocated is allocated wrongly between the two elements, or that having been allocated to one area it appears that it can be spent at will on other sections, that would be enough. But beyond that is the belief that unless this House and the Commission get control over the unacceptable levels of agricultural expenditure they will run foul of public opinion in the Community as a whole and that they cannot support the political will to improve the status of this Community unless they can show that the expenditure on agriculture is being worked effectively and efficiently.

## Hughes

If I could go to my constituents, wherever they might be in this Community, and tell them that 9 600 m EUA were being spent to the benefit of those in need, that would be one thing, but I cannot. Because what is quite clear is that it is being spent too frequently to the benefit of those farmers who need it least, and those farmers in the greatest need are not in receipt of the money. Given the great disparities between the Mediterranean regions and the northern regions in the proportions spent and so forth, there is no question as to the fairness of the current distribution. What is the ultimate result of a number of years of the common agricultural policy?

I would ask Mr Tugendhat to think hard when we are in a state of affairs in which the oil companies are spending large sums of money producing food from oil, or finding out how to do it; food companies are spending large sums of money working out, on the Brazilian model, how to produce petrol from maize or sugar cane, and, as I have discovered this morning to my infinite joy, the ever resourceful Irish are now producing gin from milk in Cork.

*(Laughter)*

I would ask Mr Tugendhat whether the Irish receive assistance under the Guidance Section for the conversion of milk products to produce gin, or whether it is under the section for alcohol from agricultural resources.

*(Loud laughter)*

**President.** — I call Mr Scott-Hopkins

**Mr Scott-Hopkins.** — Mr President, I do not intend to dwell very long on the amendments. I would start by saying how much I agree with proposal of the Committee on Budgets to transfer the various issues relating to the common fisheries policy into a separate chapter 9 from Chapter 6 and Chapter 7.

I also entirely agree with the idea, which we have suggested not for the first time in this Parliament, that the monetary compensatory amounts should be transferred out of the EAGGF and put into a separate chapter and should not be considered as agricultural expenditure. I do not need to elaborate on this particular point; I think it has been made over several years and I hope the House will once again accept this, and the Council also.

Turning to the amendments which are standing in my name and that of my group, may I say first of all that for some time now we have considered that development in the rural areas of the Community is unsatisfactory. We have heard from various speakers that we are dispensing the money we have got in small amounts and we are not really having much success either with the Social Fund or the Regional Fund. I

am not going to make any comment about that, but I would say that the one sector which has been perhaps left out in the cold and which is being helped only through the Guidance Fund, is that of the rural areas throughout our Community. There are all kinds of directives dealing with this particular issue, but at the moment there is no cohesive policy to develop the rural areas of our Community, and it is our belief that it is essential to coordinate this assistance into one rural fund. It is for that purpose that we are suggesting that various monies which are at the moment being dispensed through the Guidance Section, the Regional Fund and the Social Fund should be brought under one heading of a rural development fund.

All of us in this House from the rural areas know that the important thing is to deal with the infrastructure of those areas. We also know that if we are going to keep agriculture up to date and profitable we have to take strong action to help some of our farmers who are farming below the level of economic viability. This means retraining; this means bringing industries into these rural areas. The one thing we do not want is depopulation and we do not want these areas to become just retirement homes or second homes for people who are working in the cities and commuter areas. Therefore it is important to have a central direction on this particular kind of development in the rural areas. Heaven knows there is enough time and energy being devoted at the moment to all those areas in the metropolitan parts of the Community where old industries are suffering and need to be restructured. But very little time and attention is being paid to what is happening in the rural areas of Europe. It is essential that they should not be depopulated. It is essential that they should continue to live and I believe that the only way we can do this is by creating a special fund, drawing in monies from the Social, Guidance and Regional Funds to concentrate them on the proper kind of development. That is why we are suggesting this particular amendment.

I now turn to the other amendment concerning the transfer of monies to Chapter 100 from the existing funds for the Guarantee Section.

I do not believe that the Commission in all their wisdom have the faintest idea what agricultural expenditure is going to be for the year 1979/1980. They send letters of amendment; they have a rough idea, but they are in the process, at this moment, of negotiating with the various farming interests, with COPA, and with the NFU in the UK, and other associations and unions throughout the Community and they have not the faintest idea exactly what the expenditure will be. Neither, of course, great men that they are, can they possibly tell what is going to happen climatically in the coming year.

**Scott-Hopkins**

The whole issue is therefore fogged by uncertainty and it seems to me that the right thing to do is to transfer about a quarter to a third of the funds available under the Guarantee Section into the Reserve Section under Chapter 100. This makes sense to me. Let the Commission call on these funds. I do not wish to stop them fulfilling their contracts. They are going to have to call on these funds and when they call on them they can come to Parliament and there would be no difficulty in getting the request through. But in order to have it all at the moment, we are going to have to have a supplementary budget, as the House must well know, and I would have thought that to make a provision under Chapter 100 must be the right way of going about it.

A part from that, if one does this, then one perhaps can induce the Commission and Mr Gundelach to be a little more flexible in their method of attacking some of the problems which exist in agriculture today. I do not know for certain what the Commission are going to propose and what the Council are going to accept as far as our enormous milk surplus is concerned. On the one hand they are encouraging milk production by giving grants to increase milk herds throughout the Community. That seems draft, I must admit. And on the other hand, they are talking about cutting it back. But all I know for certain is that we are in surplus, we are building up supplies. May I say here in parenthesis, that I am attracted to the various amendments which have been put down under the name of Lord Bruce concerning the idea of subtracting one European unit of account from the storage costs and disposal costs which are being put forward by the Community. That, I think, is a marker to show our disapproval of the method being used at the moment.

It is flexibility which is necessary as far as the intervention prices are concerned. It seems to me lunatic that one has a stable intervention price when you are producing in surplus. The intervention price should vary with the level of the surplus being created. Unless it does, we are in great trouble. If we can persuade Mr Gundelach, and indeed the Commission as a whole, to adopt this particular approach, then it must be right to have at least a third if not a bit more, of the total monies of the Guarantee Section put into reserve, for they cannot possibly tell at this time what they are going to need in the coming year. I would therefore have thought that the House would be able to accept the amended motion standing in my name and that of my group, to transfer from the existing chapters to Chapter 100 about a third of the total monies for guarantees, which can be brought forward when necessary by the Commission.

And so, Mr President, I do not wish to take up more time because my colleagues, as I said, will be amplifying some of the more important points. But I hope that the various amendments which we are going to

deal with in a moment concerning the breakdown, for instance, of the various expenditures, will be supported by the House. I think one wants more clarity, to use the Community term, more transparency in the various contraptions which the Commission is using in the Guarantee and the Guidance Sections. Mr President, I hope that the House will be able to accept the two amendments which are standing in the my name and that of my group. On the whole I welcome the rest of the amendments which are being put forward by the Committee on Agriculture.

**President.** — I call Mr Vitale.

**Mr Vitale.** — *(I)* Mr President, colleagues the budget colleagues the budget which we are now discussing shows an approach to agricultural expenditure of which we Italian Communists have always been critical because it is costly and ineffective, despite Mr Klinker's assertions to the contrary. We are even more critical of it this year in view of the approaching entry of new countries and of the Mediterranean package which, despite its limitations, shows in some respects a political will to make changes and to give more attention to structural problems and the problem of restoring balance between the different Community regions. This political development is in no way reflected in the budget which, yet again, is presented as a document of accounts and of accounts and a translation into figures of a fixed policy; this is humiliating for Parliament. In fact, on several occasions in the this very Parliament, we have sharply In fact, on several occasions in this very Parliament, we have sharply criticized the common agricultural policy with regard to both the overall expenditure and the imbalance between the various items in the budget, with particular reference to what is spent by the EAGGF in the Guarantee Section and what it allocates to the transformation of agricultural structures.

I also wish to take up a point already made by Mr Hughes: as the election of the European Parliament approaches, we must ask ourselves what the common agricultural policy means to public opinion, leaving aside the intellectual acrobatics of those who thought it up! It means, in the first place, sugar thrown away to pigs, olives left to rot on the ground, mountains of unsold powdered milk; in effect, profit for the multinational companies and fruit which could be used to feed our children taken away and crushed beneath tractors. All this while there is increasing unemployment and a new tendency to return to the land.

This is why, looking at things in a European and not merely national perspective, we Communists are asking for a review of the agricultural policy and we are adamant on this issue because it is one of the focal points of our European campaign. The budget shows no recognition of this need for change and merely

## Vitale

continues to present us with the accounts of a bureaucratic administration which has failed to take into account either the worsening crisis or the question being asked by an increasingly intolerant public opinion.

I would go so far as to say that, in some respects, in drawing up the budget items, we are actually behind the Council, and that is saying a great deal. For example, the Council solemnly undertook to commit an appropriation to forestry which is now only awaiting formal ratification; this commitment is not included in the budget and under the corresponding item there is merely a token entry. A structural measure of such importance for many hill and mountain areas in Europe has been set aside solely for reason of formality.

We Communists do not take a purely national view of things. We do not complain simply to get what we do not have. Indeed, an example of this is the fact that we do not support the system of granting subsidies to some Italian products — oil, hard wheat — or the demands for the extension of Community protection to included other Mediterranean products in view of the dangers of competition from other Mediterranean countries. On the contrary, we want a policy that will gradually reduce the prices support level, together with intervention to reduce production costs, finance production programmes in the deficit sectors and restore the balance of payments in Community countries through the implementation of national development programmes, coordinated and controlled by the Community, in line with an overall plan for the development of the European agricultural economy which would also include a new system of relations with the developing countries.

This is why, again this year, we have tabled the amendment to the budget already approved last year, concerning what we consider to be the heart of the matter, namely the surpluses of some agricultural products, milk being the most important. We consider that, over and above a certain limit, surpluses should be financed by the national budgets of the countries where the surpluses occur. We realize that the situation of millions of small milk producers who have no alternative means livelihood cannot be ignored and that the cost of the surpluses cannot be financed by other, perhaps even poorer, small producers. What we are saying is that efforts to protect these small producers should be carried out at national level and we are calling on the governments to assume their own financial responsibilities, with assistance of course from the Community, not in the form of an unconditional guarantee of disposal but through income subsidies, aid for agricultural reconversion, measures to control the prices of technical means and provisions to combat market speculation. We put forward these points because we do not want to fall

into the same trap as those who see the question of surpluses as an inevitable war between small producers, between the poor, which would be against our principles as Europeans and as Communists.

We will support all the claims of the small producers: French, Bavarian and from other countries, including of course the Po Valley, but we ask that a ceiling be placed on the financing of surpluses. Much has been said about permanent and inevitable structural surpluses. But it must be asked to what extent these surpluses are due to the iron regulations which guarantee the disposal of unlimited quantities at Community expense? We have ways of avoiding the present deadlock: there are the measures which I mentioned a while ago; if necessary, we can also review the soya import system and reconsider the tax on margarine which was discussed on other occasions; all this could be done in the context of a review of the regulations, with the aim of gradually reducing both prices support and the external customs tariffs which in practice are isolating Europe and creating difficulties in the GATT negotiations.

In his report drawn up on behalf of the Committee on Agriculture, Mr Klinker points out that there is no upper limit for expenditure on prices support and that it cannot even be estimated in advance since it is an automatic consequence of the regulations. The budget can therefore only give a theoretical estimate. Does Mr Klinker realize that we are facing a vicious circle? It is these automatic regulations which we wish to see removed; we cannot tolerate Parliament's powerlessness in this issue or the fact that it has no option but to enter sums based on estimates drawn up outside it, with objectives decided elsewhere. This would mean permanent humiliation for Parliament and condemnation to inactivity.

Our amendment points out the need to review the regulations and introduce the measures required to reduce expenditure in the Community budget. If Parliament were to take this line today, it would certainly cause a great stir in the chanceries and in the Council itself, but it would get the support of the majority of public opinion on the eve of the election of the European Parliament. In this way, Parliament would be truly fulfilling its role of mediator in accordance with the will of the working masses.

It is for this reason, honourable colleagues, that once again this year, we are bringing to your attention an amendment which we consider to be vital and which, if approved, will allow us to vote in favour of the budget.

We are hopeful that Parliament will remain consistent and that, in the light of last year's vote, it will grant its approval as a statement of the political will, too often expressed but never put into action, to change the common agricultural policy.

**President.** — I call Mr Howell.

**Mr Howell.** — Mr President, in following Mr Vitale, I have sympathy with his call for a comprehensive policy for the whole Community and dramatic changes in our common agricultural policy. But I want to concentrate my remarks on just one item in the budget. That is in Titles 6 and 7, Chapter 62, which just happens to be the largest item: 3 656 m EUA. This for the dairy industry, an industry in which I am personally engaged, and from which I receive my livelihood.

This represents 28 % of the entire budget, and yet the dairy industry represents something like 1 % of the GDP of the entire Community. Now there is something very wrong here, and I do believe that it is time that the Commission pulled its head out of the sand — the Commission, and the Council, and the Parliament, the EEC in general — because it is not serving any useful purpose to go on pouring money into this industry, and damaging the industry as a result of it. It is achieving absolutely nothing.

Various people have spent a great deal of time already in this debate — my honourable friend, Mrs Kellett-Bowman, who has spoken on two or three occasions about the Social Fund and the Regional Fund and various other funds — but if you add up the Social Fund, the Regional Fund, money spent on energy, industry, development and the new item on defence, everything except agriculture, these items are no greater than this one item, which is spent on about 20 % of the agricultural industry. So I am sure it is obvious to everybody that the whole thing is out of balance. And yet, what are we achieving? We are going on producing more and more milk. We have got 5 million more cows in the Community; each cow is being subsidized to the tune of 145 EUA. Then we have this other grand idea of taxing milk producers so that they do not produce, the co-responsibility levy, which, if you work it out, amounts to about 13 units of account. So, with one hand we give each producer, including myself, 145 EUA per cow, and on the other hand we have this elaborate machinery to take away 13 EUA from me and everybody else. To my mind, this is absurd. And yet the Commission will not face up to the fact that there is only one way to solve this idiotic situation. That is to control people like myself, and all other dairy farmers, whether they have 100 cows, or ten cows or five cows. They have got to be quota'd and controlled so that this silly performance does not continue. It is continuing at the present time to the detriment of the whole of the EEC. So I do urge the Commissioner — I do hope I can have his attention — to persuade his colleagues to look at the idea of quotas. A report has just come out. A working party of the Commission has looked into this matter, and they have reported and said there are only two ways of

solving the milk problem. One is to impose quotas, and the other is to carry on doing what we are doing, only slightly better. But at the recent meeting held in the Commission only last week, quotas were not discussed because that is ruled out as being impossible and ineffective and unacceptable. Now I believe that it is about time that we broke out of that situation and looked at the question of quotas, because this is the only way in which dairy farmers are going to be controlled for their own good, as well as for the good of the whole Community.

I want to just draw attention to the Bangemann report, and to what Mr Bangemann has said in paragraph 24. He says that the efforts to discourage production are being slowed down because we are only allocating 82m EUA as against 349 m EUA last year in this field. Now I want to ask the Commissioner: why is this? I believe the answer is that there is a poor take-up of these aids to going out of production. I personally am being encouraged to increase my herds. I will have a grant if I double my herds; a very substantial grant is already being given. More and more herds are being brought into this scheme. But why are people not going out? I want to just put this suggestion to you. Both my colleague, Mr Corrie, and myself are dairy farmers in a fairly substantial way. And we have looked into this idea of going out of milk production, and the aids that are going to be given to us are of little use because of the taxation system which prevails in the United Kingdom. I do not know what goes on elsewhere, but by the time you have paid tax on these grants it is not worthwhile. I suggest to Mr Bangemann that the reason why there has such a poor response to these aids to non-marketing is because of the tax element.

The last point I want to make is that it is wrong, and I believe the whole House will agree with me, that the Community should be sucking in grain and protein from America and everywhere else in order to produce milk which is an embarrassment to the Community. Many people, especially on the other side of the House, interested in the well-being of the Third World. So am I, so are all of us on this side of the House, but what is the sense of this? Why cannot we control ourselves? Why can we not have a system of quota-ization so that anybody, myself and everybody else, only receive a decent price for, say, 90 or 85 % of the previous year's production. Now I do ask Mr Tugendhat to take this seriously, and to persuade Mr Gundelach and others to pull their heads out of the sand and do something effective about this matter.

**President.** — I call Mr Pisoni.

**Mr Pisoni.** — (I) Mr President, I wish to make two observations on two important subjects concerning agricultural policy. I have noted that all the previous speakers have called for increased action in their



## Pisoni

sectors, and would say straight away that I do not intend to embark upon that course, as I realize that the difficulties and the needs are considerable. We would require a much bigger budget in order to meet all these needs, or we would have to draw up a different classification of difficulties in order of seriousness; if we do not do this, we may be unable to obtain a clear picture of major and minor requirements.

However, I wish to emphasize two important questions concerning the agricultural budget. First of all, the relationship between the appropriations for the Guarantee Fund and those for the Guidance Fund; without repeating what has been said by others, I would point out — as Mr Klinker has already done — that the funds for the Guarantee Section have increased by 12.88 % while those for the Guidance Section have decreased by 6.42 %, despite the existence of various regulations which should have ensured a minimum of justice for the poorer regions and as regards improving structures, which everybody recognizes is an urgent need. We cannot place our faith in the repeated statements by Parliament, the Commission and the Council of Ministers affirming their desire to establish a better balance if we are then faced with a budget which not only fails in this respect, but actually increases the previously existing imbalances. It is remarkable that after regulations on Mediterranean policy and improving the situation in various sectors are adopted, the corresponding sums are not then entered in the budget, as the amounts approved are so small and watered down over the years that they have no noticeable impact on a budget under consideration. This observation has to be made, as it concerns not only the appropriations for this year, but also the commitment budget. I should like to add here another remarkable fact: in 1977, we spent six times more on supporting dairy products alone than on the Regional Fund, and fourteen times more than on the Social Fund. I emphasize this simply to indicate the comparative significance of one item and two chapters which we consider important.

I now come to my second observation, which also concerns the funds set aside for agriculture compared with those for other sectors. We are forever stating our desire to implement a policy to correct imbalances between the various regions: action should be taken under the Regional Fund, and the Social Fund, to this end.

However, since the greater part of appropriations — those for agriculture — are not used to correct these imbalances, we cannot expect to achieve this through the other funds, appropriations for which are substantially less than those for dairy products alone. Let us see what actually happens: 40 % of the funds allocated to the Guarantee Section is spent on the dairy sector, 21.62 % on cereals, 11.88 % on sugar, 5.79 % on beef and veal and 6.20 % on fats. Which regions

benefit from most of the funds under these items, which account for the greater part of the budget? If we exclude Ireland, which benefits partly from intervention measures for dairy products and which is considered one of the poorer regions, where do the remaining funds end up? The answer is that they go to the richer regions, which need them least. How can we hope to reduce the disparities between the various regions, if 80 % of the endowment of the Guarantee Fund is spent in the richer regions? As for the Mediterranean regions, a certain amount is earmarked for oils and fats and thus for olive oil, a certain amount for durum wheat, and 3.87 % for fruit and vegetables — a ridiculous sum; appropriations for wine, which is a sector in crisis, have fallen from 3.6 % last year to 1.41 % this year; that is the aid granted to the poorer regions. If that is the way in which the budget is to be distributed and an expression of the desire to achieve a balance, we can only conclude that the rich will always remain rich and the poor remain poor, and that we will fail to achieve any kind of balance. Given that 70 % of the budget is spent in this sector, these are precisely the funds with which we must attempt to establish a minimum equilibrium, rather than the negligible amounts granted to the Social and Regional Funds which, however effective, possess only limited resources.

I would therefore ask the Commission, Parliament and the Council to review their positions somewhat in the light of these considerations.

**President.** — I call Mr Brøndlund Nielsen.

**Mr Brøndlund Nielsen.** — (DK) Mr President, I am prompted to say a few words by Mr Howell's speech. While he appealed to the Commission in very forceful terms, I would like to warn strongly against the acceptance in the agricultural policy of illiberal arrangements that would introduce an element of rigidity into the agricultural industry as a whole. It would be conceivable, for example, to see quota systems acting as a sharp brake on development and rationalization. We are familiar with systems which seek to place everything within a fixed framework thus depriving producers — for example, young farmers — wanting to boost production efficiency, of the opportunity of doing so and of thereby making advances in European agriculture. I also feel that if arrangements of this kind reducing the free nature of the market are adopted, there will be a great danger that they will simply conflict with the EEC Treaty, one of the very aims of which is, of course, to ensure that there is a free market in the agricultural sector. My view is that the agricultural policy that has been pursued in the Community in accordance with the Treaty, has ensured food supplies at reasonable prices. I cannot be denied that there may be problems, but I would warn very strongly against any action directly contrary to the aim of establishing and maintaining an open market for agricultural products.

**President.** — I call Mr Tugendhat.

**Mr Tugendhat, Member of the Commission.** — Mr President, we have had a heated debate, or a debate that has been heated at times, and an extremely interesting one, in which a number of really important points have been made and very conflicting views expressed. But looking round the Chamber I can only see one of the many speakers who actually participated in the debate — or two, I am told — still present in the Chamber. Therefore I think it might be for the convenience of the House, and especially those who wish to speak in the subsequent debates, if I do not answer point by point the points raised by people who are not actually here to hear what I have to say.

I will, however, write to Mr Hughes who has raised some extremely technical and complex points, important points but points which I said to him I thought I would have some difficulty in dealing with straight off. The problem, as I think he recognized from some of the remarks that he made, is in part due to the carry-over from 1977. I hope I will be able to show him that when one has allowed for the peculiarities arising from the carryover, the figures do not deviate by as much as he was suggesting.

So far as the main points of the debate are concerned, we have had three points of view. We have had those who said in effect that the CAP is OK and that it accounts for only a small proportion of the budget, only some 44 %, those who said it is too large and needs to be cut down, and those who have said that whether or not it is too large, it does not provide enough for their particular part of the Community.

By way of answer to these three conflicting and divergent points of view, let me make the following points.

First of all, the common agricultural policy is clearly a pillar of the Community. It is clearly one of the major achievements of the Community, it is clearly one of the policies that keeps the Community together. The Commission is quite convinced of this, and the Commission's aims are to improve and strengthen the common agricultural policy.

At the same time it seems to us that one of the major weaknesses of the policy, one of the major deficiencies of the policy, is that it is now producing quite unacceptable surpluses. There is all the difference in the world between surpluses which safeguard our position in bad years, so that we do not go hungry, and surpluses which pile up from one year to the next, becoming more and more costly. And when I think of the industrial worker in Dortmund and his VAT, about whom we heard yesterday, and also the industrial worker in Manchester, Milan or anywhere else, the surpluses produced by the common agricultural policy are the principal burdens which he is carrying on his shoulders, as far as the European Community is concerned.

We believe, and I emphasized this yesterday, that the way to tackle this problem is through the price

mechanism. Lord Bruce did me less than justice when he said that I had said that the budget was out of control, I said that I did not believe that cash limits were the right way in which to approach the common agricultural policy for reasons with which I am sure the House is familiar. What I did say is that the right way to approach the common agricultural policy is through a prudent price policy. It is not the level of prices that affects the budget one way or another, it is the level of surpluses, the cost of intervention, the cost of disposal. It is the level of surpluses therefore that we have to tackle, and I believe that the best way to do this is not through quotas but through a strict and very prudent price policy. I very much hope that when the Commission's proposals to the Council and the report to the European Council become available, the House will see that we are tackling this problem at its root. That seems to me the key point. It is also true, of course, that there is an inequitable spread. There are, in the present system, greater benefits for the producers of one range of products than for those of others.

I think it is extremely important that we do not compound the errors of the North by making similar errors for the South, but that there is an inequity at the moment is perfectly clear. Again, it seems to me that the best way to tackle that is through a very strict and prudent price policy and by getting rid of surpluses which are now the principal weakness of a policy that is, in itself, one of the great creations of the European Community.

**President.** — We now move on to the next section on development and third countries.

I call Mr Lagorce.

**Mr Lagorce.** — (*F*) Mr President, ladies and gentlemen, for the Socialist Group, development and cooperation policy must look to the future. We cannot be content with dispensing charitable aid to the poorest developing countries; it is essential to pursue a policy of justice in order to avoid serious conflicts which, if nothing is done will sooner or later cause widespread bloodshed.

The implementation of this policy must be based on clearly defined principles, and that is precisely the problem raised by this budget: the Council has failed to define a broad scenario for development and cooperation policy in the future.

The Council has reduced nearly all the proposals put forward by the Commission for the 1979 budget, which the Socialist Group considered by no means excessive. The Commission had proposed to increase the appropriations earmarked for relations with developing countries from 283 million to 428 million EUA. The Council has reduced these proposals to 350 million EUA and this reduction included food aid in

**Lagorce**

cereals, butter oil, rice and sugar, financial and technical aid to non-associated countries and the contribution to non-governmental organizations.

The Socialist Group firmly supports the Committee on Development and Cooperation in its intention to increase its proposals in an attempt to establish the kind of development and cooperation policy which the European Community should be pursuing. Like the committee, it is also in favour of the new prospects opened up by the amendment concerning cooperation in the energy sector.

There are three further points on which the Socialist Group considers the Commission's proposals to be inadequate. The first is cooperation with non-associated countries. My colleague and friend Pieter Dankert has already spoken in detail on this matter and there is therefore no need for me to add anything further.

Secondly, the Socialist Group considers the proposed contribution to the organizations within the North-South dialogue to be too small. 100 000 EUA is just not enough to provide practical help for use most important of these organizations, the Brandt Committee. All the parties concerned have confidence in this committee, whose work has raised great hopes throughout the world: the Community must provide it with the means to bring these hopes to fruition.

Finally, the Socialist Group feels that, in the year devoted to the campaign against apartheid, the Community has a moral obligation to contribute more than a mere symbolic gesture. In particular it should help students, who are unable to obtain full and unbiased information because of the racist regime which persecutes them in an intolerable and blatant violation of human rights. The Socialist Group therefore expects the Community, using the necessary resources which should be entered in this budget, to implement a deliberate policy aimed at reducing as far as is realistic the differences which still exist, and which in many cases are unfortunately tending to increase, between the rich and poor countries. We must not forget that for both historical and human reasons we have obligations towards the poor countries.

**President.** — I call Mr Lahnstein.

**Mr Lahnstein, President-in-Office of the Council.** — Mr President, may I express my sincere thanks to Mr Fletcher-Cooke, who, like some others but with incomparable clarity also introduced the point of view of the ordinary constituent into this debate, since once again I want to talk about the amounts which are being discussed here.

The Commission proposal — and here I am equating that with commitment appropriations — provides for a rate of increase of the 1979 budget over the 1978 one of 15.5 %, which is in effect a very smartly tailored coat made to measure. The Council has cut

this rate down to 8.6 %, and this is certainly a point worth discussing. And we will do so in December. But if I count up Parliament's draft amendments and proposed modifications, I come to a rate of increase in commitment appropriations of 27.5 % over the 1978 budget, and Mr President, ladies and gentlemen, I find it very difficult to translate 27.5 % into the language of gentlemen's coats. Starting from this basis we must try in the next few weeks to reach a compromise and, if I may give my personal views, I can see that today's debate has made me quite confident that we will succeed, as we intended in September.

Now where could we find some pointers for future procedure and compromise? Mr Cointat can reassure himself. Even in the case of compulsory expenditure we in the Council will not simply drop the guillotine equally on good and bad proposals. Even in the case of compulsory expenditure we shall seriously examine individual items. As regards non-compulsory expenditure, may I say to Mr Cointat that, regardless of the individual figures, Parliament's margin for manoeuvre is perhaps rather larger than he seems to assume, and since this was a major factor in his objections I wanted to make this correction here. Presumably we will have to jointly find a new upper limit for payment appropriations and commitment appropriations and, Mr President, a new upper limit naturally does not only mean a new quantitative ceiling but indirectly also involves a definition of priority areas, and in this respect I quite agree with Mr Bangemann's statements this morning. In this sense both parts of the budgetary authority must also set Community policies on their course.

Before I come to some of the ingredients of such a compromise, may I just return for a moment to the revenue side, in which connection the reaction of some speakers was, if not negative, then certainly not positive. In speaking about revenue yesterday, I referred by way of illustration to the family of an industrial worker. I made a mistake, the sum should have been DM 110, and not DM 100. The difference, of course, is not all that great. One thing I must admit I did not understand was the argument, put forward by Mr Aigner, Mr Tugendhat and a few others, that we are simply transferring certain financial burdens when we transfer certain tasks to the Community. This seems to me perhaps too theoretical an approach, and it can work only if one assumes that other levels of the state decision-making process, ranging from the local authority, through the region to the individual state, would be prepared to cut back their own carefully worked-out programmes, a supposition which I regard as rather far removed from reality. Furthermore, such an approach would be acceptable only to — if I may put it in budgetary terms — net beneficiaries; net contributors would at all events have to face an additional bill.

## Lahnstein

But now let us go on to expenditure and to the possibilities of compromise that are emerging. I will not return to the horizontal problems, which we covered yesterday. I shall begin with some individual points concerning the Social Fund.

I think I may say that I have followed the discussion of these points with attentiveness and sympathy. If I have understood the situation correctly, Parliament is restoring the Commission's preliminary draft, and I do not exclude the possibility that at the decisive stage the Council will come closer to Parliament's views on this point. This is because, as has already been mentioned, we have good grounds for hoping that the Council of Ministers responsible for this sector will be able to work out the practical implications of the Bremen Agreement for youth unemployment quickly enough to enable us to take decisions at the final stage of the budgetary procedure. Nevertheless, despite the sympathy and attentiveness with which I have listened to the debates on the social sector, we remain sceptical as regards payment appropriations for the very simple reason referred to already yesterday as well as today: according to the Commission's estimates, Mr President, from this year's budget appropriations totalling something between 150 and 230 million EUA will remain unused.

To pass on immediately to the second central issue, the Regional Fund, you will appreciate that the Council — in this case the Council of Finance Ministers — feels more bound than Parliament by the guidelines adopted by the European Council in December 1977, which is after all less than a year ago. On the other hand we have to take a sober look at the fact that Parliament has proposed a margin extending up to the old ceiling, a margin extending to a new ceiling that would have to be jointly agreed, and it is precisely here that we shall have to make a joint effort to establish priorities, after a hard look at the respective merits. In this connection we clearly recall the statements made by Mr Eyskens. It might perhaps have been a good idea to have quoted these statements here in full.

We remain sceptical about transport infrastructures, not so much on account of the actual objectives — personally I have reservations concerning this Europol, if that is the right name for this remarkable express railway, which may be of greater service to officials, Members of Parliament and journalists than the European public at large — as on account of the procedure, for the reasons set out yesterday. I shall say no more on the matter now.

We also followed with great interest the very far-ranging debate on energy matters.

In one respect I should like to express my firm agreement with Mr Tugendhat. In none of its discussions has the Council ever sought to establish an alternative between coal and nuclear energy in the way suggested

by the debate here between Mr Dalyell and Mr Ellis. We have always seen these two energy sources as complementary, and any disagreement can only be on the matter of emphasis and not of principle. I would remind you that the Council has undertaken to look at the Commission's proposals in October and again in December. I cannot of course at this stage predict the results, just as it would be very difficult today to philosophize about the future of the Joint Research Centre, which has certainly also played a role in this connection. We have a multiannual programme, and in 1979 we shall need a new one. We shall then have Commission proposals, on the basis of which decisions can be taken, also in this House, for the subsequent years.

A final — or rather penultimate — point, which appears to me extremely important, on agricultural expenditure. I cannot just now reconstruct the most impressive calculations presented by Mr Klinker as draftsman of the opinion of the Committee on Agriculture, but I feel I must take up Mr Aigner on his statement last night, which is not entirely without its dangers as far as the Council is concerned. Basically Mr Aigner pointed to the fact that in theory it would be possible to correct certain imbalances between production, marketing and purchasing by doing away with certain imports, notably of animal feedingstuffs. That, at any rate, is the only interpretation I can put on his words. If that is indeed what he meant, then I must emphatically call attention to the Community's difficult situation in the final stage of the Tokyo Round or the GATT negotiations, and it is essential that we bear this precarious balance in mind.

My last point concerns food aid and aid for non-associated developing countries. I betray no secrets when I say that when this question has been discussed in Council, then, just as in this House, differences in emphasis have emerged. All I can say at this stage, is that I shall report what I have heard in this House to the meeting we shall be holding on 18 or 20 November. Having said that, may I add that I look forward to the last round with you in December.

**President.** — I call Mr Bangemann.

**Mr Bangemann, General Rapporteur.** — (D) I should like to reply immediately to what the President of the Council has said. In the first place the manner in which he has summarized his view of this debate seems to me constructive, marking the beginning of a dialogue which we at any rate want to conduct in a spirit of constructive cooperation. However, it might be as well right at the outset to correct a fallacy that has crept into the Council's of reasoning, based as it is on overall rates of increase. We all know, and the President of the Council no less than ourselves, that a comparison of these overall figures is invariably set up in the same way and is just as invariably misleading.

## Bangemann

What we should really do, if we want to look at the increase in the budget in terms of Bremen and Bonn or — if you like — in terms of a policy for the future is to put to one side all those existing policies whose parameters are fixed beforehand. If I may be allowed to draw a new kind of distinction between non-compulsory and compulsory expenditure, then I would say that for us here the rate of increase in compulsory expenditure has no great significance, unless it be a negative one. We have reason to be indignant at the fact that our margin for manoeuvre is being increasingly eroded by the growth in compulsory expenditure. This is clearly illustrated in the letter of amendment, which referred essentially to compulsory expenditure. This is also illustrated very clearly by the imbalance — I am not sure, but I think it was Mr Pisoni who referred to it — between structural policy and price policy in agriculture; the largest increases are found in the price policy, whereas structural policy even suffers a decline in expenditure.

I am of course also aware that in some sectors — and that has undoubtedly now been shown to the President of the Council — two-figure rates of increase in non-compulsory expenditure have been noted.

### *(Mixed reactions)*

I am well acquainted with all the non-papers which you have just examined. But all that does not get us any further, for what we have to do for once is to make the attempt — and there I am in full agreement with you — to establish the priorities that we both want. Once we have done that, in other words once we have set our targets in social policy, in regional policy and in some other policies, then at the end of the day the rate of increase arrived at is fundamentally no more than an accounting result, and certainly no longer the central point of a political debate. We cannot conduct a debate on the budget by saying: Ladies and gentlemen, be reasonable, you cannot propose an increase of 20 %! The 29.5 % increase over 1978 which we are proposing — in relation to the preliminary draft the increase amounts to only 10.7 % — relates exclusively to commitment appropriations. The President of the Council is well aware that we arrived at that result by a logical process dictated by the need to increase the Regional Fund's endowment in commitment appropriations, so that money can be spent.

It makes no sense if the European Council says that in three years we want to allocate such and such a sum of money for this purpose — 'allocation' must be understood to mean 'expenditure' — and afterwards criticizes the measures that have to be taken to enable the money actually to be spent. In the case of commitment appropriations I would have preferred to see a rate of increase perhaps somewhat higher than that applicable to payment appropriations, but not about double the increase in payment appropriations. There

you are right. But this results from the rate of spending in the regional policy sector, and that is why we have to act in this way, and that is also the explanation for the increase in commitment appropriations.

A final comment, for I will not anticipate the debate on which we shall have to embark in the months ahead. I just want to repeat once again that I see in what you have said the seeds of a fruitful debate. It may also perhaps be better not to go into these calculations involving value-added tax. It is really not all that important whether you arrive at DM 100 or 110. Such calculations tend to lead one astray, just as the President of the Council was led astray when he talked of the distinction between net contributors and net beneficiaries. It is precisely the purpose behind the introduction of self-financing from a proportion of the value-added tax that we should forget the terms 'net contributors' and 'net beneficiaries'. These terms must no longer arise. For we have abandoned the system of contributions and gone over to a system of own resources. It is the Community that is being financed, and there are no longer any net beneficiaries or net contributors. And I repeat once more what I said yesterday — for it is so typical for people to think in terms of national quotas, net contributors, net beneficiaries; the things people said on agricultural policy; it is not incorrect to say that the north makes a profit whilst the south gets nothing out of it — all these are arguments that are fundamentally un-European. We are a Community, and we must produce a balance between the advantages and disadvantages and inhabitants of this Community, and for that reason we should avoid such comparisons. I say this with the greatest possible emphasis, for I want this budget to mark a fresh beginning in these discussions. And I did find signs of such a fresh beginning in the speech of the President of the Council at the Point where he said that we should get together and ask ourselves which were the new policy sectors in which, jointly with the Commission, we should take action. That is the right way to go about it. These comparisons of figures, rates of increase, advantages or disadvantages of the budget for one party or another, all such talk will not get us very far. It is perhaps something that one can think about quietly on one's own, and it is no doubt useful to establish whether one has drawn profit from the Community or not, because in many cases the situation is so completely distorted. Speaking in very general terms, I find that those who today believe that they are beneficiaries under the Community are in most cases, when one looks into the matter thoroughly, the ones who actually pay, whilst those who think of themselves as the paymasters are in fact the greatest beneficiaries under the whole enterprise. I say this quite deliberately as a German, for in my own country it is constantly suggested that we finance the Community. In actual fact, the reverse is true, as we all know, and we should, Mr President, help to destroy such myths and prejudices concerning Europe, since in the final analysis it is they which discredit the Community.

**Bangemann**

We need enough solidarity to withstand a certain lack of financial equilibrium. But we also need enough solidarity to enable us in the end to eliminate such financial imbalances.

**President.** — I call Mr Tugendhat.

**Mr Tugendhat, Member of the Commission.** — Mr President, I said in my opening speech that the difference in the figures between the Parliament and the Council was very large and that I hoped we would be able to proceed to the next stages of the budgetary procedure in a spirit of dialogue and with a genuine desire to reconcile positions.

Certainly, for my part, after listening to the President-in-Office and Mr Bangemann, I am quite sure that that is the spirit in which the two institutions are moving, and I would like to congratulate the President-in-Office on his approach which, I am sure, does provide plenty of scope for reaching the compromise which every body has spoken about. As far as Mr Bangemann is concerned, I felt that what he said at the end of his short remarks about German people was not only true in the German context but also in most of our Community countries. That paradox and that dichotomy exists in most of our Community, countries and if more people were able to make and understand the point that he was making, I think the Community would be a much happier and a much better-run place.

To conclude, Mr President, it seems to be clearly accepted now on both sides that though the maximum rate and margin of manoeuvre must maintain their full legal validity, there is a clear willingness, a clear desire, to try to find policies which are justifiable in themselves and provide a basis on which the Community can advance.

**President.** — We now move on to the motion for a resolution.

I call Mr Spinelli.

**Mr Spinelli.** — (I) Mr President, although various points in the motion for a resolution need to be given greater emphasis, in view of the proposed amendments tabled by the Socialist Group, the majority of the Communists and Allies Group will support those amendments because they provide a clearer definition, in political terms, of Parliament's position on the budget.

Secondly, I wish to table an amendment concerning the institutional points in the resolution, in other words paragraphs 42 and 43. We believe that, without a serious discussion of the institutional future of the Community on the eve of elections, we cannot commit ourselves to any one formula for institutional development. While supporting Mr Bangemann's proposals concerning objectives of an institutional nature, we request the deletion of paragraphs 42 and 43.

My third observation concerns the decision, contained in the motion for a resolution, to send the amended draft of the budget to the Council after its adoption. We should postpone this decision until we are able to establish whether the amendments have been adopted or rejected, as only then can we decide whether we should vote in favour of or against the budget, or whether we should abstain.

**President.** — I call Mr Osborn.

**Mr Osborn.** — Mr President, I wish to speak specifically to Mr Bangemann's amendment on primary energy dealing with 100m EUA and to support his proposals. But first I welcome Mr Tugendhat's wish, and Mr Bangemann's wish, after a very interesting debate, that the normal dialogue should take place. I would only reiterate, I very much hope that in this dialogue — and I refer particularly to the Council — they will not hesitate to apply national solution where a national solution can be found to problems. But where Community solutions are called for, and would suggest that in dealing with the energy crisis Community solution are best applied, they should look for Community solution to these problems.

Now in his resolution Mr Bangemann refers to the reduction in the dependence on imports the encouragement of alternative sources of energy, and pushing through a conservation programme. This debate as much as the Community, is obviously a forum where, shall we say, the independence of national expenditure must be balanced with the demands of collective expenditure by the Community and, I think, the strategic need to build up a strategic independence in a world in which the Community, the developed countries and the western countries are so dependent on other countries, many of which were part of European empires or colonial territories, are now independent or developing countries. There is a growing interdependence between the Community in the Third World, and those who were here for the ACP-CEE Consultative Assembly witnessed this.

In each budget the Community tries to look at its problems as a whole and our rapporteur and spokesman have done this again. In Strasbourg last month I referred to agricultural research. In feeding ourselves, instead of being too dependent on other countries, there is an opportunity of evening out regional imbalances improving the balance of payments. I certainly would wish to leave this to agricultural spokesmen at this time. Perhaps and I will not dwell on this too much, there is dependence on the Third World for materials, and the EEC is strategically vulnerable to the vagaries of the Third World. Last year I raised a question about Africa threatening the supplies of chromium and vanadium, and only yesterday I met a group of embarrassed industrialists from Britain, who

## Osborn

are concerned about the result of Kolwezi, namely the absence of cobalt, so vital for our electricity, magnet, and special steel industries. This gives an illustration of the interdependence.

Therefore because Mr Bangemann, in the third field — I have touched on food and materials — has put forward this amendment on energy, I wish to speak and express my own views, a Conservative view, and an energy and research view, with respect to Mr Dalyell who is the rapporteur. I attended a meeting of the Fellowship of Engineers, addressed by Sheikh Yamani, in the Guildhall, London, last week. He reminded British engineers that Britain was now an oil exporting country, and that a rise in price should not worry Britain, as it would improve Britain's balance of payments. In a Conservative seminar in Aberdeen this summer, I reminded my audience that the United Kingdom, and certainly Scotland, could be in a position to be energy exporters to the Community, and perhaps beyond. Now I am expressing a personal view. I think this balances the fact that Britain needs to import materials from throughout the world and food from the Community and the rest of the world. And if I have spoken as a Member of a British Parliament in saying this, as a Member of the European Parliament I am convinced that Europe's energy problem must be looked at as a whole. That is why I recommend this amendment put forward by our rapporteur.

What is essential is that, in the most economic way possible, the Community should advance in the matter of energy on all fronts — hydrocarbons, liquid hydrocarbons, North Sea oil (because we have got it), coal, hydroelectric and tidal power, nuclear (including the fast breeder), fusion which is long-term, solar, wave and maybe other sources. Mr Noë outlined the work being done at Ispra and the use of hydrogen as an alternative energy carrier and talked about electricity and hydrogen being the energy carriers. This is the front towards which we should move forward.

On page 88, paragraph 263, in the English version, Mr Bangemann reminded us that between 1976 and 1985 the Community expenditure may be about 2 000 million units of account, but the combined national expenditures should be of the order of 228 000 million units of account. That is a collective Community expenditure on energy of 0.9 %. Now, Mr President-in-Office, I would ask you, when your Council of Ministers meets to discuss this, to look at the total Community endeavour in national parliaments and realize how little the energy and research programme, and particularly the energy programme, is spending collectively on a Community basis.

My colleague, Mr Fletcher-Cooke, pointed out in his very excellent speech, which you referred to, that Conservatives are reluctant to increase public expenditure. I will discuss with him privately the suggestion

that I would like to see the transfer of expenditure from the national governments to the Community particularly in this field of energy. And I would go along with Mr Fletcher-Cooke: that means a reduction in national expenditure — in your country, Mr President, and certainly in the United Kingdom — and greater, not additional, collective expenditure. So perhaps Mr Fletcher-Cooke and I can be said to agree, although his emphasis might have implied the latter, but I will read his speech with very great care.

Now, Mr President, last week I was in Pontefract. There is a by-election there. It is in a mining area. And I brought away with me a copy of the 'Yorkshire Miner'. A four-day week now, with a cartoon implying that those who were not miners live rather well at the expense of the miners. Perhaps this is not an encouragement to spend more money on financing coal stocks, the transfer to electricity generation from coal and the proposals for greater intra-Community expenditure on coal.

The Committee on Energy and Research did not think it was right to put these items in Chapter 32 at the time. Mr Bangemann was present — I leave it to the rapporteur and the chairman of the committee to endorse this. The Conservatives voted against its inclusion in Chapter 32, but I listened to the very fine promise by the President-in-Office that in October and November the Council will look at these items again. And if I was doubtful before this debate whether I was right in supporting this particular amendment of 100 million EUA in Chapter 100, I certainly do so personally and, I believe, on behalf of the Group, although it is very difficult to allocate expenditure when you do not know the outcome of a decision of the Council of Ministers. Therefore, Mr Bangemann, the rapporteur, does have our support at this stage, although of course there are doubts as to whether he should have it, because it is a difficult field and one where the dialogue must continue. We must allocate expenditure where it is needed.

Finally, I think one of the most important remarks came at the end of the debate. In Britain, Germany and in other countries, our people feel they are financing other Member States at their expense. I very much hope the rapporteur and the Council of Ministers will get at the truth and let the people of Germany, France and Britain know what they are receiving and what they are giving to their fellow countrymen before the final budget is put forward. With those remarks I would support the rapporteur on his particular suggestion.

**President.** — I call Mr Porcu.

**Mr Porcu.** — (F) Mr President, ladies and gentlemen, Commissioners, in my speech on the motion for a resolution now before us I intend to concentrate on the aspects which characterize the Community budget for the 1979 financial year.



## Porcu

To a greater extent than in previous years it reflects the guidelines implemented by the Commission. What does this mean? I means that, as in the past, agriculture accounts for the largest section of the budget due to the fact that the common agricultural policy is the only fully integrated policy. I shall come back to the agricultural section later in my speech.

However, a fundamental idea which characterizes the whole budget is its role in the restructuring of Community industry. The aim — clearly put forward in documents published by the Commission — is to contribute towards the redeployment of capital within the Community and its expatriation outside the Community. This is true not only of funds allocated to industrial policy but also of the Social and Regional Funds, and appropriations intended for energy policy and for cooperation.

From this point of view there has been an attempt to achieve some degree of consistency in the budget but it is a consistency suited to the major interest groups who are withdrawing from insufficiently profitable sectors and seeking to penetrate smaller sectors where the current profit potential seems satisfactory.

I might add that no one can tell whether a sector which today seems to be a growth sector might not tomorrow also be in difficulties. What might happen to the car industry, for example? Hence the Community budget does not reflect a deliberate policy but big business strategy, and in particular the consequences of fierce competition and the inability to keep production going in a growing number of sectors.

Given this situation, it is difficult to know exactly how Community funds will be used. For example, I asked the Commission what happened to the Community contribution of Bfrs 15 000 million, allocated for the construction of a steel-works at Neuves-Maisons in the French Meurthe-et-Moselle department. According to the owners, this factory, 90 % of which has already been constructed, will not be finished. In more general terms, the Community budget, which should contribute towards economic and social progress, is an unseeing budget, guided only by the short-term interests of the big monopolies. Let me give you a few examples.

First of all, regional policy. The purpose of regional policy is to help the least developed regions of the Community, so that they can survive and develop. Moreover, one of the objectives of the Treaty of Rome was to reduce regional disparities. It is therefore surprising to read in the general introduction by the Commission to the preliminary draft general budget:

The European Regional Development Fund will be able to contribute towards specific regional development schemes designed, in particular, to counteract regional structural problems arising from the implementation of Community policies.

How can we claim to be shaping a regional policy while at the same time adopting guidelines which merely worsen the crisis in many regions?

What about social policy? Here too, we find the same contradictions in the document I have just quoted. On the one hand it states that the present situation on the labour market is not going to change — which means higher unemployment — while on the other hand it establishes the return to full employment as the principal objective.

These are no more than pious words, since the purpose of the Social Fund is simply to promote geographical and occupational mobility. Isn't this just another way of facilitating restructuring projects, which lead to tens of thousands of redundancies? Part of the Fund's appropriations are of course allocated to the campaign against unemployment among young people but, as my friend Mr Lemoine pointed out during the debate on this matter, it can only make a minimal contribution given the increasing scale of this type of unemployment. Young people will not agree to act as an alibi, for whatever purpose.

I would also point out that part of the Social Fund's appropriations are allocated directly to financing restructuring investments. Surely the purpose of a social fund is, rather, to deal with the most urgent problems, to help those suffering extreme hardship?

As regards industrial policy as such, the basic idea is that Community funds should be used selectively in a number of sectors, particularly those affected by Community plans: the steel, textile and shipyard sectors. The aim is to provide the trusts which dominate these sectors with public funds in which multinational finance supplements national finance.

This idea is dangerous for several reasons. It means the removal of democratic control by the national parliaments over the use of funds which merely lead to an increase in the destruction of equipment and in the number of redundancies. We regret the fact that the Commission's proposals go beyond the Council's recommendations; they reflect the extent to which the desire to take some of the responsibility away from the Member States is connected with the negative guidelines which have been adopted. It is this attitude which we reject.

I should now like to say a few words about the largest section of the budget, which concerns agriculture, and to do so I must describe the situation in this sector. Mr Gundelach told us the other day during a debate on milk that the alarm had been sounded and that, unless family farms were rescued, a rural exodus was certain.

We support this view and yet the common agricultural policy is now following the opposite course: 330 000 small farmers and 237 000 cattle farms have gone out of business over the last two years!



## Porcu

The projects proposed for the milk, sheepmeat and pigmeat sectors will exacerbate this situation and yet it is within this context that the European agricultural budget is to intervene. But what is the point of the various measures taken by the Community, if there is no attempt to control production costs upstream or downstream of the producer?

The Member States and the European authorities have always refused to control the dealings of the multinationals which dominate the fertilizer and agricultural machinery sectors and fix their selling prices, or to control the activities of the major banks, which are now taking a hand in the marketing of agricultural products.

After a brief period in the producers' pockets Community money therefore frequently ends up in the safes of large companies. Moreover, in the dairy and meat sectors the agricultural budget actually translates into reality the threat of a reduction in the guarantees provided to producers; this we cannot accept.

And then there are the plans to enlarge the Common Market. Under present circumstances enlargement would not only involve vast financial cost but would also mean that many southern regions, particularly in France, would be neglected. Yet numerous appropriations in the budget are allocated for this purpose. How can we support irrigation measures and measures to protect against floods in Corsica or in the Hérault, when their express aim is to prepare these regions for enlargement, or in other words to place them in a hopeless situation?

There is no point in trying to solve social problems, such as growing unemployment and the rural exodus, through the budget if the Community policies now being pursued actually cause those problems. The aim of the agricultural budget should be to guarantee prices to our producers, to defend small farms and protect Community farmers in general, and to do so it requires a different kind of consistency. The budget in no way reflects the desire to achieve these aims.

I should like to close with a few remarks on the appropriations allocated by the Commission to the information campaign on the Community institutions prior to direct elections. It is important that this campaign should confine itself strictly to information. Each political group views the construction of Europe in a different light; our concept of a Europe of workers, democracy, social progress and peace, is unique within this Assembly.

Hence the information campaign must not be used as a cover for presenting a one-sided picture of the construction of Europe. The utilization of the funds allocated for this campaign should therefore be subject to control by the parliamentarians in each country to ensure that the principle of objectivity is respected and that the campaign confines itself to information. This is the only way to ensure that the

utilization of these resources is not subject to political pressure, which would divert the campaign from its intended objectives.

My colleagues in the French National Assembly therefore intend to submit a proposal in the next few days for the setting up of a French parliamentary committee responsible for controlling the use of these funds in France. This can only help the transparency of the election campaign.

## IN THE CHAIR : MR BERKHOUWER

*Vice-President*

**President.** — I call Mr Bangemann.

**Mr Bangemann, general rapporteur.** — (D) Mr President, at the end of this debate I should like to thank Members, the Commission and the Council for taking part and for their reaction to the proposals of the Committee on Budgets. We do, of course — and in saying this I am thinking of Mr Spinelli and the Socialist Group's amendments to the motion for a resolution — still have to discuss these matters at the meeting of the Committee on Budgets this evening before we can say anything final, but some of these amendments have already been dealt with in the committee and rejected, so that the motion now before you represents the majority view of the Committee on Budgets.

May I comment on two further points which I left out before, because I wanted to wait until I could react to what the President of the Council said. The first point concerns the special energy reserve which we have proposed. The chairman of the Committee on Budgets was not present because he had to be at a Bureau meeting and I therefore made a note of this matter. There are one or two things I should now like to say about it.

This energy reserve is not intended exclusively for particular types of energy. This has been made quite clear in the relevant justification. All those Members, therefore, who believe that we have simply created a fallback position for the three ideas put forward by the Commission on coal policy are wrong. The reserve is also intended for types of energy unrelated to the use or the facilitation of the use of coal. Nor have any provisions already been made or decisions taken as to how this reserve can be used, although since it is contained in Chapter 100 it will be possible to decide, in agreement with the Commission, Council and of course the Energy Committee of this House, whether the utilization of these funds meets the requirements laid down. In other words, we should not regard this energy reserve now as being too inflexible, nor believe that it in some way pre-empts a later decision, but should regard it rather as giving us some financial

**Bangemann**

room for manoeuvre in the event that we should all be able to agree to a specific proposal.

Second point: I do not really want to go into what Mr Porcu said, since, after all, in the countries in which his political ideas have been implemented, one finds thousands of family-run agricultural smallholdings which, because they are in no way threatened by large undertakings, since small and medium-sized industry takes care of everything, provide an exemplary picture of capitalist life.

*(Laughter)*

Well, I cannot help thinking that this criticism perhaps deserves some correction in the light of the whole debate. It might have helped you, Mr Porcu, in your summing up of the debate, if you had actually attended it, as your colleague Mr Spinelli did.

In conclusion, let me refer to one important general matter. This concerns loans policy and the question of how we should include the results of the concertation, once we have them, in our budgetary discussion. It could be that I have been too optimistic; Mr Lahnstein reprimanded me with respect to the wording — no, he did not reprimand me, he knows that the Executive has a great many rights, but not the right to reprimand a member of Parliament, so let us say he suggested to me — that I had been somewhat too optimistic in what I said. I have reread what I wrote and compared it to a communication which reached us at the last meeting of the Committee on Budgets and I believe that we can still find agreement between the two. We should at least make a serious attempt to reach a conclusion on this specific issue of the Ortolí facility, as well as on the loans policy as such, before we conclude our discussions on the budget, because that would give us the unique opportunity, Mr President-in-Office, to get away from the discussion of percentages, regardless of what the solution looks like. Even you, on the basis of your present ideas, intend to spend an additional thousand million. You intend to do it by taking up loans and passing these loans on, but that nevertheless means an extra thousand million for Community policies. If you compare that with the increases which we are planning you will find that our increases, which you certainly will not reject *in toto* come to less than that amount. What then will happen if we actually did come to an agreement on this one thousand million, plus increases? I simply hold this up — how shall I put it — as a beacon whose light we can follow on our way and which, if we reach it together, could really take us a long way from this somewhat unfruitful discussion.

At the end of this debate, Mr President, I have nothing further to say except that, tomorrow, we shall see what attitude Parliament adopts. This will be the attitude of Parliament, in other words we are at the beginning of our attempt to find common ground. After the Commission, with its preliminary draft,

showed its hand, after the Council, with its draft budget, had made its political position known, it is now up to us to make our contribution to this 'trialogue' — if I may disregard our budgetary powers for once and put it like that. I do not think we shall have any other choice in the decision we take on the budget tomorrow then to firmly reiterate all the various decisions which we have already taken during the course of the year. This budget must be an expression of the Community's *problems*, and not only of its hopes for the future, because otherwise it would become all too easy to regard the whole exercise as somewhat theoretical. No, the budget must reflect the Community's problems, and that should be our aim. If we make this quite clear during this debate we shall have a good starting point for our dialogue with the Council.

**President.** — I call Mr Lange.

**Mr Lange, chairman of the Committee on Budgets.** — (D) Mr President, I hope you will still have the patience to listen to me, even though Mr Bangemann, as rapporteur, has already made his closing remarks.

To anticipate slightly, the various words of thanks which have been expressed during this debate to everyone involved will be repeated again tomorrow after the vote.

What I want to say now in this. In March and April this year Parliament laid down political guidelines which it has followed in connection with the drafting of the 1979 budget. These guidelines were forwarded to the Commission and the Council. What Parliament decides tomorrow is, therefore, a reflection of Parliament's views. You may judge things as you wish, Mr Council President, but you have no choice but to regard them as the expression of the political will of this House. However — and this is something I am prepared to say — this Parliament cannot continually ask for things from the Council and the Commission without itself putting forward policies in the various sectors which it regards as being of vital importance for the future development of the Community. We, and in particular the committees, cannot simply enter this or that amount on this or that line accompanied by a more or less appropriate justification, but must at the same time also provide a basis for the Commission's legislative proposals; under the Treaty, the Commission is alone empowered to propose laws. The Council decides on them; position into account or, for good reason and sometime for less good reason, they take no account of them.

What this means, then — and this is directed at ourselves — is that, whatever decision we may reach here tomorrow, it really must reflect the policy which each individual committee would like to see followed and has given expression to in the size of the appropriations entered. This must be the next step taken by

## Lange

this Parliament in the various sectors, so that Parliament's will, as reflected in its detailed decisions, can be clearly seen by Council and Commission. After all, we must finally stop doing nothing but criticize Commission or Council. If this Parliament can already start regarding itself as the European body with a stronger European commitment than the Council, which generally seeks the lowest common national denominator in reaching its decisions and which could perhaps go somewhat further than the proposed submitted to it by the Commission — proposals often tempered by what the Commission feels the Council might agree to — then this Parliament would start playing its part in a manner worthy of it. Once again, then, this word of necessary self-criticism: let us make our proposals sufficiently detailed so that both Council and Commission can, eventually, really make some practical sense of them. This, I think, would help us make a good deal of progress. I should also like to make a second point. Mr Council President, during the general debate you made a comment on the subject of loans policy which took me aback somewhat. The agreement on loans policy was reached on the basis of a text forwarded to Parliament by the President-in-Office, the German Finance Minister Mr Matthöfer. If this text had not been so crystal clear to this Parliament and its representatives — the original text was in German, and I do, after all, understand a bit of German and can interpret it — the concertation meeting on the loans issue would certainly not have finished last week in the way it did. I say this, Mr Council President, in the hope of persuading you to reconsider this matter very carefully; otherwise I should have to say that we ourselves could no longer put any trust in Council documents, and that would be a great pity. At the moment, at any rate, we still put enough trust in what is given to us in writing that we can at least base our decisions on it; I would suggest, Mr Council President, that you try not to determine this trust by calling such texts into question, as you did by implication yesterday afternoon or

yesterday evening. I would therefore be very grateful if nothing were called into question here and the agreement could be accepted by the Council as it has been accepted by Parliament. There is one further request I have to add, and that is that the Council should do all in its power to meet the conditions for the 1979 budget by accepting the additions to the financial regulation on the basis of the Commission's proposals. Parliament has already accepted them and has passed them on to you with an appropriate recommendation so that, on this basis, the 1979 budget can really be drawn up in the manner already recommended by Parliament. Mr President and Mr Council President, what you now have on the table is, more or less, the expression of Parliament's political will, and you would be very wise not to become so tangled up in your own dogmatism that you end up simply rejecting it.

President. — The debate is closed.

#### 6. Agenda for next sitting

President. — The next sitting will be held tomorrow, Wednesday, 25 October 1978, at 9.30 a.m. with the following agenda:

- Introduction and discussion of supplementary reports by the Committee on Budgets  
10.00 a.m.
- Vote on the motion for a resolution contained in the Yeats report on the amendment of the Rules of Procedure of the European Parliament
- Votes on:
  - Sections I, II, IV and V of the draft general budget for 1979 and the corresponding draft amendments
  - Section III of the draft general budget for 1979 and the corresponding draft amendments and proposed modifications
  - The motions for resolutions contained in the Ripamonti and Bangemann reports

The sitting is closed.

*(The sitting was closed at 4.40 p.m.)*

## SITTING OF WEDNESDAY, 25 OCTOBER 1978

## Contents

1. Approval of the minutes . . . . .	87		
2. Verification of credentials . . . . .	87		
3. Documents received . . . . .	87		
4. Texts of treaties forwarded by the Council . . . . .	87		
5. General budget of the European Communities for 1979 (continuation and conclusion of debate):			
Mr Ripamonti, rapporteur . . . . .	87		
Mr Bangemann, general rapporteur . . . . .	88		
6. Amendment of the Rules of Procedure of the European Parliament — Report by Mr Yeats on behalf of the Committee on the Rules of Procedure and Petitions (Doc. 538/77) — (Vote):			
Amendments to Rule 12:			
Mr Yeats, rapporteur . . . . .	89		
Amendment to Rule 23:			
Mr Yeats . . . . .	89		
Amendment to Rule 23A:			
Mr Yeats . . . . .	89		
Adoption of the resolution . . . . .	90		
7. General budget of the European Communities for 1979 (Vote):			
— Section I: Parliament . . . . .	90		
— Section II: Council . . . . .	91		
— Section IV: Court of Justice . . . . .	91		
— Section V: Court of Auditors . . . . .	91		
— Section III: Commission . . . . .	91		
— Motion for a resolution contained in the report by Mr Bangemann concerning Section III (Doc. 400/78):			
Amendment after the preamble:			
Mr Bangemann, general rapporteur . . . . .	108		
Amendment to paragraph 26:			
Mr Bangemann . . . . .	108		
Amendment to paragraph 27:			
Mr Bangemann . . . . .	109		
Adoption of the resolution . . . . .	109		
— Motion for a resolution contained in the report by Mr Ripamonti on Section I (Doc. 413/78):			
Amendment after the preamble:			
Mr Ripamonti, rapporteur . . . . .	110		
Adoption of the resolution . . . . .	110		
— Motion for a resolution contained in the report by Mr Ripamonti on Section II (Doc. 394/78):			
Mr Ripamonti, rapporteur . . . . .	110		
Adoption of the resolution . . . . .	110		
— Adoption of the resolution contained in the report by Mr Ripamonti concerning Section IV (Doc. 395/78) . . . . .	110		
— Adoption of the resolution contained in the report by Mr Ripamonti concerning Section V (Doc. 396/78) . . . . .	110		
8. Membership of committees . . . . .	110		
9. Dates of the next part-session . . . . .	110		
10. Approval of the minutes . . . . .	110		
11. Adjournment of the session . . . . .	110		

## IN THE CHAIR : MR COLOMBO

*(The sitting opened at 9.50 a.m.)*

**President.** — The sitting is open.

*1. Approval of the minutes*

**President.** — The minutes of proceedings of yesterday's sitting have been distributed.

Since there are no objections, the minutes are approved.

*2. Verification of credentials*

**President.** — At its meeting of 24 October last the Bureau verified the credentials of Mr Fosset whose appointment was announced on 23 October 1978. Pursuant to Rule 3 (1) of the Rules of Procedure, the Bureau has made sure that this appointment complies with the provisions of the Treaties. It therefore asks the House to ratify this appointment. Since there are no objections, the appointment is ratified.

*3. Documents received*

**President.** — I have received :

(a) from the Council, a request for an opinion on :

- the proposal from the Commission of the European Communities to the Council for a regulation on the granting of aid by the European Agricultural Guidance and Guarantee Fund, Guidance Section, in 1978 and 1979 pursuant to Regulation No 17/64/EEC and to Council Directive 77/391/EEC (Doc. 407/78);
- this has been referred to the Committee on Agriculture as the committee responsible and to the Committee on Budgets for its opinion;

(b) from the parliamentary committees, the following reports :

- report by Mrs Squarcialupi, on behalf of the Committee on the Environment, Public Health and Consumer Protection, on the proposal from the Commission of the European Communities to the Council for a directive on the protection of ground water against pollution caused by certain dangerous substances (Doc. 403/78);
- report by Mr Willi Müller, on behalf of the Committee on the Environment, Public Health and Consumer Protection, on the relationship between producer price, middlemen's profit margins and the final selling prices to consumers of agricultural products (Doc. 404/78);
- report by Mr Inchauspé, on behalf of the Committee on External Economic Relations, on the proposal from the Commission of the European Communities to the Council for a regulation on temporary importation arrangements (Doc. 405/78);

- report by Mr Ney, on behalf of the Committee on the Environment, Public Health and Consumer Protection, on the proposal from the Commission of the European Communities to the Council for a decision adopting a second research and development programme of the European Economic Community in the sector of medical and public health research consisting of five multiannual concerted projects (Doc. 406/78);

- report by Mr De Clercq, on behalf of the Committee on External Economic Relations, on the present state of economic and trade relations between the Community and Yugoslavia (Doc. 408/78);

- report by Mr Ripamonti, on behalf of the Committee on Budgets, on the amendments to the estimates of revenue and expenditure of the European Parliament for the 1979 financial year (Section I of the draft general budget of the European Communities) — (Doc. 413/78);

*4. Texts of treaties forwarded by the Council*

**President.** — I have received from the Council a certified true copy of the agreement, in the form of an exchange of letters, between the European Economic Community and the Republic of India on the guaranteed prices for cane sugar for 1978/1979.

This document will be deposited in Parliament's archives.

*5. General budget of the European Communities for 1979 (continuation and conclusion of debate)*

**President.** — The next item is the supplementary reports by the Committee on Budgets on the draft general budget of the European Communities for 1979.

I call Mr Ripamonti to introduce his report (Doc. 413/78) on the amendments to the estimates of revenue and expenditure of the European Parliament for the 1979 financial year (Section I of the draft general budget of the European Communities).

**Mr Ripamonti, rapporteur.** — (1) Mr President, the procedure for drawing up Parliament's establishment plan and the integration of the appropriations of the draft budget approved during the June part-session was concluded yesterday in the meetings of the enlarged Bureau and the Committee on Budgets.

The Bureau agreed that it would be useful to examine the proposed increases contained in the 1979 draft budget in two stages. The first phase will be concerned with Parliament's activity in its present form over the period leading up to the installation of the directly-elected Parliament. A supplementary budget will then be adopted early next year to deal with issues relating to the functioning of the new Parliament elected by direct universal suffrage.

**Ripamonti**

Turning to the establishment plan, this will be increased by the creation of 93 permanent B, C and D posts as set out in the amendment tabled by the Committee on Budgets. The Committee on Budgets proposes that these posts should be frozen, whilst the Bureau takes a different view. This is a matter on which the Assembly will have to decide. These 93 extra posts will mean that the payment appropriations will rise by 1 513 460 EUA and revenue will increase by 1 340 410 EUA.

Support was given to the proposal contained in Amendment No 309, tabled by the Socialist, Christian-Democratic, Liberal and Democratic, European Progressive Democrats' and Communist and Allies Groups for increase in the establishment plan for the groups.

On the other hand, the Committee on Budgets came out against creating a translation section in Brussels to serve the political groups. The Bureau, however, supported this proposal.

Mr Bertrand's proposal to increase the staff of the Political Affairs Committee was not upheld, since this question will have to be settled as part of the supplementary budget.

As far as expenditure is concerned, the Committee on Budgets supported the amendment tabled by the Christian-Democratic Group aiming to carry over once again the appropriations for television equipment amounting to 1 250 000 units of account and also another proposal from the Christian-Democratic Group concerning an amount of 300 000 units of account to set up an objective publicity campaign for the elections.

Support was also given to the amendment tabled by Mr Fellermaier on behalf of the Socialist Group and Mr Pintat on behalf of the Liberal and Democratic Group to increase Article 1001 by 2 000 000 EUA to a total of 13 132 000 EUA, of which 7 576 000 would be available to the political groups. The Bureau delivered a favourable opinion on this amendment. These appropriations would be increased to enable the political groups to conduct an integrated publicity campaign for the elections.

The Committee on Budgets did not support Amendment No 158 by Mr Pintat which would have created two prizes totalling 30 000 EUA to be given to two local authorities which had actively participated in the electoral campaign since the association of European Municipalities is already doing something in this field and is receiving grants of Community funds.

In accordance with the line which has been adopted, the amendments aiming to increase the amount set aside for Members' travelling and living expenses because of the increase in numbers from 198 to 410 MPs were withdrawn. Also withdrawn was the amendment increasing the appropriations for the groups on account of the larger number of Members, and the

appropriation for furnishing the buildings and meeting increased running costs will be held over until the supplementary budget. On this point, I think that there will certainly be difficulties in having the offices furnished and equipped in time.

I therefore propose, Mr President, to support the amendments proposed by the Committee on Budgets and the amendments on which I have expressed a favourable opinion on its behalf, taking account of the decisions taken by the enlarged Bureau.

**President.** — I call Mr Bangemann.

**Mr Bangemann, general rapporteur.** — (D) Mr President, another 21 amendments have been tabled by individual Members and the groups to the individual items of the budget and 8 amendments to the motion for a resolution. The Committee on Budgets has discussed these amendments and reached a decision on them. I shall inform you and the House of the results of its deliberations when, Mr President, you call the individual amendments to the vote.

**President.** — The debate is closed.

#### *6. Amendment of the Rules of Procedure of the European Parliament (Vote)*

**President.** — The next item is the vote on the motion for a resolution contained in the report by Mr Yeats (Doc. 538/77) on behalf of the Committee on the Rules of Procedure and Petitions on amendment of the Rules of Procedure of the European Parliament.

I would remind you that, pursuant to Rule 54 of the Rules of Procedure, motions for resolutions amending these rules may be adopted only if they secure the votes of a majority of the Members of Parliament. Before considering the motion for a resolution, we must vote on the amendments to the text of the Rules of Procedure.

We shall begin with Rule 7.

I put to the vote the amendment to paragraph 1.

Paragraph 1 thus amended is adopted.

I put to the vote the amendment to paragraph 4.

Paragraph 4 thus amended is adopted.

I put to the vote the amendment to paragraph 5.

Paragraph 5 thus amended is adopted.

We shall now consider rule 12.

I put to the vote the amendment to paragraph 1 consisting in the addition of a new subparagraph.

Paragraph 1 thus amended is adopted.

On paragraph 2 I have two amendments :

- the amendment tabled by the Committee on Rules of Procedure and Petitions
- Amendment No 3 tabled by Mr Hamilton, Mr Lemp and Mr W. Müller seeking to amend the

**President**

second sentence of the text proposed by the committee responsible as follows :

Any such proposals must be received by the President together with a justification not later than 2 p.m. on the last working day before the first day of the part-session.

What is Mr Yeats' opinion ?

**Mr Yeats, rapporteur.** — Mr President, I have very considerable sympathy with this amendment. The effect of it, however, would be that no amendment could be submitted after 2 p.m. on the previous Friday. Many of the groups meet on Friday afternoon and would therefore not be in a position to submit amendments, so I think we should reject this amendment and stick to what has been decided by the committee.

**President.** — I put Amendment No 3 to the vote. It is rejected.

I put to the vote the amendment to paragraph 2 tabled by the Committee on the Rules of Procedure and Petitions.

Paragraph 2 thus amended is adopted.

We shall now consider Rule 14.

I put to the vote the amendment to paragraph 1.

Paragraph 1 thus amended is adopted.

I put to the vote the amendment to paragraph 2.

Paragraph 2 thus amended is adopted.

I put to the vote the amendment to paragraph 3.

Paragraph 3 thus amended is adopted.

On Rule 23 Mr Yeats has tabled Amendment No 1 seeking to reword this rule as follows :

Implementing procedures for examination of the general budget of the European Communities and supplementary budgets, in accordance with the Budgetary Provisions of the Treaties setting up the European Communities and the Treaty of 22 July 1975, shall be adopted by resolution of Parliament and annexed to these Rules.

I call Mr Yeats.

**Mr Yeats, rapporteur.** — Mr President, the two amendments in my name have been tabled at the request of the Committee on Budgets and I recommend them.

**President.** — I put the amendment to the vote.

It is adopted.

On Rule 23 A, Mr Yeats has tabled Amendment No 2 seeking to delete this rule.

I call Mr Yeats.

**Mr Yeats, rapporteur.** — Could I explain, Mr President, that the deletion of Rule 23 A is a necessary consequence of the adoption of the previous amendment ; the two must run together. As it merely follows from it, it does not involve any other change.

**President.** — I put Amendment No 2 to the vote. It is adopted.

We shall now consider Rule 26. I put to the vote the amendment to paragraph 2.

Paragraph 2 thus amended is adopted.

We shall now consider Rule 29.

I put to the vote the amendment to paragraph 5.

Paragraph 5 thus amended is adopted.

I put to the vote Rule 31A.

Rule 31A is adopted.

We shall now consider Rule 33.

I put to the vote the amendment to paragraph 3.

Paragraph 3 thus amended is adopted.

I put to the vote the amendment to paragraph 4.

Paragraph 4 thus amended is adopted.

I put to the vote the amendment to paragraph 5 aimed at the deletion of this paragraph.

It is adopted.

We shall now consider Rule 35.

I put to the vote the amendment to paragraph 2.

Paragraph 2 thus amended is adopted.

I put to the vote the amendment to paragraph 3.

Paragraph 3 thus amended is adopted.

I put to the vote the addition of a new paragraph 4 to this rule.

It is adopted.

We shall now consider Rule 35.

I put to the vote the amendment to paragraph 2.

Paragraph 2 thus amended is adopted.

I put to the vote the amendment to paragraph 3.

Paragraph 3 thus amended is adopted.

I put to the vote the addition of a new paragraph 4 to this rule.

It is adopted.

I put to the vote the new paragraph 6 replacing the old paragraph 6.

It is adopted.

We shall now consider Rule 37.

I put to the vote the amendment to paragraph 3.

Paragraph 3 thus amended is adopted.

I put to the vote the amendment to paragraph 4.

Paragraph 4 thus amended is adopted.

We shall now consider Rule 47.

I put to the vote the amendment to paragraph 4.

Paragraph 4 thus amended is adopted.

I put to the vote the amendment to paragraph 5.

Paragraph 5 thus amended is adopted.

We shall now consider Rule 47A.

**President**

I put to the vote the amendment to paragraph 1.

Paragraph 1 thus amended is adopted.

I put to the vote the motion for a resolution as a whole.

The resolution is adopted.<sup>1</sup>

(Applause)

*7. General budget of the European Communities for 1979 (vote)*

**President.** — The next item is the vote on the draft amendments and proposed modifications to the draft general budget of the European Communities for 1979. This will be followed by the vote on the motions for resolutions contained in the report by Mr Bangemann on the draft general budget for 1979 and in the report by Mr Ripamonti on Sections I, II, IV and V of the draft general budget for 1979.

Before proceeding to the vote I should like to recall briefly the rules of procedure governing this subject.

The appropriations on which no draft amendments or proposed modifications have been tabled will be approved without any formal vote. All the proposed modifications and draft amendments will be put to the vote, unless they have been withdrawn by their authors, in the order of the budgetary nomenclature and on the basis of the appropriations to which they relate.

If more than one draft amendment or proposed modification refers to the same article, the vote will first be taken on the one that departs most from the draft budget. If the modifications or amendments depart from the draft budget to the same extent, they will be put to the vote in the order in which they have been tabled.

The proposed modifications relating to compulsory expenditure require for adoption a majority of the votes cast, whereas draft amendments relating to non-compulsory expenditure require the votes of the majority of the current Members of Parliament, that is at least one hundred Members. To draw your attention to draft amendments requiring a qualified majority, the texts in question are marked with an asterisk.

Since about 300 draft amendments and proposed modifications have been tabled, we must conform to the regulations announced on Monday. To save time I will state the position of the Committee on Budgets on each text put to the vote and will call the rapporteur only if he wishes to provide further information.

If votes by roll call are requested these will be held after the other votes.

As already indicated and set out in the draft agenda we shall first take the vote on Sections I, II, IV and V,

of the draft general budget of the European Communities relating to Parliament, the Council, the Court of Justice and the Court of Auditors. We shall then vote on the draft amendments and proposed modifications concerning expenditure under the section of the draft budget relating to the Commission.

After that we shall vote on the motions for resolutions contained in the report by Mr Bangemann and Mr Ripamonti on behalf of the Committee on Budgets.

I would ask the authors of amendments or modifications who wish to withdraw their proposals to indicate this to me as we proceed and before I put to the vote any texts. We shall begin with section I: Parliament.

On Parliament's establishment plan I have draft Amendment No 309 tabled by the Socialist Group, the Christian-Democratic Group, the Liberal and Democratic Group, the Group of European Progressive Democrats and the Communist and Allies Group.<sup>2</sup> This draft amendment has been approved and endorsed by the Committee on Budgets.

I put it to the vote.

It is adopted (120-0-0).<sup>3</sup>

Again on Parliament's establishment plan I have two draft amendments:

— No 321 tabled by Mr Ripamonti on behalf of the Committee on Budgets

— No 310 tabled by the Socialist Group, the Liberal and Democratic Group, the Group of European Progressive Democrats and the Communist and Allies Group.

Draft Amendment No 312 tabled by the Christian-Democratic Group (EPP) is withdrawn.

I put Amendment No 321 to the vote.

It is adopted (119-0-0).

The Bureau will therefore release these posts.

Draft Amendment No 310 therefore falls.

We next have draft Amendment No 307/rev. and draft Amendment No 316.

The Committee on Budgets is not in favour but the Bureau is in favour.

I put draft Amendment No 307 to the vote.

It is not adopted (83-29-0).

I put draft Amendment No 316 to the vote.

It is not adopted (78-29-0).

<sup>2</sup> For the texts of draft amendments and proposed modifications, see annex.

<sup>3</sup> The figures in brackets indicate votes in favour, votes against and abstentions in that order.

<sup>1</sup> OJ C 275 of 20. 11. 1978.



**President**

Still on the establishment plan, the Political Affairs Committee has tabled draft Amendment No 28 on which the Committee on Budgets has expressed an unfavourable opinion.

I call Mr Prescott.

**Mr Prescott.** — Mr President, I believe that the information given to the Committee on Budgets and to this House is that these posts are for documentalists. That is not the case; they are needed for hearings pursuant to the resolutions on human rights. I fear that my own group has now changed its opinion on the vote in the light of this information, but I hope the House will pay close attention and not be misled by the information it has before it.

**President.** — I call Mr Ripamonti.

**Mr Ripamonti, rapporteur.** — (I) I should like to correct the honourable Member: this decision was not taken on the basis of erroneous information since the decision has been taken to allocate the posts in a systematic way at a later date in a supplementary budget and hence consideration of this amendment has been deferred until that time.

**President.** — I put draft Amendment No 28 to the vote.

It is not adopted (62-42-11).

Draft Amendment No 313 has been withdrawn.

On item 2220 I have draft Amendment No 149/rev. tabled by the Christian-Democratic Group (EPP), which has been approved and endorsed by the Committee on Budgets.

I put it to the vote.

It is adopted (128-1-0).

On Article 272 I have draft Amendment No 311 tabled by the Christian-Democratic Group (EPP) seeking to create a new item 2722.

This draft amendment has been approved and endorsed by the Committee on Budgets.

I put it to the vote.

It is adopted (110-2-7).

Again on Article 272 I have draft Amendment No 158 tabled by the Liberal and Democratic Group seeking to create a new item 2723.

The Committee on Budgets has expressed a favourable opinion.

I put the draft amendment to the vote.

It is rejected (13-110-2).

Draft Amendment No 314 has been withdrawn.

On Article 1001 I have draft Amendment No 308 tabled by the Socialist Group which has been approved and endorsed by the Committee on Budgets.

Draft Amendment 146 has been withdrawn.

I put draft Amendment No 308 to the vote.

It is not adopted (94-22-4).

Draft Amendment No 315 tabled by the Christian-Democratic Group (EPP) has been withdrawn.

We shall now consider *Section II: Council*

On the establishment plan the Committee on Budgets has tabled draft Amendment No 234.

I put it to the vote.

It is adopted (122-0-6).

Again on the establishment plan, the Christian-Democratic Group (EPP) has tabled draft Amendment No 299 which has been approved and endorsed by the Committee on Budgets.

Draft Amendments Nos 302 and 303 have been withdrawn.

I put draft Amendment No 299 to the vote.

It is adopted (126-0-0).

On *Section IV: Court of Justice*, I have no draft amendments.

Section IV is therefore adopted.

We shall now consider *Section V: Court of Auditors*.

On the establishment plan I have draft Amendment No 233 tabled by the Committee on Budgets.

Draft Amendment No 148 tabled by the Socialist Group has been withdrawn.

I put draft Amendment No 233 to the vote.

It is adopted (121-0-0).

We shall now consider *Section III: Commission*

We shall begin with the *Revenue*.

On Title 5, Chapter 51, I have draft Amendment No 194 tabled by the Committee on Budgets.

I put it to the vote.

It is adopted (113-5-1).

Before proceeding to Title 9 of the *Revenue* we must vote on an indicative draft amendment tabled by Mr Spinelli and others.

Rejection of this draft amendment will mean that a number of other related draft amendments will fall. The Committee on Budgets has expressed a favourable opinion.

I put draft Amendment No 67 to the vote.

It is adopted (123-0-0).

We can now proceed to the *Revenue* section itself.

On Article 940 I have two draft amendments:

- No 58/rev. II tabled by Mr Spinelli and others
- No 154/rev. tabled by Mr Aigner on behalf of the Christian-Democratic Group (EPP)

The Committee on Budgets has expressed a favourable opinion. Since these draft amendments are identical, I put them to the vote as a single amendment.

**President**

They are adopted (127-0-0).

On Article 941 I have two draft amendments :

- No 59/rev. II tabled by Mr Spinelli and others
- No 153/rev. tabled by Mr Aigner on behalf of the Christian-Democratic Group (EPP)

The Committee on Budgets has given a favourable opinion.

Since these draft amendments are identical, I put them to the vote as a single amendment.

They are adopted (128-0-0).

On Article 942 I again have two draft amendments :

- No 60/rev. tabled by Mr Spinelli and others
- No 155/rev. tabled by the Christian-Democratic Group (EPP)

The Committee on Budgets has given a favourable opinion.

Since these draft amendments are identical, I put them to the vote as a single amendment.

They are adopted (124-0-0).

On Article 943 I have two draft amendments :

- No 61/rev. tabled by Mr Spinelli and others
- No 152/rev. on behalf of the Christian-Democratic Group

The Committee on Budgets has given a favourable opinion.

Since these draft amendments are identical, I put them to the vote as a single amendment.

They are adopted (127-0-0).

On Article 943 I have two draft amendments seeking to create a new Article 944 :

- No 41 tabled by Mr Martinelli and others
- No 156 on behalf of the Christian-Democratic Group (EPP)

The Committee on Budgets has given an unfavourable opinion.

Since the two draft amendments are identical, I put them to the vote as a single amendment.

They are not adopted (91-23-5).

The *Revenue* section will be amended in accordance with the results of the votes on expenditure.

On the establishment plan I have several draft amendments :

- Nos 255, 256, 257, 258 and 284 tabled by the Committee on Budgets,
- No 73 tabled by the Committee on Social Affairs, Employment and Education, which partly coincides with the amendments tabled by the Committee on Budgets,
- No 147 tabled by Mrs Dahlerup and others,
- No 300 tabled by Mr Ripamonti and others.

Draft Amendments Nos 120, 121, 141, 142, 143, 144, 150, 151 and 182 are withdrawn.

I put to the vote draft Amendments Nos 255, 256, 257, 258 and 284.

They are adopted (111-1-1).

I put to the vote that part of draft Amendment No 73 not covered by the previous amendments.

It is not adopted (70-33-8).

I put draft Amendment No 147 to the vote.

It is rejected (6-120-3).

I put to the vote draft Amendment No 300, on which the Committee on Budgets has delivered an unfavourable opinion.

It is rejected (6-120-3).

We shall now consider *Expenditure*.

On Chapter 14 draft Amendment No 105 tabled by the Group of European Progressive Democrats is withdrawn.

On Title I Mr Bangemann has tabled draft Amendment No 235 on behalf of the Committee on Budgets seeking to create a new Chapter 15 and a new Article 153.

It is adopted (103-10-3).

On Item 2100 draft Amendments Nos 129, 145, 159 and 285 have been withdrawn and there remains only draft Amendment No 236 tabled by the Committee on Budgets.

I put it to the vote.

It is adopted (116-9-8).

On Item 2240 I have draft Amendment No 195 tabled by Mr Bangemann on behalf of the Committee on Budgets.

I put it to the vote.

It is adopted (122-0-0).

On Item 2243 I have draft Amendment No 196 tabled by Mr Bangemann on behalf of the Committee on Budgets.

I put it to the vote.

It is adopted (122-0-0).

On Chapter 24 I have draft Amendment No 36 by the Committee on Development and Cooperation seeking to insert a new Article 241.

The Committee on Budgets has given a favourable opinion.

I put it to the vote.

It is adopted (118-3-0).

On Article 254 I have draft Amendment No 69 tabled by the Committee on Social Affairs, Employment and Education.

The Committee on Budgets has given a favourable opinion.

**President**

I put it to the vote.

It is adopted (120-0-0).

On Item 2651 I have draft Amendment No 301 tabled by Mr Noé on behalf of the Christian-Democratic Group (EPP) on which the Committee on Budgets has given an unfavourable opinion.

I put it to the vote.

It is rejected (14-96-4).

On Article 266 Item 2660 I have draft Amendment No 106 tabled by the Group of European Progressive Democrats.

The Committee on Budgets has given an unfavourable opinion.

I put it to the vote.

It is rejected (23-95-2).

On Item 2720 the Committee on Budgets has tabled draft Amendment No 253.

I put it to the vote.

It is adopted (115-0-0).

On Article 272, Item 2729 I have draft Amendment No 77 tabled by Mr Seefeld on behalf of the Political Affairs Committee.

The Committee on Budgets has given a favourable opinion.

**President.** — I call Mr Aigner.

**Mr Aigner.** — (D) Mr President, I think an explanation ought to be given here. We entered 2 million in the Commission's budget for the direct elections. The Council deducted 1 million. We wanted to restore the original appropriation. Then, however, the Socialists tabled an amendment inserting 2 million in our budget. Now that this has been rejected, we must, at all costs, restore the old appropriation, since, otherwise the entire programme adopted by the contact committee of Parliament and Council representatives will not be able to function.

**President.** — I call Mr Dankert.

**Mr Dankert.** — (NL) Mr President, I do not think there is any direct link between the amendment which Parliament has rejected and the amendment now under discussion which has to do with the Commission's information campaign. We shall vote against it.

**President.** — I call Mr Bangemann.

**Mr Bangemann, general rapporteur.** — (D) Mr President, Mr Dankert is right, but the action he is thinking of taking as a consequence is not the same as that decided in the course of the discussions in the Committee on Budgets. I can only repeat what the Committee on Budgets decided. The fact is that these funds were to be spent on a general information

programme, whereas the earlier amendment proposed by the Socialist Group concerned funds which the groups themselves wanted to spend on their activities. That is the difference. The point in common is that they are both concerned with information. Now that the funds which the groups have requested have not been approved, publicity on the direct elections would in fact be endangered if we did not restore this appropriation. Therefore, the Committee on Budgets — I am only repeating the reasons for this decision — took up a favourable stand on this amendment.

**President.** — I put the draft amendment to the vote.

It is not adopted (85-32-1).

On Article 282 I have three draft amendments:

— No 130 by the Socialist-Group,

— No 176 by the Christian-Democratic Group (EPP),

— No 127 by the European Conservative Group.

The Committee on Budgets has given a favourable opinion on No 127.

I put draft Amendment No 130 to the vote.

It is rejected (52-78-1).

I put draft Amendment No 176 to the vote.

It is not adopted (64-46-9).

I put draft Amendment No 127 to the vote.

It is adopted (125-2-0).

On Article 288 I have draft Amendment No 237 tabled by Mr Bangemann on behalf of the Committee on Budgets.

I put it to the vote.

It is adopted (115-11-2).

Draft Amendment No 286 by the Liberal Group on Article 289 is withdrawn.

On Article 293 I have four draft amendments:

— No 197 by the Committee on Budgets,

— No 131/rev. by the Socialist Group,

— No 38 by the Committee on Development and Cooperation,

— No 198 by the Committee on Budgets.

I put draft Amendment No 197 to the vote.

It is adopted (122-5-0).

I put draft Amendment No 131/rev. to the vote.

It is not adopted (81-39-1).

Since draft Amendments Nos 38 and 198 are identical, I put them to the vote together.

They are adopted (121-4-0).

Draft Amendment No 78 on Article 294 has been withdrawn.

On Item 2986, I have two draft amendments:

— No 19 by the Committee on the Environment, Public Health and Consumer Protection,

**President**

— No 199 by the Committee on Budgets.

I put draft Amendment No 199 to the vote.

It is adopted (125-0-0).

Draft Amendment No 19 therefore falls.

Draft Amendment No 287 by the Liberal and Democratic Group has been withdrawn.

On Item 3010 I have draft Amendment No 247 tabled by the Committee on Budgets.

I put it to the vote.

It is adopted (124-0-0).

On Article 302 I have draft Amendment No 167 tabled by the Christian-Democratic Group (EPP) on which the Committee on Budgets has given a favourable opinion.

I put it to the vote.

It is adopted (109-15-3).

On Item 3030 I have draft Amendment No 231 tabled by the Committee on Budgets.

I put it to the vote.

It is adopted (111-15-0).

On Item 3031 I have draft Amendment No 230 tabled by the Committee on Budgets.

I put it to the vote.

It is not adopted (92-24-0).

On Article 305 I have draft Amendment No 70 tabled by the Committee on Social Affairs, Employment and Education seeking to insert a new Item 3052.

The Committee on Budgets has given a favourable opinion.

I put the draft amendment to the vote.

It is adopted (124-0-0).

On Article 306 I have two draft amendments :

— No 71/corr. by the Committee on Social Affairs, Employment and Education,

— No 238 by the Committee on Budgets.

I put draft Amendment No 71 to the vote.

It is rejected (27-81-0).

I put draft Amendment No 238 to the vote.

It is adopted (116-5-0).

On Item 3071 I have draft Amendment No 320 tabled by the Committee on Budgets.

I put it to the vote.

It is adopted (120-1-0).

On Item 3101 the Group of European Progressive Democrats has tabled draft Amendment No 107, on which the Committee on Budgets has given a favourable opinion.

I put it to the vote.

It is not adopted (82-25-1).

On Item 3141 I have draft Amendment No 81 tabled by the Committee on Agriculture, on which the

Committee on Budgets has given a favourable opinion.

I put it to the vote.

It is adopted (123-0-0).

On Article 316 I have draft Amendment No 82 tabled by the Committee on Agriculture on which the Committee on Budgets has given a favourable opinion.

I put it to the vote.

It is adopted (109-2-0).

On Chapter 31 I have two draft amendments seeking to create a new Article 317 :

— No 109 by the Group of European Progressive Democrats,

— No 83 by the Committee on Agriculture.

The Committee on Budgets has given a favourable opinion.

Since these draft amendments are identical I put them to the vote together.

They are adopted (122-0-0).

On Chapter 31 the Committee on Budgets has tabled draft Amendment No 250 seeking to create a new Article 318.

I put it to the vote.

It is adopted (109-14-1).

On Item 3200 the Committee on Budgets has tabled draft Amendment No 232.

I put it to the vote.

It is adopted (105-16-0).

On Article 321 I have four draft amendments :

— No 200 by the Committee on Budgets,

— No 1 by the Committee on Energy and Research,

— No 168 by the Christian-Democratic Group (EPP),

— No 110 by the Group of European Progressive Democrats.

Since draft Amendments Nos 1, 168 and 200 are identical I put them to the vote together.

They are adopted (117-2-0).

Amendment No 110 therefore falls.

Again on Article 321 three draft amendments have been tabled seeking to create an Item 3211 :

— No 2 by the Committee on Energy and Research,

— No 171 by the Christian-Democratic Group (EPP),

— No 201 by the Committee on Budgets.

Since the draft amendments are identical, I put them to the vote together.

They are adopted (120-2-0).

**President**

Again on Article 321 I have three draft amendments seeking to insert a new Item 3212 :

- No 3 by the Committee on Energy and Research,
- No 169 by the Christian-Democratic Group (EPP),
- No 202 by the Committee on Budgets.

Since the draft amendments are identical I put them to the vote together.

They are adopted (121-2-0).

On Item 3230 I have three draft amendments :

- No 111 by the Group of European Progressive Democrats, on which the Committee on Budgets has given an unfavourable opinion,
- No 132 by the Socialist Group,
- No 306 by the Christian-Democratic Group (EPP) on which the Committee on Budgets has given a favourable opinion.

Draft amendment No 178 has been withdrawn.

I put draft amendment No 111 to the vote.

It is rejected (16-104-0).

Since draft Amendments Nos 132 and 306 are identical, I put them to the vote together.

They are not adopted (80-21-0).

Draft Amendment No 183 on Item 3232 has been withdrawn.

On Item 3240 I have three draft amendments :

- No 203 by the Committee on Budgets,
- No 10 on behalf of the Committee on Energy and Research,
- No 175 by the Christian-Democratic Group (EPP).

I put draft Amendment No 203 to the vote.

It is adopted (117-3-0).

Draft Amendments Nos 10 and 175 therefore fall.

On Item 3241 I have three draft amendments :

- No 204 by the Committee on Budgets,
- No 11 by the Committee on Energy and Research,
- No 170 on behalf of the Christian-Democratic Group (EPP).

I put draft Amendment No 204 to the vote.

It is adopted (118-0-0).

Draft Amendments Nos 11 and 170 therefore fall.

On Chapter 32 I have draft Amendment No 205 tabled by Mr Bangemann on behalf of the Committee on Budgets seeking to insert a new Article 325.

I put it to the vote.

It is approved (118-0-0).

On Article 328 I have draft Amendment No 4 tabled by Mr Dalyell on behalf of the Committee on Energy and Research.

I put it to the vote.

It is adopted (115-0-0).

On Item 3290 I have draft Amendment No 51/rev. II tabled by Mr Spinelli and others on which the Committee on Budgets has given a favourable opinion.

I would remind you that this draft amendment is linked with draft Amendment No 67 (Revenue) by the same authors and which we have already adopted.

I put it to the vote.

It is adopted (117-0-0).

On Item 3291 I have two draft amendments tabled by Mr Spinelli and others :

- No 52/rev. 2 on which the Committee on Budgets has given a favourable opinion
- No 53.

I put draft Amendment No 52/rev. 2 to the vote.

It is adopted (115-0-0).

Draft Amendment No 53 is withdrawn.

On Item 3333 I have two draft amendments :

- No 239 by the Committee on Budgets,
- No 5/rev. by the Committee on Energy and Research.

Since the two draft amendments are identical, I put them to the vote together.

They are adopted (117-0-0).

On Article 333 I have two draft amendments seeking to create a new Item 3334 :

- No 122 by the Committee on Energy and Research,
- No 240 by the Committee on Budgets.

Since the two draft amendments are identical, I put them to the vote together.

They are adopted (117-0-0).

Again on Article 333 I have two draft amendments :

- No 123 by the Committee on Energy and Research
- No 241 by the Committee on Budgets

seeking to create a new Item 3335.

I put draft Amendment No 241 to the vote.

It is adopted (116-0-0-).

Draft Amendment No 123 therefore falls.

Draft Amendment No 172 on Item 3351 has been withdrawn.

On Item 3355 I have a draft Amendment No 160 tabled by Mr De Clercq on behalf of the Liberal and Democratic Group, on which the Committee on Budgets has given a favourable opinion.

**President**

I put it to the vote.

It is not adopted (75-32-0).

On Item 3359 I have draft Amendment No 6 tabled by Mr Dalyell on behalf of the Committee on Energy and Research, on which the Committee on Budgets has given a favourable opinion.

I put it to the vote.

It is adopted (115-2-0).

On Chapter 100 I have draft Amendment No 7 tabled by Mr Dalyell on behalf of the Committee on Energy and Research and relating to appropriations for Item 3360.

This is why we are voting this draft amendment as part of Title 3. The Committee on Budgets has given a favourable opinion. I put the draft amendment to the vote.

It is adopted (114-2-1).

On Item 3362 I have draft Amendment No 161 tabled by Mr De Clercq on behalf of the Liberal and Democratic Group, on which the Committee on Budgets has given a favourable opinion.

I put it to the vote.

It is adopted (114-2-1).

On Chapter 100 I have draft Amendment No 8 relating to Item 3366 and tabled by Mr Dalyell on behalf of the Committee on Energy and Research. The Committee on Budgets has given a favourable opinion. I put the draft amendment to the vote.

It is adopted (113-3-0).

On Item 3371 I have draft Amendment No 157 tabled by Mr De Clercq on behalf of the Liberal and Democratic Group, on which the committee on Budgets has given a favourable opinion.

I put it to the vote.

It is adopted (113-0-0).

On Article 353 I have two draft amendments :

- No 126 by the European Conservative Group
- No 25 by the Committee on the Environment, Public Health and Consumer Protection on which the Committee on Budgets has given a favourable opinion.

I put draft Amendment No 126 to the vote.

It is adopted (114-2-0).

Draft Amendment No 25 therefore falls.

On Item 3543 I have two draft amendments :

- No 24 by the Committee on the Environment, Public Health and Consumer Protection
- No 206 by the Committee on Budgets.

I put draft Amendment No 206 to the vote.

It is adopted (117-1-0).

Draft Amendment No 24 therefore falls.

On Item 3544 I have two draft amendments :

- No 207 by the Committee on Budgets
- No 22 by the Committee on the Environment, Public Health and Consumer Protection.

I put draft Amendment No 207 to the vote.

It is not adopted (49-31-18)

I put draft Amendment No 22 to the vote.

It is adopted (115-0-0).

On Article 354 I have two draft amendments seeking to create a new Item 3545 :

- No 208 by the Committee on Budgets
- No 20 by the Committee on the Environment, Public Health and Consumer Protection.

I call Mr Bangemann.

**Mr Bangemann, general rapporteur.** — (D) Mr President, this amendment is an important one because it uses the wording which we discussed in the Committee on Budgets. Mr Dankert will remember this. It says : This appropriation will be used by the Commission to finance the following measures : and then comes the aims for which it is intended. If this wording is used, and it is only included in Amendment No 208, then the Commission can and must use these funds. It would therefore be expedient to adopt Amendment No 208.

**President.** — I put draft Amendment No 208 to the vote.

It is not adopted (62-23-13).

I put draft Amendment No 20 to the vote.

It is not adopted (57-25-18).

On Item 3550 I have two draft amendments :

- No 21 by the Committee on the Environment, Public Health and Consumer Protection,
- No 209 by the Committee on Budgets.

I put draft Amendment No 209 to the vote.

It is adopted (118-0-0).

Draft Amendment No 21 therefore falls.

On Item 3552 I have two draft amendments :

- No 23 by the Committee on the Environment, Public Health and Consumer Protection
- No 210 by the Committee on Budgets.

I put draft Amendment No 210 to the vote.

Since the result of the vote by show of hands is doubtful, we shall take a fresh vote by sitting and standing.

The draft Amendment is adopted (100-0-14).

Draft Amendment No 23 therefore falls.

**President.**

On Article 359 I have draft Amendment No 248 tabled by the Committee on Budgets seeking to create items 3590, 3591 and 3592.

I put it to the vote.

It is adopted (116-0-0).

On Item 3611 I have two draft amendments :

- No 9 by the Committee on Energy and Research
- No 162 by the Christian-Democratic Group (EPP).

I put draft Amendment No 9 to the vote.

It is adopted (115-0-0).

Draft Amendment No 162 therefore falls.

On Item 3702 I have two draft amendments :

- No 62/rev. tabled by Mr Spinelli and others
- No 163 by the Christian-Democratic Group.

Since the draft amendments are identical, I put them to the vote together.

They are not adopted (77-27-13).

On Article 370 I have draft Amendment No 15 tabled by the Committee on Economic and Monetary Affairs and seeking to insert a new Item 3703.

What is Mr Bangemann's opinion ?

**Mr Bangemann, general rapporteur.** (D) Mr President, the Committee on Budgets supports this amendment.

**President.** I therefore put draft Amendment No 15 to the vote.

It is adopted (113-0-0).

On Item 3710, I have three draft amendments :

- No 63/rev. by Mr Spinelli and others
- No 164 by the Christian-Democratic Group (EPP)
- No 260 by the Committee on Budgets.

I put draft Amendment No 260 to the vote.

It is not adopted (77-35-0).

I put draft Amendment No 164 to the vote.

It is not adopted (80-29-0).

I put draft Amendment No 63/rev. to the vote.

It is not adopted (65-27-1).

On Article 372, the Committee on Economic and Monetary Affairs has tabled draft Amendment No 16 on which the Committee on Budgets has given a favourable opinion.

I put it to the vote.

It is not adopted (95-0-13).

On Article 374, I have two draft amendments seeking to create a new Item 3741 :

- No 17 by the Committee on Economic and Monetary Affairs, on which the Committee on Budgets has given a favourable opinion.
- No 165 by the Christian-Democratic group (EPP).

I put draft Amendment No 17 to the vote.

It is adopted (113-0-2).

Draft Amendment No 165 therefore falls.

On Item 3750, I have four draft amendments :

- No 211 by the Committee on Budgets,
- No 18 by the Committee on Economic and Monetary Affairs,
- No 298 by the Christian-Democratic group (EPP),
- No 305 by the European Conservative group.

Draft Amendment No 305 is withdrawn.

What is Mr Bangemann's opinion ?

**Mr Bangemann, General rapporteur.** — (D) Mr President, now that the Conservative's amendment has President, withdrawn, we must vote first of all on Amendment No 298 tabled by Mr Ripamonti since it goes farthest from the origina, it was not supported yesterday by the Committee on Budgets.

**President.** — I put draft Amendment No 298 to the vote, on which the Committee on Budgets has given an unfavourable opinion.

It is rejected (22-60-0).

Since draft Amendments 211 and 18 are identical, I put them to the vote as a single amendment.

They are adopted (113-0-0).

On Item 3751 the Group of European Progressive Democrats has tabled draft Amendment No 112 on which the Committee on Budgets has given an unfavourable opinion.

I put it to the vote.

It is rejected (37-62-0).

On Chapter 37 I have draft Amendment No 212 tabled by Mr Bangemann on behalf of the Committee on Budgets and seeking to insert a new Article 377.

I put it to the vote.

It is rejected (56-58-1).

On Item 3780 I have draft Amendment No 213, tabled by Mr Bangemann on behalf of the Committee on Budgets.

I put it to the vote.

It is adopted (114-0-0).

On Item 3781 I have draft Amendment No 283, tabled by Mr Bangemann, on behalf of the Committee on Budgets.

I put it to the vote.

It is adopted (111-0-0).

On Article 379 I have draft Amendment No 14, tabled by the Committee on Regional Policy, Regional Planning and Transport and on which the Committee on Budgets has given a favourable opinion.

**President**

I put it to the vote.

It is adopted (116-0-0).

Before proceeding to the vote on the various draft amendments seeking to create a Chapter 38 'Common policy on the sea', I should like to point out that the items and articles referred to in the draft amendments have been wrongly numbered. They will therefore be put to the vote by reference to the subject matter.

I call Mr Bangemann.

**Mr Bangemann, general rapporteur.** — (D) I would not suggest any other criteria, Mr President, but I should like to point out that I have agreed on a procedure with Mr Klinker, of which — as far as I know — you should also have been informed. Mr Klinker intends to withdraw a number of his amendments so that we no longer have to vote on them. This will considerably facilitate the voting. If Mr Klinker and yourself are agreed, I shall explain to you what this procedure is.

I am sorry, Mr President, that you have only now received this draft amendment and only in German. The reason is perhaps that we only reached agreement yesterday afternoon and that, of course, when one is doing things in a hurry, they are not always exactly as they should be.

**President.** — I shall therefore ask each time whether the draft amendment is being maintained.

Draft Amendment No 84 by Mr Klinker on behalf of the Committee on Agriculture seeking to create a new Chapter 38 is withdrawn.

On Chapter 38, I have one proposed modification and one draft amendment :

- proposed Modification No 95 by the Committee on Agriculture,
- draft Amendment No 273, by the Committee on Budgets.

I call Mr Bangemann.

**Mr Bangemann, general rapporteur.** — (D) Proposed Modification No 95 by Mr Klinker has been withdrawn in favour of draft Amendment No 273.

**President.** — I put draft Amendment No 273 to the vote.

It is adopted (110-0-0).

Again on Chapter 38, Mr Bangemann has tabled draft Amendment No 274, seeking to create a new Article 382.

I put it to the vote.

It is adopted (108-0-0).

Again on Chapter 38, I have three draft amendments and one proposed modification relating to Chapter 87 :

- draft Amendment No 85 by the Committee on Agriculture,
- draft Amendment No 275 by the Committee on Budgets,
- draft Amendment No 277 by the Committee on Budgets,
- proposed Modification No 119 by the Group of European Progressive Democrats.

I call Mr Bangemann.

**Mr Bangemann, general rapporteur.** — (D) Mr President, draft amendment No 85 has been withdrawn in favour of draft Amendment No 277 on the understanding that the title of item 3851 in Amendment No 277 should read the same as that in No 85. That is to say I accept the text of draft Amendment No 85 in the case of Item 3851 and then No 85 is withdrawn. We can now vote on draft Amendment No 277 with this proviso and then on Amendment No 275 which is not affected by this change as such. Mr President, you could now first call the vote on No 277 and then on 275.

**President.** — Since draft Amendment No 85 has been withdrawn, I put to the vote draft Amendment No 277 with the change proposed by the rapporteur.

It is adopted (106-0-0).

I put draft Amendment No 275 to the vote.

It is adopted (106-1-0).

Proposed Modification No 119 therefore falls.

On Chapter 38, I have two draft amendments :

- No 279 by the Committee on Budgets seeking to create a new Article 385 and an Item 3853.
- No 86 by the Committee on Agriculture.

I call Mr Bangemann.

**Mr Bangemann, general rapporteur.** — (D) Draft Amendment No 86 is withdrawn in favour of draft Amendment No 279.

**President.** — I put draft Amendment No 279 to the vote.

It is adopted (105-1-1).

Again on Chapter 38, I have two draft amendments :

- No 87 by the Committee on Agriculture
- No 276 by the Committee on Budgets.

I call Mr Bangemann.

**Mr Bangemann, general rapporteur.** — (D) I withdraw my draft Amendment No 276 in favour of Draft Amendment No 87 by Mr Klinker.



**President.** — I put draft Amendment No 87 to the vote.

It is adopted (106-0-0).

On Chapter 38, I have two draft amendments :

— No 88 by the Committee on Agriculture

— No 278 by the Committee on Budgets.

I call Mr Bangemann.

**Mr Bangemann, general rapporteur.** — (D) Mr Klinker is withdrawing his draft Amendment No 88 in favour of draft Amendment No 278, tabled by the Committee on Budgets.

**President.** — I put draft Amendment No 278 to the vote.

It is adopted (107-1-0).

Again on Chapter 38, Mr Klinker has tabled draft Amendment No 89 on behalf of the Committee on Agriculture, proposing the creation of an Article 383.

The Committee on Budgets has given an unfavourable opinion.

I call Mr Bangemann.

**Mr Bangemann, general rapporteur.** — (D) I would ask you, Mr President, to put this draft amendment to the vote. It has not been withdrawn by Mr Klinker. It was erroneously considered unnecessary in the Committee on Budgets. This was not correct. It is relevant and must therefore be dealt with here.

**President.** — The committee's opinion is therefore favourable ?

**Mr Bangemann, general rapporteur.** — (D) The Committee on Budgets did not give either a favourable or an unfavourable opinion, Mr President, since the committee wrongly supposed that the draft amendment had become superfluous. This is not so, it is an amendment on which a decision must be taken here.

**President.** — I put draft amendment No 89 to the vote.

It is adopted (100-0-1).

The Committee on Budgets has tabled draft Amendment No 280 seeking to create an Article 386.

I put it to the vote.

It is adopted (103-2-1).

The Committee on Budgets has tabled draft Amendment No 281 seeking to create an Article 387.

I put it to the vote.

It is adopted (107-0-0).

Finally, two draft amendments have been tabled :

— No 90, by the Committee on Agriculture

— No 282, by the Committee on Budgets.

I call Mr Bangemann.

**Mr Bangemann, general rapporteur.** — (D) Draft Amendment No 90 has been withdrawn in favour of draft Amendment No 282.

**President.** — I put draft Amendment No 282 to the vote.

It is adopted (110-1-0).

On Item 3920 I have two draft amendments :

— No 42 by the Committee on Social Affairs, Employment and Education

— No 214 by the Committee on Budgets.

I put draft Amendment No 214 to the vote.

It is not adopted (90-2-13).

I put draft Amendment No 42 to the vote.

It is not adopted (90-2-12).

On Article 392 I have two draft amendments seeking to insert an Item 3922 :

— No 43 by the Committee on Social Affairs, Employment and Education

— No 242 by the Committee on Budgets.

I put draft Amendment No 242 to the vote.

It is adopted (109-3-1).

Draft Amendment No 43 therefore falls.

Again on Article 392 Mr Bangemann has tabled draft Amendment No 243 on behalf of the Committee on Budgets seeking to insert item 3923.

I put it to the vote.

It is adopted (113-0-0).

Again on Article 392 Mr Bangemann has tabled draft Amendment No 244 on behalf of the Committee on Budgets seeking to create an Item 3924.

I put it to the vote.

It is adopted (112-1-0).

On Article 392 Mr Bangemann has tabled draft Amendment No 245 on behalf of the Committee on Budgets seeking to create an Item 3925.

I put it to the vote.

It is adopted (108-1-0).

On Item 3930 I have two draft amendments :

— No 79 by the Political Affairs Committee

— No 215 by the Committee on Budgets.

**President**

I put draft Amendment No 215 to the vote.

It is adopted (113-1-3).

Draft Amendment No 79 therefore falls.

On Article 393 Mr Mascagni and others have tabled draft Amendment No 49/rev. seeking to create an Item 3932, on which the Committee on Budgets has given an unfavourable opinion.

I put it to the vote.

It is rejected (12-96-7).

On Article 395 Mr Bangemann has tabled draft Amendment No 246 on behalf of the Committee on Budgets.

I put it to the vote.

It is not adopted (95-15-0).

On Article 396 I have two draft amendments :

— No 80 by the Political Affairs Committee

— No 262 by the Committee on Budgets.

I put draft Amendment No 80 to the vote.

It is rejected (35-72-1).

I put draft Amendment No 262 to the vote.

It is not adopted (64-32-1).

The proceedings will now be suspended for about ten minutes.

*(The sitting was suspended at 12.35 and resumed at 12.50)*

**President.** — The sitting is resumed.

I call Mr Bangemann.

**Mr Bangemann, general rapporteur.** — (D) Mr President, it is perhaps appropriate here to point out to Members the importance and particularity of the draft amendments which follow. I am referring to Amendments No 55, 56 etc. They are concerned with the introduction of budgetary lines which we will require, when these repayments and aids to the Member States are needed, in Chapter 42 in the form of Community loans to support balances of payments and in Chapter 43 as loans for the promotion of investment in the Community. There is at present a conciliation procedure in progress with the Council on this question of loans policy. We have to create these budgetary lines since, if the conciliation procedure produces an agreement on the amounts and a procedure, these budgetary lines will have to be there so that we can enter the appropriation in them. Therefore the Committee on Budgets supports the amendments tabled by Mr Spinelli with the aim of creating these budgetary lines. On the other hand, the Committee on Budgets has adopted a negative opinion on those amendments which would enter figures, since this would be prejudging the results of the conciliation procedure. Whatever the results of this conciliation procedure, these funds will be needed. We cannot today assess how large they will be with any accuracy.

**President.** — I call Lord Bruce.

**Lord Bruce of Donington.** — Mr President, in order to help shorten our proceedings, I would like to give notice that I shall ask for a vote by roll call for the first of the series of amendments tabled in my name and that of four of my colleagues under Article 621. Whichever way the result goes, I shall accept the verdict for all the rest of the amendments under that heading.

**President.** — We hope that this will save some time.

On Chapter 42 Mr Spinelli and others have tabled two draft amendments :

— No 54/rev. on which the Committee on Budgets has given a favourable opinion

— No 55.

Since draft Amendment No 55 is withdrawn, I put draft Amendment No 54/rev. to the vote.

It is adopted (108-1-0).

On Chapter 43 there is only one draft amendment to be considered since draft Amendment No 57 by Mr Spinelli and others has been withdrawn.

I put draft Amendment No 56/rev. tabled by Mr Spinelli and others to the vote.

It is adopted (110-0-0).

On Title 4 Mr Klinker has tabled draft Amendment No 91 on behalf of the Committee on Agriculture seeking to create a Chapter 44 and an Article 440. The Committee on Budgets has given a favourable opinion.

I put it to the vote.

It is adopted (107-2-0).

On Title 4 I have two draft amendments seeking to create a new Chapter 45 to replace Chapter 78 :

— No 92/rev. by the Committee on Agriculture

— No 290 by the Socialist Group.

What is Mr Bangemann's opinion ?

**Mr Bangemann, General rapporteur.** — (D) Mr President, we could vote on the draft amendment by Mr Klinker since it has been tabled on behalf of the Committee on Agriculture. The difference between it and the draft amendment by Mr Hughes is so small, and Mr Hughes' contains a mistake in the title, that we had better vote on Mr Klinker's draft amendment.

**President.** — I put draft Amendment No 92/rev. to the vote.

It is adopted (106-4-1).

Draft Amendment No 290 therefore falls.

Draft Amendment No 93 on Article 460 has been withdrawn.

**President**

Mr Marinelli and others have tabled draft Amendment No 40 seeking to create a Chapter 49 with four articles. This draft amendment is related to draft Amendment No 41 by the same authors on which we voted under the 'Revenue' section.

I call Mr Bangemann.

**Mr Bangemann, general rapporteur.** — (D) Mr President, since we have not accepted this under the Revenue section, it would therefore be logical to reject it again here.

**President.** — I put draft Amendment No 40 to the vote.

It is rejected (20-84-4).

On Article 500 I have two draft amendments :

— No 44 by the Committee on Social Affairs, Employment and Education

— No 166 by the Christian-Democratic Group (EPP).

The Committee on Budgets has given a favourable opinion.

Since draft Amendments Nos 44 and 166 are identical, I put them to the vote as a single amendment.

They are adopted (114-4-0).

Before Article 501 Mr Bangemann has tabled draft Amendment No 319 on behalf of the Committee on Budgets and relating to nomenclature.

I call Mr Bangemann.

**Mr Bangemann, general rapporteur.** — (D) Mr President, this is a draft amendment which was discussed by the Committee on Budgets for the first time yesterday, that is to say the last but two, No 319. It is an amendment by the Committee on Budgets concerning a new subdivision of Articles 501, 510 and 511 and in fact it restores the subdivision made in the preliminary draft. They all concern measures in favour of young people. If I may explain, the Council, in its draft, altered the nomenclature of the preliminary draft since it felt this had to be done in expectation of a decision which the Social Ministers are to take in November. However, the Committee on Budgets cannot accept this, since we cannot change the whole nomenclature because of a Council decision which has not yet been taken and therefore the Committee on Budgets suggests that the old nomenclature should be reinserted.

**President.** — I put draft Amendment No 319 to the vote.

It is adopted (102-3-3).

On Article 501 I have four draft amendments :

— No 45/rev. by the Committee on Social Affairs, Employment and Education

— No 174/rev. by the Christian-Democratic Group (EPP)

— No 265 by the Committee on Budgets

— No 266 by the Committee on Budgets.

I call Mr Bangemann.

**Mr Bangemann, general rapporteur.** — (D) Mr President, having restored the old nomenclature by adopting draft amendment No 319, we cannot now vote in favour of the draft amendments presented by the Committee on Social Affairs and the Christian-Democratic Group (EPP), not because they are different from the amendments from the Committee on Budgets but simply because they refer to the Council's nomenclature and therefore no longer apply. In fact, the difference in the amounts is very small, I think something like a million. There is therefore little point in arguing about it. Because of the new nomenclature, we ought now to take the amendments tabled by the Committee on Budgets first and, if possible, vote in favour of them. Otherwise the thing will not make sense.

**President.** — I call Mr Klepsch.

**Mr Klepsch.** — (D) There is one thing I do not understand. When we have draft amendments and during the debate the nomenclature is changed, we cannot declare these draft amendments to be void because the nomenclature as a whole has been changed. That is what I took you to mean, Mr Bangemann.

**President.** — I call Mr Bangemann.

**Mr Bangemann, general rapporteur.** — (D) I am sorry, Mr President, I did not use the word 'void'. Of course these amendments from the Christian-Democratic Group and the Committee on Social Affairs still have to be considered. I also said that they must be voted on. I only pointed out that when a vote is taken on these draft amendments, they apply to the old nomenclature which we have just altered. Since the draft amendments submitted by the Committee on Budgets apply to the new, changed nomenclature and since the actual differences are very small — if large amounts were at stake, Mr Klepsch, that would be different — it would simplify the procedure if we were first to vote on the draft amendments submitted by the Committee on Budgets. You too can vote in favour then, and only if they were not supported, would we have to vote on the draft amendments from the Christian-Democratic Group. If you understood me to say, Mr Klepsch, that your amendments were void, then you totally misunderstood me.

**President.** — I call Mr Ripamonti.

**Mr Ripamonti.** — (I) Mr President, I do not share the rapporteur's opinion, since this is not only a question of nomenclature but of the management of an activity which may be made difficult by nomenclature problems. I therefore maintain that the amendment

## Ripamonti

tabled by the Christian-Democratic Group (EPP) should be voted on before the draft amendment on the nomenclature.

**President.** — Since the problem of the nomenclature also affects the administration of an activity, we shall begin the vote with draft Amendment No 174/rev.

I put it to the vote.

It is not adopted (66-51-0).

I put draft Amendment No 45/rev. to the vote.

It is not adopted (69-46-0).

I put to the vote draft Amendments Nos 265 and 266.

They are adopted (117-2-0).

On Article 502 the Committee on Social Affairs, Employment and Education has tabled draft Amendment No 46 on which the Committee on Budgets has given a favourable opinion.

I put it to the vote.

It is adopted (117-0-0).

On Article 505 the Committee on Budgets has tabled draft Amendment No 272.

I put it to the vote.

It is adopted (112-2-3).

On Article 510 I have four draft amendments :

— No 47/rev. by the Committee on Social Affairs, Employment and Education,

— No. 173 173 by the Christian-Democratic Group (EPP)

— No 267 by the Committee on Budgets

— No 268 by the Committee on Budgets.

I call Mr Bangemann.

**Mr Bangemann, general rapporteur.** — (D) Mr President, we are faced here with the same problem as before. You could now take a vote on draft Amendment No 173. It does not correspond to the nomenclature and if you then call Amendment No 47 which also does not correspond to the nomenclature we could, according to the result of this vote, then return to the two draft amendments submitted by the Committee on Budgets, Nos 267 and 268 which do correspond to the nomenclature.

**President.** — I put draft Amendment No 173 to the vote.

It is not adopted (64-47-4).

I put draft Amendment No 47/rev. to the vote.

It is not adopted (65-48-1).

I put draft Amendments Nos 267 and 268 to the vote.

They are adopted (116-0-2).

On Article 511 I have three draft amendments :

— No 76 by the Committee on Social Affairs, Employment and Education,

— No 269 by the Committee on Budgets,

— No 270 by the Committee on Budgets.

I put draft Amendment No 76 to the vote.

It is not adopted (78-41-1).

I put draft Amendments Nos 269 and 270 to the vote.

They are adopted (121-0-0).

On Chapter 11 the Committee on Social Affairs, Employment and Education has tabled draft Amendment No 72 relating to Article 512 on which the Committee on Budgets has given a favourable opinion.

I put it to the vote.

It is adopted (119-0-0).

On Article 520 the Committee on Social Affairs, Employment and Education has tabled draft Amendment No 75 on which the Committee on Budgets has given an unfavourable opinion.

I put it to the vote.

It is not adopted (86-15-18).

On Chapter 53 I have three draft amendments :

— No 271 by the Committee on Budgets

— No 50/rev. by Mr Spinelli and others

— No 74 by the Committee on Social Affairs, Employment and Education.

I call Mr Bangemann.

**Mr Bangemann, general rapporteur.** — (D) Mr President, this Article 530 was an article newly created by the Council which we have already set aside by adopting the new nomenclature. It is therefore not logical, as Mr Spinelli and the Social Affairs Committee suggest, to enter funds here, since we have already decided on the funds and therefore we must reject these draft amendments by Mr Spinelli and the Social Affairs Committee unless they are are withdrawn, since they are superfluous now that we have decided on a new nomenclature and the funds to go with it.

**President.** — Could you please clarify that.

**Mr Bangemann, general rapporteur.** — (D) Mr President, if one wanted to be quite strict about this, a decision has already been taken on these draft amendments. The decision to adopt the new nomenclature means that we have deleted Article 530, so that the draft amendments by Mr Spinelli and the Social Affairs Committee have become void.

**President.** — Draft Amendments Nos 50/rev. and 74 are withdrawn.

I will put draft Amendment No 271 to the vote.

It is adopted (114-0-2).

**President**

On Article 550 I have three draft amendments :

- No 12 by the Committee on Regional Policy, Regional Planning and Transport,
- No 65/rev. by Mr Spinelli and others,
- No 216 by the Committee on Budgets.

I put draft Amendment No 12 to the vote.

It is adopted (111-5-0).

Draft Amendments Nos 216 and 65/rev. therefore fall.

On Article 551 I have three draft amendments :

- No 217 by the Committee on Budgets seeking to create an Article 560
- No 13 by the Committee on Regional Policy, Regional Planning and Transport which also seeks to create an Article 560
- No 64 by Mr Spinelli and others

I put draft Amendment No 217 to the vote.

It is adopted (113-3-0).

Draft Amendments Nos 13 and 74 therefore fall.

On Article 590 I have two draft amendments :

- No 113, by the Group of European Progressive Democrats
- No 218 by the Committee on Budgets.

I put draft Amendment No 219 to the vote.

It is adopted (115-0-0).

Draft Amendment No 113 therefore falls.

On Titles 6 and 7 Mr Spinelli and others have tabled the proposed Modification No 68/rev. on which the Committee on Budgets has given an unfavourable opinion.

I put it to the vote.

It is adopted (56-50-1).

On behalf of the European Conservative Group, Mr Scott-Hopkins has tabled proposed Modification No 128/rev. relating to various chapters of Titles 6 and 7 and on which the Committee on Budgets has given an unfavourable opinion.

I put it to the vote.

It is rejected (31-76-9).

On Item 6217 I have :

- draft Amendment No 188 by the Committee on Budgets ;
- proposed Modification No 133/rev./corr. by the Socialist Group ;
- proposed Modification No 291 by Lord Bruce of Donington and others.

What is Mr Bangemann's opinion ?

**Mr Bangemann, general rapporteur.** — (D) The Committee on Budgets has made its opinion very clear in its draft Amendment No 188. The other draft amendments were also discussed yesterday, these

being a draft amendment by the Socialist Group and a draft amendment by Lord Bruce. Both were rejected by the Committee on Budgets.

A symbolic reduction was judged favourably, but the reduction by 233 million EUA was rejected.

**President.** — I call Mr Lange.

**Mr Lange, chairman of the Committee on Budgets.** — (D) Mr President, I wanted just to point out that Lord Bruce's draft amendment, in so far as it deals with the structure, is covered by the draft amendment by the Committee on Budgets, since the structural amendments have been adopted but not the reductions. There should be no misunderstanding about this. We must not confuse the two things.

**President.** I call Lord Bruce.

**Lord Bruce of Donington.** — Mr President, the amendments tabled in my name and in the names of my colleagues represent the extreme position. They represent a very significant reduction in the costs as such, and I would respectfully submit that since they are farthest away, they ought to be voted on first. I reiterate my formal request that the vote be taken by roll-call.

(Mixed reactions)

**President.** — I call Mr Lange.

**Mr Lange, chairman of the Committee on Budgets.** — (D) Mr President, I think that those tabling amendments should not create any unnecessary difficulties for the deliberations of this Parliament. A decision will be taken first of all, with draft Amendment No 188, on the structure, and, Lord Bruce, your proposals on the structure have been accepted and adopted by the committee. We are not yet talking about the reductions. That is the next stage.

**President.** — I therefore put to the vote first draft Amendment No 118.

It is adopted (101-0-14).

On proposed Modification No 291, Lord Bruce has asked for a vote by roll-call pursuant to Rule 35 (3) of the Rules of Procedure.

(Loud protests)

Since this request has been seconded by ten Members, the vote will take place, in accordance with the decision taken at the beginning of the sitting, at the end of the votes on the draft amendments and proposed modifications.

I call Mr Hughes.

**Mr Hughes.** — I'm sorry, Mr President. For my own clarification, what has happened to proposed Modification 133, i.e. the symbolic one unit of account on the previous chapter ? We haven't had a vote on that yet.

**President.** — Since proposed Modification No 291 is the one which departs most from the text and also the one for which a vote by roll-call has been requested, if it is approved, proposed Modification No 133/rev. will be considered as having fallen. Vice versa, if proposed Modification 291 is rejected, I shall put proposed Modification No 133/rev. to the vote.

I call Mr Hughes.

**Mr Hughes.** — Mr President, in view of this, could I withdraw all the amendments containing the symbolic one unit of account and the corresponding one adding six or seven units of account further on. Until we have decided whether we are going to reduce the whole large sum, it is difficult to see how one can maintain a succession of amendments regarding one unit of account. I am told these amendments will be taken afterwards, but what I'm trying to find out is, how long afterwards? Is it at the very end after we have dealt with the Bangemann report and so forth, or is it at the end during the vote on the budget itself?  
(Mixed reactions)

**President.** — I call Mr Mitchell.

**Mr Mitchell.** — We do seem to have a problem here, because the amendment for which Lord Bruce asked for a roll-call and which you have now decided will be taken at the end is the first of a whole series of similar amendments. Lord Bruce said at the beginning that he would accept a roll-call vote on one and let that decide all the others. But now if you are going to take all the others first, you are going to put him in an awkward position. I mean, are we now going to vote on the other amendments in Lord Bruce's series? Because if we are going to vote by show of hands on all of these, it makes a nonsense of the whole situation.

**President.** — I call Mr Scott-Hopkins.

**Mr Scott-Hopkins.** — Would it not be possible to ask the House if it would allow the roll-call vote to be taken now, so that we can get on with the matter. We are wasting a lot of time as it is.

(Applause from various quarters)

**President.** — Proposed Modifications Nos 291 and 133/rev. will be considered at the end of the voting.

On Item 6220 I have :

- proposed Modification No 134 by the Socialist Group ;
- proposed Modification No 292 by Lord Bruce and others.

I call Mr Mitchell.

**Mr Mitchell.** — Mr President, I did not want to ask for a roll-call on this ; that was my whole point. After all, I am one of those who tabled the amendment. I

do not want to ask for it, but if you are going to carry out this procedure at the end, you leave me no alternative but to ask for it, because they all go together.

**President.** — Since Lord Bruce has not requested a vote by roll-call for proposed Modification No 292, I put it to the vote.

It is rejected (13-92-1).

I put proposed Modification No 134 to the vote on which the Committee on Budgets has given a favourable opinion.

Since the result of the vote by show of hands is doubtful, we shall vote by sitting and standing.

Proposed Modification No 134 is rejected (48-52-12).

I call Mr Dankert.

**Mr Dankert.** — (NL) The similar amendments concerning one unit of account should now be withdrawn. The moment has now come for Mr Hughes' proposal which he made prematurely.

(Applause from various quarters)

**President.** — I shall ask in each case.

On Item 6221 I have :

- draft Amendment No 189 by the Committee on Budgets
- proposed Modification No 135 by the Socialist Group
- proposed Modification No 293 by Lord Bruce and others.

I put draft Amendment No 189 to the vote.

It is adopted (100-13-9).

Proposed Modification No 135 by the Socialist Group has been withdrawn.

I put proposed Modification No 293 to the vote.

It is rejected (11-95-10).

On Item 6230 I have :

- draft Amendment No 190 by the Committee on Budgets,
- proposed Modification No 136 by the Socialist Group,
- proposed Modification No 294 by Lord Bruce and others.

I call Lord Bruce.

**Lord Bruce of Donington.** — Mr President, on the understanding that a roll-call will be held in due course on the first of the amendments that I introduced, which refers to Item 6217 on milk stocks, I will withdraw all the remaining amendments under Article 620 in order to save the time of the House.

**President.** — Since the Socialist Group is withdrawing proposed Modification No 136 I put draft Amendment No 190 to the vote.

**President**

It is not adopted (90-0-12).

On Article 628 the Group of European Progressive Democrats has tabled proposed Modification No 114 on which the Committee on Budgets has given an unfavourable opinion.

I put it to the vote.

It is rejected (23-63-8).

On Item 6412 I have :

- draft Amendment No 191 by the Committee on Budgets
- proposed Modification No 295 by Lord Bruce and others
- proposed Modification No 137 by the Socialist Group.

Since Lord Bruce is withdrawing his own proposed modification, I assume that the Socialist Group is also withdrawing its proposed modification and therefore I put draft Amendment No 191 to the vote.

It is not adopted (94-0-11).

On Item 6511 I have :

- draft Amendment No 192 by the Committee on Budgets
- proposed Modification No 138 by the Socialist Group
- proposed Modification No 296 by Lord Bruce and others

Since the proposed Modifications Nos 138 and 296 are withdrawn, I put draft Amendment No 192 to the vote.

It is adopted (103-0-11).

Draft Amendments Nos 94/rev. and 108/rev. on Items 6910 and 6912 have been withdrawn.

On Item 7011 I have :

- draft Amendment No 193 by the Committee on Budgets
- proposed Modification No 139 by the Socialist Group
- proposed Modification No 197 by Lord Bruce of Donington and others.

Since the two proposed modifications are withdrawn, I put draft Amendment No 193 to the vote.

It is not adopted (98-9-3).

On Title 8 I have two draft amendments seeking to modify the heading of the Title :

- No 96 by the Committee on Agriculture ;
- No 249 by the Committee on Budgets.

Since the draft amendments are identical, I put them to the vote as a single amendment.

They are adopted (101-0-0).

On Chapters 80 to 85 the European Conservative Group has tabled proposed Modification No 125 on which the Committee on Budgets has given an unfavourable opinion.

I put it to the vote.

It is rejected (15-94-0).

On Article 800 I have two draft amendments :

- No 140/rev. by the Socialist Group ;
- No 219 by the Committee on Budgets.

I put draft Amendment No 219 to the vote.

It is adopted (109-0-0).

Amendment No 140/rev. therefore falls.

On Article 814 the Group of European Progressive Democrats has tabled proposed Modification No 115 on which the Committee on Budgets has given a favourable opinion.

I put it to the vote.

It is adopted (111-0-0).

On Article 815 the Group of European Progressive Democrats has tabled proposed Modification No 116 on which the Committee on Budgets has given an unfavourable opinion.

I put it to the vote.

It is adopted (66-38-3).

On Item 8210 the Committee on Budgets has tabled draft Amendment No 220.

I put it to the vote.

It is adopted (102-0-1).

On Item 8351 the Group of European Progressive Democrats has tabled proposed Modification No 117, on which the Committee on Budgets has given an unfavourable opinion.

I put it to the vote.

Since the result of the vote by show of hands is doubtful, we shall vote by sitting and standing.

Proposed Modification No 117 is rejected (47-58-10).

On Item 8360 I have draft Amendment No 304/rev. by the Socialist Group.

What is Mr Bangemann's opinion ?

**Mr Bangemann, general rapporteur.** — (D) Mr President, the Committee on Budgets was not able to vote on this new draft amendment, because it was not tabled in the proper form for incorporation in the budget. It is simply not possible to vote on it. That is why the Committee on Budgets has not done so.

**President.** — Draft Amendment No 304/rev. has been withdrawn. On Article 841 the Committee on Budgets has tabled draft Amendment No 221.

I put it to the vote.

It is adopted (106-2-0).

On Article 843 I have :

- draft Amendment No 48/rev. by Mr Spinelli and others, on which the Committee on Budgets has given a favourable opinion ;

**President**

— proposed Modification No 118 by the Group of European Progressive Democrats.

I put draft Amendment No 48/rev. to the vote.

It is adopted (110-2-0).

Proposed Modification No 118 therefore falls.

On Title 9 I have draft Amendment No 26 tabled by the Committee on Development and Cooperation, on which the Committee on Budgets has given a favourable opinion.

I put it to the vote.

It is adopted (112-0-0).

On Article 920, Item 9201, I have four draft amendments :

- No 252 by the Committee on Budgets
- No 27 by the Committee on Development and Cooperation
- No 97/rev. by the Committee on Agriculture
- No 184 by the Committee on Development and Cooperation.

I put draft Amendment No 252 to the vote.

It is adopted (110-2-0).

Draft Amendments Nos 27, 97/rev. and 184 therefore fall.

On Item 9211 I have three draft amendments :

- No 259 by the Committee on Budgets
- No 29 by the Committee on Development and Cooperation
- No 185 by the Committee on Development and Cooperation

I put draft Amendment No 259 to the vote.

It is adopted (110-0-5).

Draft Amendment Nos 29 and 185 therefore fall.

On Item 9213 I have four draft amendments :

- No 261 by the Committee on Budgets
- No 30 by the Committee on Development and Cooperation
- No 98/rev. by the Committee on Agriculture
- No 186 by the Committee on Development and Cooperation.

I put draft Amendment No 261 to the vote.

It is adopted (111-2-0).

Draft Amendments Nos 30, 98/rev. and 186 therefore fall.

On Item 9221 I have four draft amendments :

- No 264 by the Committee on Budgets ;
- No 31 by the Committee on Development and Cooperation ;
- No 99/rev. by the Committee on Agriculture ;
- No 187 by the Committee on Development and Cooperation.

I put draft Amendment No 264 to the vote.

It is adopted (109-0-5).

Draft Amendments Nos 31, 99/rev. and 187 therefore fall.

On Chapter 92 the Committee on Agriculture has tabled draft Amendment No 100/rev. seeking to create a new Article 925 and two new items and on which the Committee on Budgets has given a favourable opinion.

I put it to the vote.

It is adopted (110-2-0).

The Committee on Agriculture has tabled draft Amendment No 101/rev. seeking to create a new Article 926 and two new items and on which the Committee on Budgets has given a favourable opinion.

I put it to the vote.

It is adopted (111-2-0).

The Committee on Agriculture has tabled draft Amendment No 102/rev. seeking to create a new Article 927 and four new items on which the Committee on Budgets has given a favourable opinion.

I put it to the vote.

It is adopted (110-2-0).

The Committee on Agriculture has tabled draft Amendment No 103/rev. seeking to create a new Article 928 and two new items and on which the Committee on Budgets has given a favourable opinion.

I put it to the vote.

It is adopted (110-2-0).

The Committee on Agriculture has tabled draft Amendment No 104/rev. seeking to create a new Article 929 and a new item and on which the Committee on Budgets has given a favourable opinion.

It put it to the vote.

It is adopted (112-0-0).

On Article 930 I have four draft amendments :

- No 66/rev. by Mr Spinelli and other
- No 32 by the Committee on Development and Cooperation
- No 222 by Mr Bangemann on behalf of the Committee on Budgets
- No 289 by the Socialist Group.

I call Mr Spinelli.

**Mr Spinelli.** — (*I*) Mr President, I withdraw my draft amendment in favour of that tabled by the Socialist Group.

**President.** — Draft Amendment No 66/rev. is therefore withdrawn.



**President**

I put draft Amendment No 289 to the vote.

It is rejected (43-67-0).

I put draft Amendment No 222 to the vote.

It is adopted (111-2-0).

Draft Amendment No 32 therefore falls.

On Article 931 I have two draft amendments :

- No 223 by the Committee on Budgets ;
- No 33 by the Committee on Development and Cooperation.

I put draft Amendment No 223 to the vote.

It is adopted (112-3-0).

Draft Amendment No 33 therefore falls.

On Article 941 I have draft amendments :

- No 35 by the Committee on Development and Cooperation ;
- No 288 by the Socialist Group.

I put draft Amendment No 288 to the vote.

It is rejected (42-70-1).

I put draft Amendment No 35 to the vote.

It is not adopted (98-12-3).

On Article 945 I have two draft amendments :

- No 37 by the Committee on Development and Cooperation ;
- No 224 by the Committee on Budgets.

I put draft Amendment No 224 to the vote.

It is adopted (112-2-0).

Draft Amendment No 37 therefore falls.

On Article 946 I have draft amendments :

- No 34/rev. by the Committee on Development and Cooperation ;
- No 263 by the Committee on Budgets.

Since these draft amendments are identical, I put them to the vote as a single amendment.

They are adopted (111-2-1).

On Article 947 the Christian-Democratic Group (EPP) has tabled draft Amendment No 177 seeking to create a new Item 9472.

I put it to the vote.

It is not adopted (79-28-1).

On Article 948 I have two draft amendments :

- No 39 by the Committee on Development and Cooperation ;
- No 225 by the Committee on Budgets.

I put draft Amendment No 225 to the vote.

It is adopted (114-0-0).

Draft Amendment No 39 therefore falls.

On Article 950 the Committee on Budgets has tabled draft Amendment No 226.

I put it to the vote.

It is adopted (112-2-0).

Draft Amendments Nos 179, 181 and 180 to Articles 960, 962 and 969 have been withdrawn.

On Chapter 96 the Committee on Budgets has tabled draft Amendment No 227 seeking to create a new Article 969.

I put it to the vote.

It is adopted (109-2-1).

The Committee on Budgets has tabled draft Amendment No 228 seeking to create a new Chapter 97 and a new Article 970.

I put it to the vote.

It is adopted (107-6-0).

On Chapter 100 the Committee on Budgets has tabled draft Amendment No 229.

I put it to the vote.

It is adopted (109-2-2).

On Chapter 101 the Committee on Budgets has tabled draft Amendment No 317.

I put it to the vote.

It is adopted (103-4-4).

The Committee on Budgets has tabled draft Amendment No 251 seeking to create a new Chapter 102.

I put it to the vote.

It is not adopted (94-12-6).

At the end of Section III the Committee on Budgets has tabled draft Amendment No 254/rev. concerning legislative decisions.

I put it to the vote.

It is adopted (109-0-0).

Again at the end of Section III the Committee on Budgets has tabled draft Amendment No 318 concerning legislative decisions.

I put it to the vote.

It is adopted (111-0-2)

On Section III — *Commission* — I have no draft amendments or proposed modifications. Section III as a whole is therefore adopted with the modifications arising from the previous votes.

We shall now consider the *Revenue* Section.

The *Revenue* Section is adopted subject to modification in accordance with the votes cast.

We must now take the vote by roll-call on proposed modification No 291 by Lord Bruce and others.

**President**

The roll-call will begin with Mr van Aerssen, whose name has been drawn by lot.

*(The roll-call was taken)*

Here is the result of the vote :

— Number of Members voting 118

— Abstentions 17 :

Albertini, Fellermaier, Fletcher-Cooke, Galluzzi, Leonardi, Lezzi, Ligios, Masullo, Müller W., Pisoni, Reay, Ripamonti, Spinelli, Squarcialupi, Vitale, Walker-Smith, President

— Votes cast 101

— For 20

Ardwick, Brown, Bruce of Donington, Castle, Cunningham, Dalyell, Dunwoody, Edwards, Ellis, Fitch, de Freitas, Hoffmann, Hughes, Ibrügger, Kennet, Lange, Mitchell, Murray, Prescott, Schreiber

— Against 81

van Aerssen, Aigner, Alber, Albers, Baas, Bangemann, Bersani, Bessborough, Bethell, Bouquerel, Brosnam, Brugger, Brughha, Caillavet, Cassanmagnago, Cerretti, Cifarelli, Corrie, Cot, Croze, Dankert, Delmotte, Deschamps, Dewulf, Didier, Dondelinger, Durand, Feit, Fioret, Früh, Fuchs, de Gaay Fortman, Geurtsen, Granelli, Granet, Van der Gun, Halvgaard, Hansen, Herbert, Howell, Johnston, Joxe, Jung, Kaspereit, Kavanagh, Kellet-Bowman, Klepsch, Klinker, Krieg, Lagorce, Lamberts, l'Estrange, Liogier, McDonald, de la Malène, Meintz, Müller H. W., Müller E., Nielsen, Noë, Nolan, Normanton, Notenboom, Nyborg, Osborn, Patijn, Pintat, Power, Rhys Williams, Rippon, Ryan, St. Oswald, Santer, Schyns, Scott-Hopkins, Seefeld, Tolman, Vergeer, Vernaschi, Wawrzik, Yeats, Zywiets

Proposed Modification No 291 is therefore rejected.

Proposed Modification No 133/rev. by Mr Hughes has been withdrawn.

I have not received any proposal for rejection of the draft general budget as a whole.

I call Mr Spinelli for an explanation of vote.

**Mr Spinelli.** — *(I)* Mr President, on behalf of the majority of the Communist and Allies Group, I should like at this stage to make a brief explanation of our vote on the budget. We have submitted proposals which for us are of crucial importance. Some of these have been accepted, for example, that which would enable Parliament to conduct a loans policy controlled by Parliament in the same way as it does regional policy; but two important proposals one concerning agricultural policy and one showing greater responsibility towards the rest of the world, have not been accepted.

In view of this situation and whilst continuing to try to improve the budget as far as possible, we can do no other now but to announce our abstention in the vote.

**President.** — I therefore put to the vote, as a whole, the draft general budget of the European Communities for the financial year 1979 amended and modified by the proposed modifications adopted.

The draft general budget is adopted.

Pursuant to the provisions of the internal Rules of Procedure for consideration of the draft general budget, this document will be annexed to the minutes of proceedings of this sitting and forwarded to the Council.

We shall now consider the motion for a resolution contained in the report (Doc. 400/78) by Mr Bangemann.

I put the preamble to the vote.

The preamble is adopted.

After the preamble the Socialist Group has tabled Amendment No 1 seeking to insert a new part I :

#### I. PRIORITIES

1. Reaffirms its belief that the Community budget must continue to expand in order to play an effective role in the fight against unemployment and regional inequality;
2. Reaffirms that the Community must play a more substantial role in contributing towards economic development throughout the world and that the Community budget should reflect this responsibility;
3. Emphasizes that the expansion of the Community budget must take place in a way which responds to the real priorities of the current economic situation and does not involve wasteful duplication of national efforts;
4. Points out that it cannot be expected to approve a budget for 1979 which does not reflect the priorities decided upon by Parliament in the first reading of the draft budget;

What is Mr Bangemann's opinion?

**Mr Bangemann, general rapporteur.** — *(D)* The Committee on Budgets is against.

**President.** — I put Amendment No 1 to the vote.

It is rejected.

I put paragraphs 1 to 25 to the vote.

Paragraphs 1 to 25 are adopted.

On paragraph 26, the Socialist Group has tabled Amendment No 2 seeking to reword this paragraph as follows :

- '26. Considers it necessary to launch a uniform Community policy on the sea embracing fishery policy, surveillance of maritime waters including the possibility of compulsory pilots on loaded tankers, inspection of sea routes and protection of the maritime environment';

What is Mr Bangemann's opinion?

**Mr Bangemann, general rapporteur.** — *(D)* The Committee on Budgets is in favour.

**President.** — I put Amendment No 2 to the vote.

It is adopted.

**President**

On paragraph 27 the Socialist Group has tabled Amendment No 3 seeking to reword the paragraph as follows :

'27. Considers it urgent that, on the basis of the outcome of the Bremen Summit, the Council should take rapid decisions on the Commission's outstanding proposals, in line with the resolution unanimously adopted by Parliament on 12 October 1978 ; holds the view that the energy policy of the Community must continue to be based on three general aims :

- (a) to reduce dependence on energy imports ;
- (b) to encourage additional sources of energy ;
- (c) to push through energy conservation programmes ;'

What is Mr Bangemann's opinion ?

**Mr Bangemann, general rapporteur.** — (D) The Committee on Budgets is against this amendment and all further amendments.

**President.** — I put Amendment No 3 to the vote. It is rejected.

I put paragraph 27 to the vote.

Paragraph 27 is adopted.

I put paragraphs 28 to 30 to the vote.

Paragraphs 28 to 30 are adopted.

On paragraph 31(a) the Socialist Group has tabled Amendment No 4 seeking to delete this sub-paragraph.

I put Amendment No 4 to the vote.

It is rejected.

I put paragraph 31(a) to the vote.

Paragraph 31(a) is adopted.

I put sub-paragraphs (b) and (c) of paragraph 31 to the vote.

Sub-paragraphs 31 (b) and (c) are adopted.

I put paragraph 32 to the vote.

Paragraph 32 is adopted.

On paragraph 33 the Socialist Group has tabled Amendment No 5 seeking to delete this paragraph.

I put Amendment No 5 to the vote.

It is rejected.

I put paragraph 33 to the vote.

Paragraph 33 is adopted.

I put paragraphs 34 and 35 to the vote.

Paragraphs 34 and 35 are adopted.

On paragraph 36 the Socialist Group has tabled Amendment No 6 seeking to replace this paragraph by the following :

'36. Considers unacceptable the present situation, whereby two-thirds of the Community budget is pre-empted by the common agricultural policy without proper parliamentary control, and considers that a first step would be the establishment of closer links between budgetary and agricultural policy, as symbolized by the creation of a joint working party of the committees responsible ;

36a. Demands therefore that effective parliamentary controls over agricultural expenditure be achieved along with a fundamental reform of the common agricultural policy ;'

I put Amendment No 6 to the vote.

It is rejected.

I put paragraph 36 to the vote.

Paragraph 36 is adopted.

I put paragraphs 37 to 39 to the vote.

Paragraphs 37 to 39 are adopted.

After paragraph 39 the Socialist Group has tabled Amendment No 7 seeking to insert the following new paragraphs :

'39a. Notes that the Commission applies too generously a policy of ad personam appointments and promotions ;

39b. Considers that such a policy should be implemented according to rigorous criteria and as an exceptional measure ;'

This amendment has now been withdrawn.

I put paragraphs 40 and 41 to the vote.

Paragraphs 40 and 41 are adopted.

On paragraphs 42 and 43 Mr Spinelli has tabled Amendment No 8 seeking to delete these paragraphs.

This amendment have now been withdrawn.

I put paragraphs 42 and 43 to the vote.

They are adopted.

I put paragraphs 44 to 47 to the vote.

Paragraphs 44 to 47 are adopted.

I put the motion for a resolution as a whole to the vote.

The resolution is adopted.<sup>1</sup>

We shall now consider the motions for resolutions contained in the reports by Mr Ripamonti.

We shall first consider the motion for a resolution contained in the report (Doc. 413/78) on the amendments to the estimates for Section I — *Parliament*.

I put the preamble to the vote.

The preamble is adopted.

After the preamble I have Amendment No 1 tabled by Mr Hamilton, Lord Bruce of Donington, Mr Brown, Mr Ellis and Mr Fitch seeking to insert the following paragraph :

'... insists, in view of the wasteful expenditure and the inefficiency incurred by the fact that the Parliament's work is currently conducted in 3 separate places, with varying degrees of accessibility, that the appropriate institution or institutions should now expedite a decision on the permanent single site for the European Parliament, preferably before the end of 1979'.

<sup>1</sup> OJ C 275 of 20. 11. 1978.

**President**

What is Ripamonti's opinion?

**Mr Ripamonti, rapporteur.** — (I) I am against.

**President.** — I put Amendment No 1 to the vote. It is rejected.

I put paragraphs 1 and 2 to the vote.

They are adopted.

I put the motion for a resolution as a whole to the vote.

The resolution is adopted.<sup>1</sup>

We shall now consider the motion for a resolution contained in the report (Doc. 394/78) on Section II — *Council* and Annex I (Economic and Social Committee).

I call Mr Ripamonti.

**Mr Ripamonti, rapporteur.** — (I) Mr President, following the amendments which have been adopted, the text of the motion for a resolution will have to be amended.

**President.** — I put to the vote the motion for a resolution as a whole, subject to the specific amendments which Parliament has adopted.

The resolution is adopted.<sup>1</sup>

We shall now consider the motion for a resolution contained in the report (Doc. 395/78) on Section IV — *Court of Justice*.

I call Mr Ripamonti.

**Mr Ripamonti, rapporteur.** — (I) Mr President, I would only point out that a correction should be made in the explanatory statement regarding the number of extra posts to be attributed to this institution.

**President.** — Subject to this factual correction in the explanatory statement, I put the motion for a resolution as a whole to the vote.

It is adopted.<sup>1</sup>

Finally, I put to the vote the motion for a resolution contained in the report (Doc. 396/78) on Section V — *Court of Auditors*.

It is adopted.<sup>1</sup>

We have thus completed the vote on the draft general budget of the Communities for 1979. Although under pressure of time, Parliament has satisfactorily completed its work.

I should like to thank all Members for their contribution and in particular the rapporteurs, Mr Bangemann and Mr Ripamonti, the chairman and members of the Committee on Budgets, and the draftsmen of opinions.

I should also like to pay tribute to the active participation by the Commission and the Council. Finally, I should like to thank on behalf of Parliament all our colleagues in the various departments — linguistic, technical and others — who have contributed to the successful completion of this task, even working through the night.

(Applause)

#### 8. Membership of committees

**President.** — I have received from the Socialist Group a proposal for the appointment of Mr Fitch as a member of the Committee on Energy and Research to replace Mr Ellis. Since there are no objections, this appointment is ratified.

#### 9. Dates of the next part-session

**President.** — Parliament has completed its agenda. The enlarged Bureau proposes that our next sittings be held at Strasbourg during the week from 13 to 17 November 1978.

Since there are no objections, that is agreed.

#### 10. Approval of the minutes

**President.** Rule 17 (2) of the Rules of Procedure requires me to lay before Parliament for its approval the minutes of proceedings of this sitting which were written during the debates.

Since there are no objections, the minutes of proceedings are approved.

#### 11. Adjournment of the session

**President.** — I declare the session of the European Parliament adjourned.

The sitting is closed.

(The sitting was closed at 3 p.m.)

<sup>1</sup> OJ C 275 of 20. 11. 1978.

## **A N N E X**

### **PROPOSED MODIFICATIONS and DRAFT AMENDMENTS**

**relating to the draft general budget of the European  
Communities for the 1979 financial year \***

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\* These proposed modifications and draft amendments are reproduced in numerical order. Numbers missing belong to texts that were withdrawn before the vote.



# DRAFT GENERAL BUDGET OF THE EUROPEAN COMMUNITIES FOR THE FINANCIAL YEAR 1979

(Doc. 296/78)

Draft amendment No 1  
tabled by Mr Dalyell on behalf of the Committee on Energy and Research

## Section III — Commission

### PAYMENTS

- Title 3           — Community policies in regard, particularly, to research, technology, industry,  
                          the social sector, the environment and the supply of energy and raw materials
- Chapter 32       — Expenditure under the energy policy
- Article 321       — Prospecting for uranium in Community territory
- Item 3210        — Prospecting for uranium in Community territory
- (new)

#### A) *Expenditure*

Modify the heading of Article 321 to: 'Operations in the uranium sector'  
Create a new Item 3210: Prospecting for uranium in Community territory'  
Increase the payment appropriation by 6 000 000 EUA (from 3 000 000 EUA to 9 000 000 EUA)  
(reinstatement of the appropriation shown in the preliminary draft budget)

#### B) *Compensation*

—

#### C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

Increase the commitment appropriation by 15 000 000 EUA (from 5 000 000 EUA to 20 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

*Schedule*

Amend the schedule of payments as follows :

The commitment appropriation authorized for 1979 is 20 000 000 EUA. The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	3 000 000	2 300 000	1 000 000	—	—
Appropriations for 1978	5 000 000	3 000 000	1 000 000	1 000 000	
Appropriations for 1979	20 000 000	—	7 000 000	7 000 000	6 000 000
<b>Total</b>	<b>28 300 000</b>	<b>5 300 000</b>	<b>9 000 000</b>	<b>8 000 000</b>	<b>6 000 000</b>

## REMARKS

Unchanged

## JUSTIFICATION

If the Community is to reduce dependence on imported hydrocarbons, a vigorous nuclear programme is necessary. Some reserves of uranium are known to exist in the territory of the Community, and with more detailed prospection such as would be financed by this action, larger reserves could be discovered. This action has become particularly important as a result of recent difficulties in obtaining adequate supplies of uranium from certain third countries.

\* \* \*

Draft amendment No 2

tabled by Mr Dalyell on behalf of the Committee on Energy and Research

Section III — Commission

## PAYMENTS

- Title 3 — Community policies in regard, particularly to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 32 — Expenditure under the energy policy
- Article 321 — Prospecting for uranium in Community territory
- Item 3211 — Prospecting for uranium outside the European Community
- (new)

A) *Expenditure*

Modify the heading of Article 321 to : 'Operations in the uranium sector'

Create a new Item 3211 : 'Prospecting for uranium outside the European Community

Make a token entry (reinstatement of the token shown in the preliminary draft budget)

B) *Compensation*

—



C) *Revenue*  
unchanged

#### COMMITMENTS

—

#### REMARKS

Restore the following remarks :

3211 New Item

EEC-Treaty — Article 235.

The purpose is to promote the exploitation of uranium resources outside the Community, thereby ensuring supplies of uranium for Community users. In view of the energy objectives for 1985, Community financial support for uranium prospecting projects must be made available immediately in order to reduce the Community's dependence on producer countries (see Doc. COM (76)20 of 16 January 1976 'Implementation of the energy policy guidelines set by the European Council at its meeting in Rome on 1 and 2 December 1975').

The associated costs of technical and financial assessments are also charged to this Item.

#### JUSTIFICATION

In recent years the Community has experienced difficulties in obtaining adequate supplies of uranium. More intensive prospecting for uranium outside the Community should increase known reserves of uranium and may diversify sources. This would in turn have a positive effect on the security of the Community's uranium supplies.

\* \* \*

Draft amendment No 3

tabled by Mr Dalyell on behalf of the Committee of the Committee on Energy and Research

Section III — Commission

#### PAYMENTS

Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials  
Chapter 32 — Expenditure under the energy policy  
Article 321 — Prospecting for uranium in Community territory  
Item 3212 — Aid to uranium storage  
(new)

#### A) *Expenditure*

Modify the heading of Article 321 to : 'Operations in the uranium sector'

Create a new Item 3212 : 'Aid to uranium storage'

Make a token entry (reinstatement of the token entry shown in the preliminary draft budget

#### B) *Compensation*

—

C) *Revenue*  
unchanged

#### COMMITMENTS

—

## REMARKS

Restore the following remarks:

3212 New Item

Euratom Treaty, Article 72, second paragraph.

Council Resolution of 17 December 1974 (OJ No C 153 of 9 July 1975).

Council Resolution of 13 February 1975 (OJ No C 153 of 9 July 1975).

This is a Community operation under the energy supply policy, to build up stocks of nuclear fuels in order to reduce the Community's dependence on producer countries. It is considered that a stockpile of some 500 to 600 tonnes of uranium, corresponding approximately to the Community's requirements for 1/2 months in 1981, will provide a reasonable safety margin for the electricity producers of the Member States. In view of the stocks already held, it would enable undertakings to face up to temporary interruptions of supplies such as occurred recently (Canada). The stockpile would, if possible, be made up of uranium produced in the Community.

## JUSTIFICATION

The maintenance of adequate stocks of uranium would enable the Community's nuclear power stations to continue production in the event of a temporary interruption in the supply of uranium. The creation of such stocks would be assisted by this action.

\* \* \*

Draft amendment No 4

tabled by Mr Dalyell on behalf of the Committee on Energy and Research

Section III — Commission

## PAYMENTS

- |             |  |
|-------------|--|
| Title 3     | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 32  | — Expenditure under the energy policy  |
| Article 328 | — Studies in the energy sector   |

A) *Expenditure*

Enter a payment appropriation of 400 000 EUA (instead of a token entry) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*C) *Revenue*

Increase revenue by the same amount.

## COMMITMENTS

## REMARKS

unchanged

## JUSTIFICATION

In the past, studies relating to Community energy policy had been made, being funded from different parts of the Community budget. It seems logical that such studies should come under

Chapter 32 as they form part of the expenditure resulting from the Community's energy policy. This appropriation is intended to cover the cost of studies in the following sectors :

- analysis of the demand for energy
- energy prices
- energy conservation
- the coal sector
- the oil and gas sector
- the development of solar energy.

\* \* \*

Draft amendment No 5/rev

tabled by Mr Dalyell on behalf of the Committee on Energy and Research

### Section III — Commission

#### PAYMENTS

Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials

Chapter 33 — Expenditure on research and investment

Article 333 — Joint Research Centre — other activities

Item 3333 — Measures for physical protection at JRC establishments

#### A) *Expenditure*

Increase the payment appropriation by 3 292 200 EUA (from 2 000 000 EUA to 5 292 000 EUA)

#### B) *Compensation*

Delete the appropriation of 1 292 200 EUA in Chapter 100 — 'Provisional appropriations' earmarked for Item 3333 'Measures for the physical protection of JRC establishments'.

#### C) *Revenue*

Increase revenue by 2 000 000 EUA

#### COMITMENTS

Increase the commitment appropriation under Item 3333 by 4 212 000 EUA (from 2 000 000 EUA to 6 212 000 EUA).

Delete the commitment appropriation of 2 212 000 EUA in Chapter 100 'Provisional appropriations' earmarked for Item 333 'Measures for physical protection at JRC establishments'

#### *Schedule of Payments*

Modify the schedule of payments as follows :

The commitment appropriation authorized for 1979 is 6 212 000 EUA<sup>1</sup>. The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment		—	—	—	—
Appropriations outstanding from 1977		—	—	—	—
1978 Appropriations	5 000 000	4 455 000	1 045 000	—	—
1979 Appropriations	6 212 000	—	4 247 200	1 964 800	—
<b>Total</b>	<b>11 712 000</b>	<b>4 455 000</b>	<b>5 292 200</b>	<b>1 964 800</b>	<b>—</b>

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977.

## REMARKS

Enter the following remarks:

This appropriation will be used by the Commission to finance the following measures:

— arrangements and activities to improve protection and surveillance of JRC establishments and some of their installations, and in particular

1. Investments, including in particular:

- erection, reinforcement or realignment of fences,
- tree felling in peripheral areas and the laying of patrol paths, in some cases lighting of sites,
- reinforcement or construction of access facilities and installation of a remote control system,
- installations of electronic detection, inspection, monitoring and alarm networks and the requisite premises.

2. Cost of patrolling or guarding the above mentioned installations.

3. Cost of maintenance, including routine maintenance of all protected facilities and areas, especially electronic networks. The illustrative breakdown of appropriations over these expenditure groups is derived from the 'Table of Equivalence' set out in Annex II to this Section III — Commission of the budget.

These measures correspond to the recommendations drawn up by the International Atomic Energy Agency concerning the protection of nuclear materials (Doc. INFCIRC/225). These measures are not covered by the overall appropriation for the JRC's multiannual research programme.'

## JUSTIFICATION

These appropriations would cover the costs incurred by the Joint Research Centre in conforming to the International Atomic Energy Agency's recommendations concerning the protection of nuclear materials. The Committee on Energy and Research believes that Community institutions should set an example as far as nuclear protection measures are concerned. The JRC, as a Community institution, must be seen to have the highest standards of physical protection.

The table of equivalence should be modified as follows:

Item	Heading	Sub-Items						
		1	2	3	4	5	9	Total
3333	Measures for physical protection at JRC establishments	C		2 117 000	4 095 000			6 212 000
		P		1 855 700	3 436 500			5 292 200

C = Commitments

P = Payments

\* \* \*

Draft amendment No 6

tabled by Mr Dalyell on behalf of the Committee on Energy and Research

Section III — Commission

## PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 33 — Expenditure on research and investment
- Article 335 — Indirect action — Joint programmes
- Item 3359 — Decommissioning of nuclear installations

**A) Expenditure**

Enter a payment appropriation of 996 000 EUA (instead of token entry) (reinstatement of the appropriation shown in the preliminary draft budget).

**B) Compensation**

Delete the payment appropriation of 500 000 EUA in Chapter 100 'Provisional appropriations' earmarked for Item 3359 — 'Decommissioning of nuclear installations'.

**C) Revenue**

Increase revenue by 496 000 EUA

**COMMITMENTS**

Enter a commitment appropriation of 2 296 000 EUA (reinstatement of the appropriation shown in the preliminary draft budget).

Delete the commitment appropriation of 500 000 EUA in Chapter 100 'Provisional appropriations' earmarked for Item 3359 — 'Decommissioning of nuclear installations'.

**Schedule**

Amend the schedule of payments as follows :

The commitment appropriation authorized for 1979 is 2 296 000 EUA. The schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	—	—	—	—	—
Appropriations outstanding from 1977	—	500 000 <sup>1)</sup>	—	—	—
1978 appropriations	500 000	—	—	—	—
1979 appropriations	2 296 000	—	996 000	1 300 000	—
<b>Total</b>	<b>2 796 000</b>	<b>500 000</b>	<b>996 000</b>	<b>1 300 000</b>	

<sup>1</sup> Entered in Chapter 100.

**REMARKS**

Modify the remarks as follows :

Council Resolution of 17 May 1977 (OJ C 139/77) on the continuation and implementation of a European Community policy and action programme on the environment. Proposal for a programme submitted to the Council.

The programme deals with the following subjects :

- development of specialized techniques ; estimate of the amount of radioactive waste created ; study of certain characteristics of power stations from the standpoint of decommissioning ; establishment of guiding principles.

This primarily concerns the electricity producers and the public and private bodies involved in nuclear research.

The objective of the programme is to promote the development of methods and techniques for the decommissioning of nuclear power stations, in such a way as to ensure the protection of man and his environment.

The appropriations will be used to finance the following measures during the financial year 1979 :

- (a) staff expenditure in respect of five servants of Categories A (2), B (2) and C (1);
- (b) recurring administrative expenditure, in particular : meetings, missions and staff remunerated on the basis of services rendered ;
- (c) the Commission's financial obligations resulting from contracts to be concluded with bodies in the Member States.

The illustrative breakdown of appropriations over these expenditure groups is derived from the 'Table of Equivalence' set out in Annex II to this Section III ('Commission') of the budget.

### JUSTIFICATION

The problem of what to do with nuclear installations that are no longer in use is of considerable concern to the European public. Moreover the experience already acquired in the field of decommissioning, which was derived from relatively small installations, may not be readily applicable to the large-scale commercial reactors that will be withdrawn from service between now and the end of the century.

Detailed investigations into the problems involved in decommissioning nuclear power stations, including cost studies, are urgently needed. This work could well be carried out at Community level, the Commission having proposed a comprehensive research programme which would be financed by these appropriations.

\* \* \*

Draft amendment No 7

tabled by Mr Dalyell on behalf of the Committee on Energy and Research

### Section III — Commission

#### PAYMENTS

Title 10 — Other expenditure  
Chapter 100 — Provisional appropriations

#### A) *Expenditure*

Enter a payment appropriation of 1 644 800 EUA earmarked for Item 3360 — 'Secondary raw materials' (partial reinstatement of the appropriation shown in the preliminary draft budget).

#### B) *Compensation*

—

#### C) *Revenue*

Increase revenue by the same amount.

#### COMMITMENTS

Title 10 — Other expenditure  
Chapter 100 — Provisional appropriations

Enter a commitment appropriations a commitment appropriation of 4 144 800 EUA, earmarked for Item 3360 — 'Secondary raw materials' (partial reinstatement of the appropriation shown in the preliminary draft budget).

#### *Schedule*

In the remarks to Item 3360, restore the following schedule :

The commitment appropriation authorized for 1979 is 4 144 800 EUA <sup>1</sup>

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	—	—			—
Appropriations outstanding from 1977	—	—			—
1978 Appropriations	—	—			—
1979 Appropriations	4 144 800 <sup>1</sup>	—	1 644 800 <sup>1</sup>	2 500 000	—
<b>Total</b>	<b>4 144 800</b>	<b>—</b>	<b>1 644 800</b>	<b>2 500 000</b>	

<sup>1</sup> Appropriations entered in Chapter 100.

#### REMARKS

A) Remarks to Item 3360 — delete the last sentence : 'Pending a programme decision there will be a token entry for this Item'.

B) Remarks to Chapter 100 — Provisional appropriations — enter the following remarks :

- (7) Item 3360 — Secondary raw materials
  - Appropriations for payment 1 644 800
  - Appropriations for commitment (4 144 800)

#### JUSTIFICATION

The secondary raw materials programme concerns the recycling of municipal, industrial and agricultural waste, with the dual aim of reducing raw materials imports and eliminating waste that might otherwise be harmful to the environment. This programme would coordinate research underway in the Member States, as well as organising complementary projects partially financed by the Community.

\* \* \*

Draft amendment No 8  
tabled by Mr Dalyell on behalf of the Committee on Energy and Research

#### Section III — Commission

#### PAYMENTS

Title 10 — Other expenditure  
Chapter 100 — Provisional appropriations

#### A) Expenditure

Enter a payment appropriation of 629 900 EUA earmarked for Item 3366 — 'Climatology' (partial reinstatement of the appropriation shown in the preliminary draft budget).

#### B) Compensation

—

#### C) Revenue

Increase revenue by the same amount

## COMMITMENTS

Title 10 — Other expenditure

Chapter 100 — Provisional appropriations

Enter a commitment appropriation of 2 029 900 EUA, earmarked for Item 3366 — 'Climatology' (partial reinstatement of the appropriation shown in the preliminary draft budget).

*Schedule*

In the remarks to Item 3366, reinstate the following schedule :

The commitment appropriation authorized for 1979 is 2 029 900 EUA. The schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	—	—	—	—	—
Appropriations outstanding from 1977	—	—	—	—	—
1978 Appropriations	—	—	—	—	—
1979 Appropriations	2 029 000 <sup>1</sup>	—	629 900 <sup>1</sup>	1 400 000	—
<b>Total</b>	<b>2 029 000</b>	<b>—</b>	<b>629 900</b>	<b>1 400 000</b>	<b>—</b>

<sup>1</sup> Appropriations entered in Chapter 100.

## REMARKS

A) Remarks to Item 3366 — delete the last sentence : 'Pending a programme decision there will be a token entry for this item'.

B) Remarks to Chapter 100 : Provisional appropriations — enter the following remarks :

- (21) Item 3366 — Climatology  
 — Appropriations for payment : 629 000  
 — Appropriations for commitment : (2 029 900)

## JUSTIFICATION

These appropriations are required to finance a research programme dealing with the mechanism of climate and its effects on agriculture, water resources, energy requirements, etc., as well as the effects of certain human activities on climate. Increased knowledge of climate would have obvious economic benefits for the Community.

\* \* \*

Draft amendment No 9

tabled by Mr Dalyell on behalf of the Committee on Energy and Research

Section III — Commission

## PAYMENTS

Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials

Chapter 36 — Expenditure on scientific and technical information and information management



- Article 361 — Dissemination, circulation and utilization of scientific and technical knowledge  
 Item 3611 — Assessment and utilization of the research findings

*A) Expenditure*

Enter a payment appropriation of 420 000 EUA (instead of a token entry) (reinstatement of the appropriation shown in the preliminary draft budget)

*B) Compensation*

Decrease by 150 000 EUA the appropriations in Chapter 100 'Provisional appropriations' earmarked for Item 3611 'Assessment and utilization of the research findings'

*C) Revenue*

Increase revenue by 270 000 EUA

COMMITMENTS

—

REMARKS

Modify the remarks as follows:

The sentence 'This item is intended to record expenditure on' is replaced by 'This appropriation will be used to finance the following measures during the financial year 1979';  
 and delete the following: 'An appropriation of 150 000 EUA has been entered in Chapter 100'.

JUSTIFICATION

Work on this programme, including the definition and implementation of a Community policy on industrial innovation by means of studies and services, has been under way during the course of 1978. This useful work would be interrupted unless the necessary appropriations were reinstated in Chapter 36.

\* \* \*

Draft amendment No 10  
 tabled by Mr Dalyell on behalf of the Committee on Energy and Research

Section III — Commission

PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector the environment and the supply of energy and raw materials  
 Chapter 32 — Expenditure under the energy policy  
 Article 324 — Aids to demonstration projects under the Community energy programme  
 Item 3240 — Community energy-saving programme

*A) Expenditure*

Enter a payment appropriation of 7 000 000 EUA (instead of a token entry) (reinstatement of the appropriations shown in the preliminary draft budget)

*B) Compensation*

Delete the appropriation of 7 000 000 EUA in Chapter 100 'Provisional appropriations' earmarked for Item 3240 'Community energy-saving programme'.

*C) Revenue*

unchanged

## COMMITMENTS

Enter a commitment appropriation of 16 000 000 EUA under Item 3240. Delete the commitment appropriation of 16 000 000 EUA in Chapter 100 'Provisional appropriations' earmarked for Item 3240 'Community energy-saving programme'.

*Schedule*

Amend the schedule of payment as follows :

The commitment appropriation authorized for 1979 is 16 000 000 EUA. The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Appropriations 1978	4 000 000	2 000 000	1 000 000	1 000 000	—
Appropriations 1979	16 000 000	—	6 000 000	5 000 000	5 000 000
Total	20 000 000	2 000 000	7 000 000	6 000 000	5 000 000

## REMARKS

Modify the remarks as follows :

Delete the footnote 'this appropriation has been entered in chapter 100'

## JUSTIFICATION

As the programme which is financed by this item has now been adopted by the Council,<sup>1</sup> these appropriations should be transferred from chapter 100 to chapter 32.

\* \* \*

Draft Amendement No 11  
tabled by Mr Dalyell on the Committee on Energy and Research

## Section III — Commission

## PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 32 — Expenditure under the energy policy
- Article 324 — Aids to demonstration projects under the Community energy programme
- Item 3241 — Development programme for new sources of energy

A) *Expenditure*

Enter a payment appropriation of 9 500 000 EUA (instead of a token entry) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

Delete the appropriation of 9 500 000 EUA in Chapter 100 'Provisional appropriations' earmarked for Item 3241 'Development programme for new sources of energy'.

<sup>1</sup> OJ No L 158 of 16 June 1978, p. 6.

C) *Revenue*

unchanged.

## COMMITMENTS

Enter a commitment appropriation of 16 000 000 EUA under Item 3241.

Delete the commitment appropriation of 16 000 000 EUA in Chapter 100 'Provisional appropriations' earmarked for Item 3241 'Development programme for new sources of energy'.

*Schedule*

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1979 is 16 000 000 EUA. The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Appropriations 1978	11 000 000	4 000 000	3 500 000	3 500 000	—
Appropriations 1979	16 000 000	—	6 000 000	5 000 000	5 000 000
Total	27 000 000	4 000 000	9 500 000	8 500 000	5 000 000

## REMARKS

Modify the remarks as follows:

Delete the footnote 'this appropriation has been entered in Chapter 100'

## JUSTIFICATION

As the programme which is financed by this item it has now been adopted by the Council<sup>1</sup>, these appropriations should be transferred from Chapter 100 to Chapter 32.

\* \* \*

## Draft Amendment No 12

tabled by the Committee on Regional Policy, Regional Planning and Transport

## Section III — Commission

## PAYMENTS

- Title 5 — Social and Regional Funds
- Chapter 55 — European Regional Development Fund
- Community measures in support of national regional policies
- Article 550 — Community measures in support of national regional policies

A) *Expenditure*

Increase the payment appropriation by 198 000 000 EUA (from 320 000 000 EUA to 518 000 000 EUA).

B) *Revenue*

Increase revenue by the same amount.

<sup>1</sup> OJ L 158 of 16. 6. 1978, p. 3.

## COMMITMENTS

Increase the commitment appropriation by 380 000 000 EUA (from 620 000 000 EUA to 1 000 000 000 EUA).

*Schedule*

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1979 is 1 000 million EUA<sup>1</sup>. The likely schedule of payment against commitments is as follows:

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	333	275		42	16
Appropriations available from 1977	15	5	5	3	2
1978 Appropriations	581	245	163	116	57
1979 Appropriations	1 000		350	350	300
Total	1 929	525	518	511	375

## REMARKS

Modify the remarks as follows:

The appropriations intended to finance the European regional policy are based upon the following Regulations:

- Council Regulation (EEC) No 724/75 of 18 March 1975 establishing a European Regional Development Fund (OJ L 73, 21. 3. 1975, p. 1),
- Draft amendment to the above regulation (OJ C 161, 9. 7. 1977),
- Council Decision 75/186/EEC of 18 March 1975 to apply Regulation (EEC) No 724/75 establishing a European Regional Development Fund to the French overseas departments (OJ L 73, 21. 3. 1975, p. 49).

The general objective is to correct the major regional imbalances in the Community by means of contributions to the financing of investments — individually costing at least 50 000 EUA — in industrial, artisan or services activities that are economically sound and that qualify for State regional aids, provided that at least 10 jobs are created or safeguarded.

## JUSTIFICATION

1. It is impossible to translate the desire to establish an Economic and Monetary Union, proclaimed by all the Community institutions and confirmed at the recent Summit meetings at Copenhagen and Bremen, into action without a much more ambitious regional policy.

2. In its preliminary draft budget for 1979 the Commission, which considers itself bound by the decision of the European Council in December 1977 fixing the amount to be allocated to the ERDF for the three years 1978-1980, entered the figure set by that body for 1979 (620 m EUA in commitment appropriations), although it thought that, with such an appropriation, the Fund can contribute only in a very modest way to solving the regional problems of the Community'. In contrast, in its Triennial Financial Estimates the Commission proposed for 1981 an endowment of 1 250 m EUA, which it regarded as more commensurate with the problems to be solved.

Thus, whilst the Commission 'does not consider itself bound' by a decision of the European Council, the figures it proposes are in general double those adopted by the Council.

3. The European Parliament, which is responsible for exercising democratic control over the creation and use of the financial resources of the ERDF, is not bound by the decisions of the European Council.

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977

The sum of 620 m EUA (in commitment appropriations) entered by the Council in the draft budget for 1979 amounts to a decrease in real terms in the endowment of the ERDF, in relation to the indexed total for 1977, by a sum of the order of 85 m EUA (the sum required to maintain the level being about 705 m EUA).

In its Triennial Financial Estimates for 1978-1980, which accompanied the preliminary draft budget for 1978, submitted before the European Council's decision of December 1977, the Commission proposed for 1979 a sum of 1 000 m EUA. It is therefore reasonable to take that Figure for the commitment appropriations to be entered under Chapter 55.

4. The sum in payment appropriations is tied to the commitment appropriations entered. Experience in recent years shows that on average 35 % of the commitment appropriations for the financial year are used for payments during that financial year. This means that the payment appropriations should be set at 350 m EUA. To this sum must be added the payment appropriations corresponding to the commitments from years preceding the Financial year in question (i.e. a total of 518 m EUA).

\* \* \*

#### Draft amendment No 13

tabled by the Committee on Regional Policy, Regional Planning and Transport

#### Section III — Commission

#### PAYMENTS

Title 5 — Social and Regional Funds

Chapter 56 — European Regional Development Fund Specific Community measures (replaces Article 551, Chapter 55)

(new)

Article 560 — Specific Community measures

(new)

#### A) Expenditure

- Create a new Chapter 56: 'European Regional Development Fund — Specific Community Measures' and an Article 560: 'Specific Community measures' (reinstatement of Chapter 56 of preliminary draft budget)
- Enter a payment appropriation of 35 000 000 EUA against this Article

#### B) Revenue

Increase revenue by the same amount.

#### COMMITMENTS

Enter a commitment appropriation of 100 000 000 EUA

#### Schedule

Enter the following schedule of payments:

The commitment appropriation authorized for 1979 is 100 m EUA<sup>1</sup>.

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments		
		1979	1980	1981
1979 appropriation	100	35	35	30

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977

## REMARKS

Restore the remark shown in Chapter 56 of the preliminary draft budget :

## New article

The legal basis is the draft amendment to Council Regulation (EEC) No 724/75, 18 March 1975, establishing a European Regional Development Fund (OJ L 73, 21 March 1975, p. 1).

This concerns the participation of the European regional policy in the financing of specific Community regional development measures which are wholly or partly different from the measures covered by Chapter 55, and which are :

- either linked to other Community policies or measures, the aim being to enable the regional dimension of such policies or measures to be taken more fully into account, or any harmful impact on the regions to be tempered ; or
- in exceptional cases, intended to deal with the structural consequences of particularly serious events in certain regions or areas, to replace jobs lost and to create the necessary infrastructure.

## JUSTIFICATION

1. In its preliminary draft budget for 1979 the Commission proposed the creation of a new Chapter 56 — 'European Regional Development Fund — specific Community measures'.

The operations in question come outside the national quotas, and are therefore very different from the operations under Chapter 55. Although this justifies the creation of a separate chapter, the Council proposes merely the creation of a new article under Chapter 55.

2. Both the Commission and the Council have entered merely a token entry. Now in the section on 'Principles of entering new policies in the budget', which accompanies the preliminary draft budget for 1979 (Volume 7/A, p. 101) one finds :

'appropriations are entered under a budget heading when a Commission proposal has been accepted or, if a Commission proposal has been submitted by 15 June, when there is every likelihood of it being adopted by 31 December in view of the tenor of the earlier discussions in the Community's institutions.'

The Commission's proposal, approved by the European Parliament, was dated before 15 June 1977.

The Council was to have taken a decision by 1 January 1978. In the event the Council adopted in June 1978 a joint guideline approving the creation of a 'non-quota' section and it is understood that a decision will be taken by 31 December 1978.

3. The sum to be entered under the non-quota section should therefore be laid down in the course of the present budgetary procedure. The creation of a non-quota section should not lead to a reduction in the other Fund operations but rather to an overall increase in the Regional Fund's resources. In 1977 the Commission had proposed for 1978 an endowment of 100 m EUA (commitment appropriations), which may be taken as a starting point.

The payment appropriations may be fixed by applying the percentage (35 %) used for Chapter 55.

\* \* \*

## Draft Amendment No 14

tabled by the Committee on Regional Policy, Regional Planning and Transport

## Section III — Commission

## PAYMENTS

- |             |  |
|-------------|--|
| Title 3     | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 37  | — Expenditure in the industrial and transport sectors  |
| Article 379 | — Monitoring of freight markets  |

A) *Expenditure*

Increase the payment appropriation by 150 000 EUA (from 150 000 EUA to 300 000 EUA)  
(Reinstatement of the appropriation shown in the preliminary draft budget)

B) *Revenue*

Increase revenue by the same amount

## Remarks

Modify the remarks as follows :

## New article

Communication from the Commission to the Council on the development of the common transport policy of 25 October 1973 — Supplement 16/73 to the Bulletin of the EC ; in particular, paragraphs 49 and 87.

Communication from the Commission to the Council on the operation of the markets in surface goods transport within the Community — Doc. COM (75) 490 final, Part 8.

— Declaration of the Council of Transport Ministers of 12 June 1978

This appropriation is to cover the establishment of a system for monitoring and forecasting the freight transport market in order to improve its operation and adapt it more effectively to current economic requirements. The related costs of enquiries, other services or the secretariat are also charged to this Article.

## JUSTIFICATION

1. The European Parliament approved the proposal for a Regulation setting up a system for monitoring and forecasting the freight transport market.

The purpose of this system is to provide data on the trends and situation in the goods transport market between Member States. Being flexible, this system will allow carriers to adapt promptly to users' requirements and will provide vital data for the development of the common transport policy.

2. In its declaration of 12 June 1978 the Council of Transport Ministers took note of the Commission's intention and requested it to report on the first period of operation.

When the subject was debated in the Council, the Commission representative pointed to the need to provide the staff complement and the appropriations indicated in the Commission's proposal (300 000 EUA).

3. These appropriations were requested in the preliminary draft budget but the figure provided for in the draft budget amounts to no more than 150 000 EUA.

The European Parliament considers it a duty to reinstate the initial appropriation which is necessary for the introduction of the system.

\* \* \*

## Draft Amendment No 15

tabled by the Committee on Economic and Monetary Affairs

## Section III — Commission

## PAYMENTS

- |                    |  |
|--------------------|--|
| Title 3            | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 37         | — Expenditure in the industrial and transport sectors  |
| Article 370        | — Projects in the data-processing sector   |
| Item 3703<br>(new) | — Development of integrated circuits and electronic components   |

A) *Expenditure*

Create a new Item 3703 'Development of the technology of integrated circuits and electronic components'

Make a token entry (reinstatement of the token entry shown in the preliminary draft budget)

B) *Compensation*

--

C) *Revenue*

Unchanged

## COMMITMENTS

—

## Remarks

## New Item

Proposal for a four-year programme presented by the Commission to the Council on 9 November 1976 (Doc. COM (76) 524) on the basis of Article 235 of the EEC Treaty.

This item is to cover expenditure arising from a joint applied research project on very highly integrated circuits, and on electronic components, relating in particular to:

- product standardization and rationalization,
- collaborative rationalization of technical specifications for the purchase of equipment,
- pooling of the results of advanced basic research,
- optimization of the use of available resources,
- payment of consultants and related miscellaneous or secretarial services.

(Text of the preliminary draft budget)

## JUSTIFICATION

When it adopted the four-year programme for the development of informatics the European Parliament stressed the importance and necessity of Community action to create a European capability in highly integrated circuits. In the discussions on the budget for the present year the Commission had announced the submission of a proposal before the end of 1977. So far this proposal has regrettably still not been submitted, but the Commission hopes to present it very shortly. Consequently this item should be reinstated as a token entry in the budget.

\* \* \*

## Draft amendment No 16

tabled by the Committee on Economic and Monetary Affairs

## Section III — Commission

## PAYMENTS

- |             |   |
|-------------|---|
| Title 3     | — Community policies in regard, particularly, to research technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 37  | — Expenditure in the industrial and transport sectors   |
| Article 372 | — Sectoral research operations  |
| Item 3722   | — Operations in the ceramics sector   |
| (new)       |   |

A) *Expenditure*

Create a new Item 3722 'Operations in the ceramics sector'

Make a token entry (reinstatement of the token entry shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Unchanged

## COMMITMENTS

—



**REMARKS****New Item**

Article 235 of the EEC Treaty.

This Item is intended for the expenditure on a joint research project in the ceramics industry.

The aims of the project are :

- the improvement of the technology for using low-grade clay minerals with a view to improving the conditions for the supply of raw materials,
- the creation of basic materials needed for production, the replacement of rare metals by ceramic products and the development of technical ceramics through the promotion of innovations as part of the environmental and energy-saving policy.

(text of the preliminary draft budget).

**JUSTIFICATION**

According to the Commission this proposal is to be submitted to the Council very shortly. To get this project off the ground in the course of next year it is necessary to include it as a token entry.

\* \* \*

**Draft amendment No 17**

tabled by the Committee on Economic and Monetary Affairs

**Section III — Commission****PAYMENTS**

- |                      |  |
|----------------------|--|
| Title 3              | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 37           | — Expenditure in the industrial and transport sectors  |
| Article 374<br>(new) | — Technical rules in respect of industrial products  |
| Item 3741<br>(new)   | — Harmonization of industrial laws   |

**A) Expenditure**

Modify the heading of Article 374: 'Technical rules in respect of industrial products'

Create a new Item 3741 'Harmonization of industrial laws'

Create a payment appropriation of 500 000 EUA (instead of a token entry) (reinstatement of the appropriation shown in the preliminary draft budget)

**B) Compensation**

—

**C) Revenue**

Increase revenue by same amount

**COMMITMENTS**

—

**REMARKS**

Council Resolution of 17 December 1973 on industrial policy.

Directives adopted for the removal of technical barriers to trade (about 150 directives).

This appropriation is to cover expenditure on basic technical studies to be conducted in connection with the directives for the removal of technical barriers to trade.

These studies should lead to the establishment of common standards; they concern :

- the preparation of new directives ;
- the modification of existing directives ;
- inspection of the implementation of the directives.

(Text of the draft preliminary budget)

#### JUSTIFICATION

The Commission claims that the complexity of these proposals makes it impossible for it to carry out the studies for the preparation of proposals and for the modification of directives, and the inspection of the implementation of the directives, with the result that there could be delays in the harmonization of laws in industry. In its efforts to create a common market the European Parliament has always strongly supported the removal of technical barriers to trade and repeatedly called for the speediest possible adoption of these proposals ; it has even proposed a special procedure for this. It therefore also supports a project whose ultimate aim must be to speed up the preparation of these proposals and improve implementation of the directives which have been passed. Consequently the appropriation required for this, which the Commission had entered in the preliminary draft budget, and which the Council has deleted, should be reinstated in the 1979 budget.

\* \* \*

Draft amendment No 18  
tabled by the Committee on Economic and Monetary Affairs

#### Section III — Commission

#### PAYMENTS

- |             |  |
|-------------|--|
| Title 3     | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 37  | — Expenditure in the industrial and transport sectors  |
| Article 375 | — Community industrial reorganization and redevelopment operations   |
| Item 3750   | — Measures on behalf of certain industrial sectors in crisis   |

#### A) *Expenditure*

Create an appropriation of 8 000 000 EUA.

#### B) *Compensation*

—

#### C) *Revenue*

Increase revenue by same amount

#### COMMITMENTS

Create an appropriation of 30 000 000 EUA (reinstatement of the appropriation shown in the preliminary draft budget for 1979)

*Schedule*

The likely schedule of payments relative to commitments is :

(in ECU)

Commitments		Payments			
		1978	1979	1980	1981
Appropriations 1978	20 000 000 <sup>1</sup>	17 000 000 <sup>2</sup>	2 000 000	1 000 000	—
Appropriations 1979	30 000 000	—	6 000 000	15 000 000	9 000 000
Total	50 000 000	17 000 000	8 000 000	16 000 000	9 000 000

<sup>1</sup> of which 15 000 000 ECU in non-differentiated appropriations from the former item 3751

<sup>2</sup> By 30 September 1978 none of these appropriations had been utilized and they are therefore likely to be carried forward to 1978

**REMARKS**

Former Items 3750 and 3751

As part of the sectoral policies laid down at Community level, this appropriation is intended to stimulate reorganization and redeployment measures in certain crisis-hit industrial sectors and also to assist investments in the undertakings likely to create alternative employment.

(Text of the preliminary draft budget)

**JUSTIFICATION**

A feature of the present-day economic and social situation is the need for restructuring in certain sectors which are going through a crisis. The sectors particularly concerned are ship-building, man-made fibres, paper, etc. The most appropriate level for such support measures to crisis-hit sectors is the Community level. The proposed amounts are, however, far from enough to provide a solution to the crisis throughout the Community. Generally speaking, the Community budget is too small to have a macro-economic impact and to solve such structural problems. Consequently this Community budget is inconsistent with the avowed aim of economic and monetary union and the decisions taken in Bremen on the basis of a convergence of the economies of the Member States, one requirement for which is a medium-term economic policy, and in particular a structural policy at Community level.

The Commission was not able to utilize the appropriations for the current financial year since this requires the approval of arrangements for the allocation of the support. These arrangements are to be presented to the Council soon. Furthermore, criteria for their allocation will have to be laid down for the separate sectors for which these appropriations are to be available. So far this has only been done for the ship-building sector.

In view of the lack of necessary policy directives the Commission is unlikely to be in a position to allocate more than it has entered in the preliminary draft budget, especially as it has not yet utilized the current year's appropriations, which will have to be carried forward to 1979. The appropriations not utilized in 1978 amount to 17 000 000 ECU. If the 8 000 000 ECU proposed in this amendment are added to this figure, the Commission will have a total of 25 000 000 ECU for 1979, which is sufficient in view of the lack of progress so far made in establishing the policy directives required before the appropriations can be utilized.

In view of the restructuring policy to be established in the short term in the various crisis-hit sectors, the commitment appropriations of 30 000 000 ECU proposed by the Commission in the preliminary draft budget are, however, reinstated in full.

The proposed appropriations are very modest compared with the objective. But the lack of an established policy means that there is no point in entering higher appropriations. Dynamic and more broadly conceived action is urgently required in this field.

\* \* \*

## Draft amendment No 19

tabled by the Committee on the Environment, Public Health and Consumer Protection

## Section III — Commission

- Title 2 — Buildings, equipment and miscellaneous administrative expenditure
- Chapter 29 — Subsidies and financial contributions
- Article 298 — EEC contribution to administrative expenditure connected with international agreements
- Item 2986 — Community participation in International Conventions on the environment

A) *Expenditure*

Increase the payment appropriation for 1979 by 20 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

—

## JUSTIFICATION

The work on protection of the Rhine against chemical pollution within the framework of the Bern Convention, signed by the Community on 3 December 1976, has progressed so rapidly that an increase in the Community's contribution of 20 000 EUA is fully justified. The contribution initially provided for in the Convention was only 17 950 EUA, or 13 % of the corresponding budget.

\* \* \*

## Draft amendment No 20

tabled by the Committee on the Environment, Public Health and Consumer Protection

## Section III — Commission

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 35 — Protection of man and his environment
- Article 354 — Community environmental protection measures
- Item 3545 (new) — Action programme on the environment to promote employment

A) *Expenditure*

Create a new item 3545 'Action programme on the environment to promote employment'  
Enter a payment appropriation of 10 000 000 EUA

B) *Compensation*C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

—

## JUSTIFICATION

The purpose of this new item is to encourage the Commission to emphasize the social and humanitarian value of positive and preventive measures to protect the environment (e.g. animal and plant protection, tidying up the countryside, afforestation, creation of open-air centres etc.). By implementing these schemes the Commission would also be helping to create a considerable number of new jobs.

\* \* \*

## Draft amendment No 21

tabled by the Committee on the Environment, Public Health and Consumer Protection

## Section III — Commission

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 35 — Protection of man and his environment
- Article 355 — Consumer protection and information
- Item 3550 — Consumer protection studies

A) *Expenditure*

Increase the payment appropriation by 50 000 EUA (from 300 000 EUA to 350 000 EUA) — (reinstatement of the appropriation shown in the preliminary draft budget plus an additional 26 000 EUA)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

—

## JUSTIFICATION

The Committee on the Environment, Public Health and Consumer Protection considers that the studies undertaken by the Commission should be continued on the same scale to implement the first consumer protection and information programme adopted by the Council. Priority should be given to adequate protection against fire hazards, toxic substances, and the drawing up of additional labelling and quality standards for foodstuffs, the use of medicines and cosmetics and the safe operation of household appliances and tools. Appropriate studies should be undertaken urgently with a view to preparing the corresponding proposals for directives.

\* \* \*

## Draft amendment No 22

tabled by the Committee on the Environment, Public Health and Consumer Protection

## Section III — Commission

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 35 — Protection of man and his environment
- Article 354 — Community environmental protection measures
- Item 3544 — Permanent inventory of sources of information on the environment

*A) Expenditure*

Increase the payment appropriation by 50 000 EUA (from 50 000 EUA to 100 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

*B) Compensation*

—

*C) Revenue*

Increase revenue by the same amount.

## COMMITMENTS

—

## JUSTIFICATION

The appropriations should be reinstated in full to cover the initial cost of setting up a computer system for the compilation of data on the environment, which will make it easier for such information to be disseminated, exchanged or made available to those concerned with environmental protection.

\* \* \*

## Draft amendment No 23

tabled by the Committee on the Environment, Public Health and Consumer Protection

## Section III — Commission

- |             |  |
|-------------|--|
| Title 3     | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 35  | — Protection of man and his environment  |
| Article 355 | — Consumer protection and information  |
| Item 3552   | — Consumer protection and information measures   |

*A) Expenditure*

Increase the payment appropriation by 100 000 EUA (from 110 000 to 210 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget, plus an additional 90 000 EUA)

*B) Compensation*

—

*C) Revenue*

Increase revenue by the same amount.

## COMMITMENTS

—

## JUSTIFICATION

In the view of the Committee on Social Affairs, Employment and Education, consumer information should be stepped up. Although it is directed at all layers of the population, it should be incorporated particularly in all forms of education, since it is the young whose behaviour is most open to influence. A 100 000 EUA increase in the payment appropriation would be a first step in this direction.

\* \* \*

## Draft Amendment No 24

tabled by the Committee on the Environment, Public Health and Consumer Protection

## Section III — Commission

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 35 — Protection of man and his environment
- Article 354 — Community environmental protection measures
- Item 3543 — Measures required to implement the directives on the environment

A) *Expenditure*

Enter a payment appropriation of 400 000 EUA (instead of the token entry shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount.

## COMMITMENTS

—

## JUSTIFICATION

Qualified experts will be needed to ensure proper application and sound management of the environment outline directives recently adopted, and for this the Commission must have at its disposal adequate financial resources at the appropriate time. This is why the payment appropriation of 400 000 EUA should be reinstated in place of the token entry.

\* \* \*

## Draft Amendment No 25

tabled by the Committee on the Environment, Public Health and Consumer Protection

## Section III — Commission

- Title 3 — Community policies in regard particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 35 — Protection of man and his environment
- Article 353 — Public health studies and measures

A) *Expenditure*

Increase the payment appropriation by 50 000 EUA (from 150 000 EUA to 200 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount.

## COMMITMENTS

—

## REMARKS

Unchanged

## JUSTIFICATION

The Committee on Social Affairs, Employment and Education considers that the payment appropriations initially proposed should be reinstated in full. Besides the public health programmes already underway, coordination and information programmes should be launched for the treatment and prevention of cardio-vascular diseases, which are still the most frequent cause of death.

\* \* \*

Draft Amendment No 26  
tabled by the Committee on Development and Cooperation

Section III — Commission

## PAYMENTS

Title 9	— Cooperation with developing countries and non-member states
Chapter	—
Article	—
Item	—

A) *Expenditure*

—

B) *Compensation*

—

C) *Revenue*

## COMMITMENTS

*Schedule*

## REMARKS

Restore the following remark under the heading of Title 9 : Chapters 90 and 91 are set aside for the appropriations of the European Development Fund (EDF).

## JUSTIFICATION

The Council's draft budget no longer contains this remark. In view of the fact that the European Parliament has repeatedly pressed for the budgetization of the next EDF this remark should be restored in the 1979 budget.

\* \* \*



Draft Amendment No 27  
tabled by the Committee on Development and Cooperation

Section III — Commission

PAYMENTS

Title 9 — Cooperation with the developing countries and non-member states  
Chapter 92 — Food aid  
Article 920 — Food aid in cereals  
Item 9201 — 1979 programme

A) *Expenditure*

Increase the payment appropriation by 42 488 000 EUA (from 96 117 000 EUA to 138 605 000 EUA) (Reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

*Schedule*

REMARKS

Restore the following remark :

This item is to cover the supply in 1979 of 1 135 000 tonnes of cereals to developing countries.

JUSTIFICATION

In a resolution adopted on 20 January 1978 the European Parliament advocated 'in view of the mounting requirements of the developing countries and for political and moral reasons, that Community food aid should be increased independently of any surpluses from the European agricultural policy'.

In implementation of this resolution the Committee on Development and Cooperation requests the reinstatement of the quantities proposed by the Commission, which represent an increase of 414 500 tonnes.

\* \* \*

Draft Amendment No 28  
tabled by Mr Alfred Bertrand, on behalf of the Political Affairs Committee

Section I — European Parliament

List of posts

Complete the establishment plan as follows :

+ 1 A 7/6 (in A 7)

+ 1 B 3/2 (in B 3)

A) *Expenditure*

Increase expenditure by 30 065 EUA<sup>1</sup>

<sup>1</sup> Breakdown of posts :

**B) Revenue**

Increase revenue by 24 880 EUA<sup>1</sup>

**C) Remarks**

Unchanged

A 7/6		B 3/2	
1100 :	13 065 EUA	1100 :	10 570 EUA
1101 :	1 100 EUA	1101 :	890 EUA
1102 :	1 935 EUA	1102 :	1 565 EUA
1130 :	390 EUA	1130 :	315 EUA
1131 :	130 EUA	1131 :	105 EUA
<hr/>		<hr/>	
Expenditure :	16 620 EUA	Expenditure :	13 445 EUA
Chap. 40 :	2 280 EUA	Chap. 40 :	1 310 EUA
Chap. 41 :	880 EUA	Chap. 41 :	715 EUA
<hr/>		<hr/>	
Revenue :	3 160 EUA	Revenue :	2 025 EUA

**JUSTIFICATION**

The work of the Political Affairs Committee has increased considerably in recent years as a result of new responsibilities, particularly in two sectors :

- (a) keeping under review and dealing with all the problems forming part of European Political Cooperation ;
- (b) dealing with the increasing number of cases entrusted to the committee by the European Parliament in the Johnston resolution of 11. 5. 1977 and the Prescott resolution of 6. 7. 1978 on the protection and defence of human rights.

Because of this additional work the Political Affairs Committee decided unanimously at its meeting of 25/26 September to increase its secretariat (consisting at present of 3 A grade officials) by recruiting one A grade official and one B grade official, a documentalist, who would deal in particular with human rights (compiling documentation in each case, examining requests to Parliament, preparing for action to be taken).

\* \* \*

**Draft Amendment No 29**

tabled by the Committee on Development and Cooperation

**Section III — Commission****PAYMENTS**

- Title 9 — Cooperation with the developing countries and non-member states
- Chapter 92 — Food aid
- Article 921 — Food aid in milk products
- Item 9211 — 1979 skimmed milk powder programme

**A) Expenditure**

Increase the payment appropriation by 29 260 000 EUA (from 87 940 000 EUA to 117 200 000 EUA).

**B) Compensation**

—

<sup>1</sup> + 5 185 from taxation on salaries.

**C) Revenue**

Increase revenue by the same amount

**COMMITMENTS**

—

*Schedule***REMARKS**

Modify the remarks as follows :

This Item is to cover the supply in 1979 of 200 000 tonnes of skimmed-milk powder to developing countries, particularly those in most need, to help make up their food shortfall.

**JUSTIFICATION**

In paragraph 5 of the resolution adopted on 20 January 1978 the European Parliament requested that, in view of the Community's surplus of skimmed-milk powder, food aid in the form of milk powder should be increased to 200 000 tonnes. This draft amendment merely confirms the standpoint adopted on that occasion.

\* \* \*

Draft Amendment No 30  
tabled by the Committee on Development and Cooperation

**Section III — Commission****PAYMENTS**

- Title 9 — Cooperation with the developing countries and non-member states
- Chapter 92 — Food aid
- Article 921 — Food aid in milk products
- Item 9213 — 1979 butteroil programme

**A) Expenditure**

Increase the payment appropriation by 13 786 000 EUA (from 62 250 000 EUA to 76 036 000 EUA) (Reinstatement of the appropriation shown in the preliminary draft budget)

**B) Compensation**

—

**C) Revenue**

Increase revenue by the same amount

**COMMITMENTS**

—

*Schedule***REMARKS**

Restore the following remark :

This item is to cover the supply in 1979 of 55 000 tonnes of butteroil to developing countries, particularly the requesting countries in most need.

## JUSTIFICATION

In the resolution adopted on 20 January 1978 the European Parliament requested an increase in Community food aid, independently of any surpluses from the European agricultural policy.

Having regard to the standpoint adopted on that occasion, the Committee on Development and Cooperation is requesting the reinstatement of the quantities (and the corresponding appropriations) proposed by the Commission.

\* \* \*

Draft Amendment No 31  
tabled the Committee on Development and Cooperation

## Section III — Commission

## PAYMENTS

Title 9	— Cooperation with the developing countries and non-member states
Chapter 92	— Food aid
Article 922	— Food aid in sugar
Item 9221	— 1979 programme

A) *Expenditure*

Increase the payment appropriation by 904 000 EUA (from 1 448 000 EUA to 2 352 000 EUA)  
(Reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

—

*Schedule*

## REMARKS

Restore the following remark :

The item is to cover the supply in 1979 of 6 153 tonnes of sugar to the United Nations Relief and Works Agency for Palestine Refugees (UNRWA) under the Convention concluded between the EEC and the Agency on 18 December 1972 and renewed by the Council Decision of 20 July 1976, and of 3 847 tonnes to developing countries.

## JUSTIFICATION

On the basis of the resolution adopted by the European Parliament on 20 January 1978 the Committee on Development and Cooperation is requesting the reinstatement of the 3 847 tonnes of sugar intended for the developing countries and proposed by the Commission.

\* \* \*

Draft amendment No 32  
tabled the Committee on Development and Cooperation

### Section III — Commission

#### PAYMENTS

Title 9 — Cooperation with the developing countries and non-member states  
Chapter 93 — Financial and technical cooperation with non-associated developing countries  
Article 930 — Financial cooperation with non-associated developing countries  
Item —

#### A) Expenditure

Increase the payment appropriation by 10 620 000 EUA (from 45 000 000 EUA to 55 620 000 EUA) (Reinstatement of the appropriation shown in the preliminary draft budget)

#### B) Compensation

—

#### C) Revenue

Increase revenue by the same amount

#### COMMITMENTS

Increase the commitment appropriation by 50 000 000 EUA (from 83 620 000 EUA to 133 620 000 EUA) (Reinstatement of the appropriation shown in the preliminary draft budget)

#### Schedule

Restore the following schedule of payments :

The commitment appropriation authorized for 1979 is 133 620 000 EUA. The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
1978 Appropriation	80 796 000	10 796 000 <sup>1</sup>	7 000 000	21 000 000	42 000 000
1979 Appropriation	133 620 000	—	48 620 000	25 000 000	60 000 000
Total		10 796 000	55 620 000	46 000 000	102 000 000

<sup>1</sup> Re-entering of part of the appropriations committed in 1976 but not paid out as at 31 December 1977

#### REMARKS

Unchanged

#### JUSTIFICATION

The 83.6 and 49.7 m EUA entered in commitment and payment appropriations in the 1979 draft budget scarcely allow for the increase needed in the 1978 appropriations to cover inflation.

It must be pointed out that both the appropriations entered in the 1979 draft budget and in the 1978 budget include 19.4 m EUA committed in 1977 but unused as at 31 December 1978, and 4.1 m EUA committed in 1976 but not paid as at 31 December 1977.

In view of the fact that the appropriations under Chapter 93 are intended to finance agricultural and food development schemes in non-associated developing countries, in particular the poorest countries in Latin America and Asia, the stagnation in the appropriations by the Council is scandalous. The Committee on Development and Cooperation therefore requests the reinstatement of the appropriations proposed by the Commission.

\* \* \*

Draft Amendment No 33  
tabled by the Committee on Development and Cooperation

### Section III — Commission

#### PAYMENTS

Title 9 — Cooperation with developing countries and non-member states  
Chapter 93 — Financial and technical cooperation with non-associated developing countries  
Article 931 — Promotion of trade between the Community and non-associated countries  
Item —

#### a) *Expenditure*

Increase the payment appropriation by 300 000 EUA (from 4 200 000 to 4 500 000 EUA)  
(Reinstatement of the appropriation shown in the preliminary draft budget)

#### B) *Compensation*

—

#### C) *Revenue*

Increase revenue by the same amount

#### COMMITMENTS

Increase the commitment appropriation by 300 000 EUA (from 5 200 000 to 5 500 000 EUA)  
(Reinstatement of the commitment appropriation shown in the preliminary draft budget)

#### *Schedule*

Reinstate the following schedule of payments :

The commitments appropriation authorized for 1979 is 5 500 000 EUA.

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
1978 Appropriation	5 000 000	4 000 000	1 000 000	—	—
1979 Appropriation	5 500 000	—	3 500 000	1 000 000	1 000 000

#### REMARKS

Unchanged

#### JUSTIFICATION

The Committee on Development and Cooperation has repeatedly pointed to the need to promote trade relations between the Community and the developing countries, in particular by enabling the latter to acquire an adequate infrastructure for the marketing of their products. It accordingly requests the reinstatement of the payment and commitment appropriations proposed by the Commission.

\* \* \*

Draft Amendment No 34/rev.  
tabled the Committee on Development and Cooperation

### Section III — Commission

#### PAYMENTS

Title 9 — Cooperation with developing countries and non-member states  
Chapter 94 — Specific measures for cooperation with the developing countries  
Article 946a — Energy cooperation with non-oil-producing developing countries  
(new)  
Item —

#### A) Expenditure

Create a new Article 946a: 'Energy cooperation with non-oil-producing developing countries'  
Enter a payment appropriation of 3 000 000 EUA

#### B) Compensation

—

#### C) Revenue

Increase revenue by the same amount

#### COMMITMENTS

Enter a commitment appropriation of 15 000 000 EUA

#### Schedule

Enter the following schedule of payments:

The commitment appropriation authorized for 1979 is 15 000 000 EUA<sup>1</sup>.

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments		
		1979	1980	1981
1979 Appropriation	15 000 000	3 000 000	7 000 000	5 000 000
Total	15 000 000	3 000 000	7 000 000	5 000 000

#### REMARKS

Enter the following remarks:

This appropriation will be used by the Commission to finance the following measures:

- The formulation of a cooperation project with the developing countries for the development of their energy sources, centred on the development of potential resources, the training of scientific and technical staff and increased investment of Community origin. The project will include
  1. an assessment of energy resources;
  2. the establishment of five-year energy cooperation programmes;
- Pre-feasibility studies;
- An initial assessment of the requirements and potential resources of certain developing countries;
- The pilot schemes deemed necessary.

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21.12.1977

## JUSTIFICATION

The intention here is to implement one of the decisions taken by the European Council meeting in Bremen.

\* \* \*

Draft amendment No 35  
tabled by the Committee on Development and Cooperation

## Section III — Commission

## PAYMENTS

Title 9	— Cooperation with developing countries and non-member states
Chapter 94	— Specific measures for cooperation with developing countries
Article 941	— Training of nationals of non-associated developing countries
Item 9413 (new)	— Scholarships for refugees from southern Africa (as part of anti-apartheid year)

A) *Expenditure*

Create a new Item 9413 : Scholarships for refugees from southern Africa (as part of anti-apartheid year).

Enter a payment appropriation of 100 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

*Schedule*

## REMARKS

Enter the following remark :

This appropriation is to allow scholarships to be granted to refugees from southern Africa, as part of anti-apartheid year.

## JUSTIFICATION

In view of the UN decision that 1979 is to be dedicated to the fight against apartheid, the Community should give testimony, if only of a symbolic nature, of its support for and commitment to such an undertaking.

\* \* \*

Draft amendment No 36  
tabled by the Committee on Development and Cooperation

## Section III — Commission

## PAYMENTS

Title 2	— Buildings, equipment and miscellaneous administrative expenditure
Chapter 24	— Entertainment and representation expenditure
Article 241 (new)	— Expenditure connected with the renegotiation of the Convention of Lomé



**A) Expenditure**

Create a new Article 241 : Expenditure connected with the renegotiation of the Convention of Lomé<sup>2</sup>

Enter a payment appropriation of 1 100 000 EUA

**B) Compensation**

Delete Article 949 and the appropriation shown against it

**C) Revenue**

—

**COMMITMENTS**

—

*Schedule***REMARKS**

Enter the following new remark :

**New Article**

This appropriation will be used to finance expenditure by the Commission during the financial year on the following measures :

Additional administrative expenses involved in the renegotiation of the Convention (staff, meeting rooms and offices, and other operating costs).

**JUSTIFICATION**

The Committee on Development and Cooperation considers that this item concerns administrative expenditure which ought not to be entered under Title 9, thus artificially inflating the overall total of Community aid to developing and non-member countries.

\* \* \*

Draft amendment No 37  
tabled by the Committee on Development and Cooperation

**Section III — Commission****PAYMENTS**

- |             |  |
|-------------|--|
| Title 9     | — Cooperation with developing countries and non-member states  |
| Chapter 94  | — Specific measures for cooperation with developing countries  |
| Article 945 | — Community contribution towards schemes concerning developing countries carried out by non-governmental organizations |

**A) Expenditure**

Increase the payment appropriation by 3 000 000 EUA (from 6 000 000 to 9 000 000 EUA)  
(Reinstatement of the appropriation shown in the preliminary draft budget)

**B) Compensation**

—

**C) Revenue**

Increase revenue by the same amount

**COMMITMENTS**

Increase the commitment appropriation by 3 000 000 EUA (from 12 000 000 to 15 000 000 EUA)

*Schedule*

The commitment appropriation authorized for 1979 is 15 000 000 EUA.

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
1978 Appropriation	12 000 000	6 000 000	3 000 000	3 000 000	—
1979 Appropriation	15 000 000	—	9 000 000	9 000 000	3 000 000
Total		6 000 000	9 000 000	9 000 000	3 000 000

**REMARKS**

Unchanged

**JUSTIFICATION**

The payment appropriations entered by the Council under Chapter 945 to permit a Community contribution towards schemes carried out by NGOs are identical to those earmarked in 1978. It is out of the question that such a decision be endorsed by the European Parliament, which has always stressed its interest in this type of development aid.

\* \* \*

Draft amendment No 38  
tabled by the Committee on Development and Cooperation

**Section III — Commission****PAYMENTS**

- Title 2 — Buildings, equipment and miscellaneous administrative expenditure
  - Chapter 29 — Subsidies and financial contributions
  - Article 293 — Subsidy in respect of certain activities of non-governmental organizations pursuing humanitarian aims and promoting human rights
  - Item 2932 — Subsidies to non-governmental organizations seeking a solution to the North conflict
- (new)

**A) Expenditure**

Create a new Item 2932: 'Subsidies to non-governmental organizations seeking a solution to the North-South conflict'

Enter a payment appropriation of 100 000 EUA

**B) Compensation**

Delete Article 946 and the appropriation shown against it

**C) Revenue**

—

*Schedule***REMARKS**

Enter the following new remark :

This appropriation will be used to finance expenditure by the Commission during the financial year on the following measures

Subsidies to certain activities by non-governmental organizations seeking a solution to the North-South conflict.

**JUSTIFICATION**

The Committee on Development and Cooperation considers that this Item concerns administrative expenditure which ought not to be entered under Title 9, thus artificially inflating the overall total of Community aid to developing and non-member countries.

\* \* \*

Draft amendment No 39  
tabled by the Committee on Development and Cooperation

Section III — Commission

**PAYMENTS**

Title 9	— Cooperation with developing countries and non-member states
Chapter 94	— Specific measures for cooperation with the developing countries
Article 948	— Evaluation of the results of Community aid
Item	—

**A) *Expenditure***

Reinstate the payment appropriation of 500 000 EUA (instead of a token entry)

**B) *Compensation***

—

**C) *Revenue***

Increase revenue by the same amount

**COMMITMENTS**

—

*Schedule***REMARKS**

Unchanged

**JUSTIFICATION**

The Committee on Development and Cooperation has always pointed to the need for the Community to undertake studies and investigations to establish the impact of its development aid policy. It therefore requests the reinstatement of the appropriation of 500 000 EUA proposed by the Commission for the evaluation of the results of Community aid.

\* \* \*

## Draft amendment No 40

tabled by Mr Martinelli, Mr Ripamonti, Mr Vernaschi, Mr Sandri, Mr Lezzi and Mr Amadei

## Section III — Commission

## PAYMENTS

- |                   |  |
|-------------------|--|
| Title 4           | — Repayments and aids to Member States and miscellaneous           |
| Chapter (new)     | — European Export Bank (EEB)                                       |
| Article 490 (new) | — Contribution to the initial capital of the EEB                   |
| Article 491 (new) | — EEC guarantee for the European Export Bank's borrowings          |
| Article 492 (new) | — Subsidy for balancing the budget of the European Export Bank     |
| Article 493 (new) | — Interest relief grants on loans made by the European Export Bank |

A) *Expenditure*

- Create a new Chapter 49: 'European Export Bank (EEB)'
- Create a new Article 490: 'Contribution to the initial capital of the EEB'
- Create a new Article 491: 'EEC guarantees for the European Export Bank's borrowings'
- Create a new Article 492: 'Subsidy for balancing the budget of the European Export Bank'
- Create a new Article 493: 'Interest relief grants on loans made by the European Export Bank'
- Make a token entry against each Article

B) *Compensation*

—

\* \* \*

## Draft amendment No 41

tabled by Mr Martinelli, Mr Ripamonti, Mr Vernaschi, Mr Sandri, Mr Lezzi and Mr Amadei

## Section III — Commission

## STATEMENT OF REVENUE

- |                   |                                   |
|-------------------|-----------------------------------|
| Title 9           | — Miscellaneous revenue           |
| Chapter 94        | — Borrowing and lending           |
| Article 944 (new) | — European Export Bank borrowings |

A) *Expenditure*

—

B) *Compensation*

—

C) *Revenue*

- Create a new Article 944 — 'European Export Bank borrowings'
- Make a token entry

## COMMITMENTS

—

## REMARKS

Enter the following remarks :

## New Article

This entry provides the budgetary framework for European Export Bank borrowings (see Commission proposal of 17 February 1976)

## JUSTIFICATION

The Commission submitted proposals for the setting up of a European Export Bank on 17 February 1976. At its sitting of 9 May 1977, the European Parliament delivered a favourable opinion on this proposal. Appropriate budgetary lines were entered in the 1977 and 1978 budgets in order to ensure that EEB operations were budgetised. A token entry was made at that time.

The Commission in its preliminary draft budget for 1979 and the Council in its draft budget have deleted all reference to the EEB without providing any explanations.

In the course of the debate on the Oral Question tabled by the Committee on External Economic Relations during the September part-session, the Commissioner gave a reply which did not entirely satisfy Parliament. Parliament delivered a favourable opinion on the setting up of the EEB and still takes the view that the need for a financial instrument of this kind is not less urgent.

This holds particularly true in that the Commission has not given up the project for a European Export Bank. The reasons for the omission of any reference to the Bank should therefore be clearly explained both in the preliminary draft and in the draft budgets.

Failing any information received to the contrary, the authors of this draft call for the creation of a Community instrument subject to proper financial control which is seen as vital in order to encourage European exporters by providing them with their own export bank (this does not raise any problems as far as the harmonization of export credits is concerned). Those new Articles provide an appropriate framework for the necessary financing and the request for their inclusion should be considered as a call to the Council to follow up the proposals originally submitted by the Commission which should have been speedily finalised, as was promised at the time, 18 months ago.

A similar draft amendment has been drawn up in respect of expenditure.

\* \* \*

## Draft amendment No 42

tabled by the Committee on Social Affairs, Employment and Education

## Section III — Commission

## PAIEMENTS

- |             |  |
|-------------|--|
| Title 3     | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 39  | — Other expenditure on specific projects undertaken by the Institution   |
| Article 392 | — Educational measures   |
| Item 3920   | — Implementation of the education programme  |

A) *Expenditure*

Increase the payment appropriation for 1979 by 515 000 EUA from 1 500 000 EUA to 2 015 000 EUA (reinstatement of the appropriation shown in the preliminary draft budget).

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount.

## COMMITMENTS

—

*Schedule***REMARKS**

Unchanged

**JUSTIFICATION**

The two measures covered by this item — measures adopted by the Council itself — i.e. the education of the children of migrant workers and the establishment of an educational information service, justify retention of the appropriation requested by the Commission.

\* \* \*

Draft amendment No 43

tabled by the Committee on Social Affairs, Employment and Education

Section III — Commission

**PAYMENTS**

- |             |  |
|-------------|--|
| Title 3     | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 39  | — Other expenditure on specific projects undertaken by the Institution   |
| Article 392 | — Educational measures   |
| Item 3922   | — Subsidies to residential adult education centres making a significant contribution to information on European integration                                    |
- (new)

**A) Expenditure**

Create a new item with the following heading: 'Subsidies to residential adult education centres making a significant contribution to information on European integration'

Enter a payment appropriation of 350 000 EUA against this item.

**B) Compensation**

—

**C) Revenue**

Increase revenue by the same amount.

**COMMITMENTS**

—

*Schedule***REMARKS**

Enter the following remarks:

Paragraph 9 of the resolution adopted on 16 June 1978 by the European Parliament (OJ No C 163/78, page 72) proposed for 1979 an appropriation of 350 000 EUA as a Community subsidy to residential adult education centres of a European nature.

**JUSTIFICATION**

The amount shown in this amendment is the figure for 1979 proposed in the resolution unanimously adopted by Parliament on the basis of the report by Mrs Kellett-Bowman (Doc. 158/78). Parliament is now resolved to give practical effect to this recent decision, which is also important in the context of the forthcoming direct elections.

\* \* \*

Draft amendment No 44  
tabled by the Committee on Social Affairs, Employment and Education

Section III — Commission

PAYMENTS

- Title 5 — Social and Regional Funds  
Chapter 50 — Social Fund — Expenditure provided for under Article 4 of the Council  
Decision of 1 February 1971  
Article 500 — Aid to the agricultural and textiles sectors

A) *Expenditure*

Increase the payment appropriation for 1979 by 21 000 000 EUA (from 32 000 000 EUA to 53 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget).

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount.

COMMITMENTS

Unchanged

*Schedule of Payments*

Re-enter the Schedule of Payments from the preliminary draft budget.

REMARKS

Unchanged

JUSTIFICATION

The number of persons forced to leave the textiles sector as a result of the crisis prevailing in the industry is growing far more rapidly than the rate at which the number of those leaving the agricultural sector is decreasing. For this reason the payment appropriation entered by the Commission should at least be maintained.

\* \* \*

Draft amendment No 45  
tabled by the Committee on Social Affairs, Employment and Education

Section III — Commission

PAYMENTS

- Title 5 — Social and Regional Funds  
Chapter 50 — Social Fund — Expenditure provided for under Article 4 of the Council  
Decision of 1 February 1971  
Article 501 — Measures for young people

A) *Expenditure*

Increase the payment appropriation for 1979 by 70 000 000 EUA (from 145 000 000 to 215 000 000 EUA) (reinstatement of the overall appropriation shown in Article 501 of the preliminary draft budget).

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount.

## COMMITMENTS

Increase the commitment appropriation by 55 000 000 EUA (from 230 000 000 EUA to 285 000 000 EUA). (Reinstatement of the overall appropriation shown in Article 501 of the preliminary draft budget).

*Schedule of Payments*

Amend the Schedule of Payments as follows :

The commitment appropriation for 1979 is 285 000 000 EUA.<sup>1</sup> The likely Schedule of Payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	193 700 000	75 000 000	85 000 000	33 700 000	—
Appropriations carried over from 1977	—	—	—	—	—
Appropriations for 1978	179 000 000	44 000 000	60 000 000	43 700 000	31 300 000
Appropriations for 1979	285 000 000	—	70 000 000	97 600 176	117 400 000
<b>Total</b>	<b>657 700 000</b>	<b>119 000 000</b>	<b>215 000 000</b>	<b>175 000 176</b>	<b>148 700 000</b>

## REMARKS

Unchanged

## JUSTIFICATION

The scale of youth unemployment is such that any curtailment of the means of action is unacceptable ; this applies with added force in view of the fact that it is as yet uncertain whether, and if so, when, the appropriations shown for the new measure referred to in Article 53 will be available for payment. Any reduction in the sum committed would therefore at the same time represent an unwarranted encroachment on future Community policy.

\* \* \*

Draft amendment No 46

tabled by the Committee on Social Affairs, Employment and Education

## Section III — Commission

## PAYMENTS

Title 5 — Social and Regional Funds

Chapter 50 — Social Fund — Expenditure provided for under Article 4 of the Council Decision of 1 February 1971

Article 502 — Measures for handicapped persons

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977.



**A) Expenditure**

Increase the appropriation for 1979 by 1 400 000 EUA  
(from 600 000 EUA to 2 000 000 EUA)  
(reinstatement of the appropriation shown in the preliminary draft budget).

**B) Compensation**

—

**C) Revenue**

Increase revenue by the same amount.

**COMMITMENTS**

—

*Schedule*

—

**REMARKS**

Unchanged

**JUSTIFICATION**

This article concerns the final stages of Fund operations which will in future come under Article 511. There is every reason, however, to complete the existing projects and therefore to retain in their entirety the appropriations entered for this purpose by the Commission.

\* \* \*

Draft amendments No 47/rev.  
tabled by the Committee on Social Affairs, Employment and Education

**Section III — Commission****PAYMENTS**

- Title 5 — Social and Regional Funds
- Chapter 50 — Social Fund — Expenditure provided for under Article 4 of the Council Decision of 1 February 1971
- Article 510 — Measures to improve the employment situation in certain regions, economic sectors adapting to technical progress or groups of companies

**A) Expenditure**

Increase the payment appropriation for 1979 by 119 000 000 EUA (from 231 000 000 EUA to 350 000 000 EUA).

**B) Compensation**

—

**C) Revenue**

Increase revenue by the same amount.

**COMMITMENTS**

Increase the commitment appropriation by 65 000 000 EUA (from 315 000 000 EUA to 380 000 000 EUA).

*Schedule*

Amend the schedule of payments as follows :

The commitment appropriation for 1979 is 380 000 000 EUA.<sup>1</sup>

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	473 300 000	206 000 000	56 700 000	110 600 000	100 000 000
Appropriations carried over from 1977	—	—	—	—	—
Appropriations for 1978	281 000 000	69 000 000	94 300 000	58 900 000	58 800 000
Appropriations for 1979	380 000 000	—	199 000 000	78 000 000	103 000 000
<b>Total</b>	<b>1 134 300 000</b>	<b>275 000 000</b>	<b>350 000 000</b>	<b>247 500 000</b>	<b>261 800 000</b>

**REMARKS**

Unchanged.

**JUSTIFICATION**

Not only the Council's cuts but also the reduction on the 1978 figure proposed by the Commission are inadmissible in the case of this article, which in the present social and economic situation should be seen as the kingpin of the Fund's operations ; hence this increase, which, overall, is minimal by comparison with 1978.

\* \* \*

**Draft amendment No 48**

tabled by Mr Spinelli, Mr Sandri, Mr Vitale, Mrs Squarcialupi and Mr Mascagni

**Section III — Commission****PAYMENTS**

- Title 8 — European Agricultural Guidance and Guarantee Fund — Guidance Section and fisheries policy
- Chapter 84 — Common measures relating to agricultural infrastructures
- Article 843 — Forestry measures in certain dry Mediterranean regions
- Item —

**A) Expenditure**

Enter a payment appropriation of 16 000 000 EUA (Reinstatement of the appropriation shown in the preliminary draft budget)

**B) Compensation**

—

**C) Revenue**

Increase revenue by the same amount

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977.

## COMMITMENTS

Enter a commitment appropriation of 20 000 000 EUA (Reinstatement of the appropriation shown in the preliminary draft budget)

*Schedule*

The commitment appropriation proposed for 1979 is 20 000 000 EUA<sup>1</sup>.

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments		
		1979	1980	1981
1979	20 000 000	16 000 000	4 000 000	—

## REMARKS

Restore the following remark :

New article

The appropriation for this Article is to cover expenditure arising from the proposal for a Council Regulation concerning a common forestry measure in certain dry Mediterranean regions of the Community, which is under preparation by the Commission following the communication to the Council on guidelines (Doc. COM(77) 526 final of 8 December 1977).

The purpose of the measure is to improve the geophysical and cultural conditions for agriculture in these Mediterranean regions through the financing of forestry measures under special programmes providing for :

- afforestation and
- preliminary work, such as preparing the land and fire protection measures
- the improvement of low-grade forest
- the construction of forest roads.

In addition, there will be a contribution to the preparatory work and research on the outline programme.

## JUSTIFICATION

The Council of Ministers of Agriculture at its meeting of 12 May 1978 approved all the structural measures under the 'Mediterranean package' with the exception of those relating to forestry action and the creation of an agricultural advisory service in Italy. However, in the case of the latter measures the Council noted the Commission's intention to submit practical proposals at an early date and agreed that a decision on this matter should be taken by 30 September 1978. The European Council meeting in Bremen confirmed the commitment to take a Community decision by the stipulated date. It should also be noted that the Italian Government has recently taken certain measures under Law 984 of 27 December 1977 relating to the coordination of public intervention in the various sectors of agriculture including forestry. It is therefore appropriate to reinstate the appropriation requested by the Commission.

\* \* \*

<sup>1</sup> This text provides the basis for implementation of the expenditure for the purpose authorized by the title of the present article.

## Draft Amendment No 49

tabled by Mr Spinelli, Mr Mascagni, Mr Sandri, Mr Leonardi, Mr Squarcialupi and Mr Vitale

## Section III — Commission

## PAYMENT

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 39 — Other expenditure on specific projects undertaken by the Institution
- Article 393 — Cultural measures and events
- Item 3932 — Contribution to the Community Youth Orchestra  
(new)

A) *Expenditure*

Create a new Item 3932: 'Contribution to the Community Youth Orchestra'

Enter a payment appropriation of 364 000 EUA

B) *Compensation*

Decrease by 25 000 EUA the appropriation under Item 3931 'Financial contributions to cultural events of European interest' (from 75 000 to 50 000 EUA)

C) *Revenue*

Increase revenue by 339 000 EUA

## Commitments

—

*Schedule*

## REMARKS

Enter the following new remarks:

European Parliament Resolution of 8 March 1976 on a monetary contribution to the development of cultural exchanges (OJ C 79 of 5. 4. 1976). Award of 'Community scholarships' to enable young musicians to participate in the Community Youth Orchestra. This amount intended to cover the travel and subsistence expenses of all the members of the orchestra will be placed at the disposal of the Youth Orchestra of the European Community.

## JUSTIFICATION

The contribution from the Community following a vote by the European Parliament underlines the importance of this orchestra in the cultural sphere and as a forum for encounters between musicians from the individual countries. The contribution for the financial year 1979 is all the more appropriate given the success of the orchestra in 1978; its performances were very well attended — especially by young people — and it aroused enormous interest. It also made a very real contribution to the dissemination of the European idea. For these reasons it is felt necessary and desirable to make a contribution from the Community in favour of all the 130 young participants in the orchestra coming from the nine Community Member States (adoption of this amendment implies deletion of the third indent of the remarks against Item 3931).

\* \* \*

## Draft Amendment No 50

tabled by Mr Spinelli, Mr Sandri, Mr Vitale, Mrs Squarcialupi and Mr Mascagni

## Section III — Commission

## PAYMENTS

Title 5 — Social and Regional Funds

Chapter 53 — Social Fund measures to promote the employment of young people

Article 530 — New measures proposed by the Commission to aid young people

A) *Expenditure*

Enter a payment appropriation of 30 000 000 EUA

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

## Commitments

Enter a commitment appropriation of 110 000 000 EUA

*Schedule*The commitment appropriation authorized for 1979 is 110 000 000 EUA<sup>1</sup>

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment					
Appropriations for commitment remaining					
Appropriations for commitment 1978					
Appropriations for commitment 1979	110 million <sup>1</sup>		30 million <sup>2</sup>	41 million	39 million
Total					

<sup>1</sup> An additional appropriation of 40 million EUA (commitment appropriation) is entered in Chapter 100.<sup>2</sup> An additional appropriation of 18 million EUA (payment appropriation) is entered in Chapter 100.

## REMARKS

## New Article

Proposal for a Council Regulation concerning the creation of a new European Social Fund aid in favour of young persons and proposal for a Council Decision amending Decision 75/459/EEC of 22 July 1975 on action by the European Social Fund for persons affected by employment difficulties, as amended by Decision 77/802/EEC of 20 December 1977, these proposals having been submitted to the Council by the Commission on 10 April 1978 (OJ No C 100 of 25. 4. 1978, p. 4).

<sup>1</sup> This text provides the basis for implementation of the expenditure for the purpose authorized by the title of the present article.

The European Council meeting in Bremen called upon the Council of Ministers of Labour and Social Affairs to adopt measures under the European Social Fund to combat unemployment among young people ; those measures were to take effect by 19 January 1979.

#### JUSTIFICATION

The European Council meeting in Bremen called upon the Council of Ministers of Labour and Social Affairs to adopt measures under the European Social Fund to combat unemployment among young people ; those measures were to take effect by 1 January 1979. It therefore seems opportune to reinstate the appropriations requested by the Commission.

\* \* \*

Draft Amendment No 51

tabled by Mr Spinelli, Mr Sandi, Mr Vitale, Mrs Squarcialupi and Mr Mascagni

Section III — Commission

#### PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 32 — Expenditure under the energy policy
- Article 329 — Expenditure resulting from borrowing and lending operations in the energy sector
- Item 3290 — Eximbank loans

#### A) *Expenditure*

Unchanged

#### B) *Compensation*

—

#### C) *Revenue*

—

Commitments

#### *Schedule*

#### REMARKS

Reinstate the following remarks which appear in the preliminary draft budget :

'For the legal basis of this heading see the general information in Part II of the budget. This heading constitutes the budgetary slot for any expenditure which the Community would have to bear in the event that — the Commission having paid the lenders the sums which has fallen due under the authorization given in Part II of the budget — the recipient of a loan should default or the guarantees relating to the loan could not be invoked in time'.

#### JUSTIFICATION

Since 1975 the European Parliament has maintained that Community borrowing and lending operations should be subject to control by the budgetary authority. In its resolution of 13 May 1976 it stated in particular that : 'b) the purpose of the entry in the budget of Community borrowing and lending operations is to bring these operations into the normal process of authorization of Community revenue and expenditure ; d) entry in the budget enables the budgetary authority to fix the maximum annual amount of the capital account operations on the basis of full information

relating to the capital account operations on the basis of full information relating to the Community's indebtedness; f) the creation of a capital account budget for the Communities will make for overall transparency of the Community loans policy'. In the introduction to its preliminary draft general budget of the European Communities for the financial year 1979, the Commission — following the views expressed by the European Parliament — stated that: 'the method of entering loans in the budget followed up to now does not appear to reflect the specific and complex nature of these operations. The Commission therefore proposes the creation of a second part of the general budget to contain the headings relating to borrowing and lending operations. The budgetary authority will thus have overall information at its disposal enabling it to exercise its powers of authorization and control under optimum conditions'.

On 14 June 1978 the Commission then submitted a draft regulation amending the Financial Regulation of 21 December 1977 by creating a second part of the general budget pursuant to Article 199 of the EEC Treaty (which stipulates that 'all items of revenue and expenditure of the Community . . . shall be shown in the budget'); borrowing and lending operations would be shown in this second part of the budget. Finally in the document entitled 'elements of the motion for a resolution' (PE 54 500/add.) drawn up by Mr Bangemann and approved on 20 September 1978, the Committee on Budgets of the European Parliament states that 'the Community loans policy must be entered in a capital account budget'. It is therefore appropriate to restore the second part, introduced by the Commission; the remarks against Item 3290 must be modified accordingly.

\* \* \*

#### Draft Amendment No 52

tabled by Mr Spinelli, Mr Sandri, Mr Vitale, Mrs Squarcialupi and Mr Mascagni

#### Section III — Commission

##### PAYMENTS

- |             |  |
|-------------|--|
| Title 3     | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 32  | — Expenditure under the energy policy  |
| Article 329 | — Expenditure resulting from borrowing and lending operations in the energy sector   |
| Item 3291   | — Euratom loans  |

##### A) *Expenditure*

Unchanged

##### B) *Compensation*

—

##### C) *Revenue*

—

##### Commitments

—

##### *Schedule*

—

##### REMARKS

Reinstate the following remarks which appear in the preliminary draft budget:

'For the legal basis of this heading see the general information in Part II of the budget. This heading constitutes the budgetary slot for any expenditure which the Community would have to bear in the event that — the Commission having paid the lenders the sums which has fallen due under the authorization given in Part II of the budget — the recipient of a loan should default or the guarantees relating to the loan could not be invoked in time'.

## JUSTIFICATION

Since 1975 the European Parliament has maintained that Community borrowing and lending operations should be subject to control by the budgetary authority. In its resolution of 13 May 1976 it stated in particular that: 'b) the purpose of the entry in the budget of Community borrowing and lending operations is to bring these operations into the normal process of authorization of Community revenue and expenditure; d) entry in the budget enables the budgetary authority to fix the maximum annual amount of the capital account operations on the basis of full information relating to the Community's indebtedness; f) the creation of a capital account budget for the Communities will make for overall transparency of the Community loans policy'. In the introduction to its preliminary draft general budget of the European Communities for the financial year 1979, the Commission — following the views expressed by the European Parliament — stated that: 'the method of entering loans in the budget followed up to now does not appear to reflect the specific and complex nature of these operations. The Commission therefore proposes the creation of a second part of the general budget to contain the headings relating to borrowing and lending operations. The budgetary authority will thus have overall information at its disposal enabling it to exercise its powers of authorization and control under optimum conditions'.

On 14 June 1978 the Commission then submitted a draft regulation amending the Financial Regulation of 21 December 1977 by creating a second part of the general budget pursuant to Article 199 of the EEC Treaty (which stipulates that 'all items of revenue and expenditure of the Community . . . shall be shown in the budget'); borrowing and lending operations would be shown in this second part of the budget. Finally in the document entitled 'elements of the motion for a resolution' (PE 54.500/add.) drawn up by Mr Bangemann and approved on 20 September 1978, the Committee on Budgets of the European Parliament states that 'the Community loans policy must be entered in a capital account budget'. It is therefore appropriate to restore the second part, introduced by the Commission; the remarks against Item 3291 must be modified accordingly.

\* \* \*

Draft amendment No 53

tabled by Mr Spinelli, Mr Sandri, Mr Vitale, Mrs Squarcialupi and Mr Mascagni

## Section III — Commission

## PAYMENTS

- |             |  |
|-------------|--|
| Title 3     | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 32  | — Expenditure under the energy policy  |
| Article 329 | — Expenditure resulting from borrowing and lending operations in the energy sector   |
| Item 3291   | — EURATOM loans  |

(A) *Expenditure*

Enter an appropriation of 400 000 000 ECU

(B) *Compensation*

—

(C) *Revenue*

Increase the revenue by the same amount

## COMMITMENTS

—

Schedule

—



**REMARKS**

Modify the remarks as follows :

'EAEC Treaty (Art. 172 (4)) : this budget line provides for the consequences of a general decision taken to authorize the Commission to contract loans to participate in the financing of nuclear power stations.

The maximum amount of the authorized loans has been fixed at 500 m EUA.

Community guarantee

Should the recipient of a loan default and the related guarantees cannot be brought into effect in time, having regard to the due dates, the Commission would use its cash resources to provisionally service the debt of the Community under its direct legal obligation to the lenders. Any actual expenditure which the Community might have to incur is charged to this Article ; the Community would then have to enforce its claim on the defaulting debtors.'

**JUSTIFICATION**

Without prejudice to the justification entered in the amendments requesting the reinstatement of the second part of the preliminary draft budget presented by the Commission and the event of those amendments being rejected, it is felt appropriate — on the basis of the guidelines repeatedly adopted by the European Parliament and pursuant to Art. 199 of the EEC Treaty — for the amount authorized by the budgetary authority and provided for the financial year 1979 in respect of the loans shown in the corresponding budget line to be entered in the statement of expenditure and payments. This amendment will automatically be withdrawn if the amendment reinstating the second part of the budget is adopted together with the amendments making the corresponding changes to the remarks against revenue and expenditure in the first part.

\* \* \*

Draft amendment No 54

tabled by Mr Spinelli, Mr Sandri, Mr Vitale, Mrs Squarcialupi and Mr Mascagni

Section III — Commission

**PAYMENTS**

Title 4	— Repayments and aids to Member States and miscellaneous
Chapter 42	— Community loans raised to support balances of payments
Article	—
Item	—

**A) Expenditure**

Unchanged

**B) Compensation**

—

**C) Revenue**

—

**COMMITMENTS**

—

*Schedule*

—

**REMARKS**

Reinstate the following remarks which appear in the preliminary draft budget :

'For the legal basis of this chapter see Chapter 101 of Part II of the budget. This line constitutes the

budgetary slot for any expenditure which the Community would have to bear in the event that — the Commission having paid the lenders the sums which had fallen due under the authorization given in Part II of the budget — the recipient of a loan should default or the guarantees relating to the loan could not be invoked in time'.

#### JUSTIFICATION

Since 1975 the European Parliament has maintained that Community borrowing and lending operations should be subject to control by the budgetary authority. In its resolution of 13 May 1976 it stated in particular that: 'b) the purpose of the entry in the budget of Community borrowing and lending operations is to bring these operations into the normal process of authorization of Community revenue and expenditure; d) entry in the budget enables the budgetary authority fix the maximum annual amount of the capital account operations on the basis of full information relating to the Community's indebtedness; f) the creation of a capital account budget for the Communities will make for overall transparency of the Community loans policy'. In the introduction to its preliminary draft general budget of the European Communities for the financial year 1979, the Commission — following the views expressed by the European Parliament — stated that: 'the method of entering loans in the budget followed up to now does not appear to reflect the specific and complex nature of these operations. The Commission therefore proposes the creation of a second part of the general budget to contain the headings relating to borrowing and lending operations. The budgetary authority will thus have overall information at its disposal enabling it to exercise its powers of authorization and control under optimum conditions'.

On 14 June 1978 the Commission then submitted a draft regulation amending the Financial Regulation of 21 December 1977 by creating a second part of the general budget pursuant to Article 199 of the EEC Treaty (which stipulates that 'all items of revenue and expenditure of the Community ..... shall be shown in the budget'); borrowing and lending operations would be shown in this second part of the budget. Finally in the document entitled 'elements of the motion for a resolution' (PE 54.500/add.) drawn up by Mr Bangemann and approved on 20 September 1978, the Committee on Budgets of the European Parliament states that 'the Community loans policy must be entered in a capital account budget'. It is therefore appropriate to restore the second part, introduced by the Commission; the remarks against Title 4, Chapter 42 must be modified accordingly.

\* \* \*

#### Draft amendment No 56

tabled by Mr Spinelli, Mr Sandri, Mr Vitale, Mrs Squarcialupi and Mr Mascagni

#### Section III — Commission

##### PAYMENTS

Title 4	— Repayments and aids to Member States and miscellaneous
Chapter 43	— Loans for the promotion of investment in the Community
Article	—
Item	—

##### A) *Expenditure*

Unchanged

##### B) *Compensation*

—

##### C) *Revenue*

—

##### COMMITMENTS

—

*Schedule*

## REMARKS

Reinstate the following remarks which appear in the preliminary draft budget :

'For the legal basis of this heading see Chapter 103 of Part II of the budget. This heading constitutes the budgetary slot for any expenditure which the Community would have to bear in the event that — the Commission having paid the lenders the sums which had fallen due under the authorization given in Part II of the budget — the recipient of a loan should default or the guarantees relating to the loan could not be invoked in time.'

## JUSTIFICATION

Since 1975 the European Parliament has maintained that Community borrowing and lending operations should be subject to control by the budgetary authority. In its resolution of 13 May 1976 it stated in particular that : 'b) the purpose of the entry in the budget of Community borrowing and lending operations is to bring these operations into the normal process of authorization of Community revenue and expenditure ; d) entry in the budget enables the budgetary authority to fix the maximum annual amount of the capital account operations on the basis of full information relating to the Community's indebtedness ; f) the creation of a capital account budget for the Communities will make for overall transparency of the Community loans policy'. In the introduction to its preliminary draft general budget of the European Communities for the financial year 1979, the Commission — following the views expressed by the European Parliament — stated that : 'the method of entering loans in the budget followed up to now does not appear to reflect the specific and complex nature of these operations. The Commission therefore proposes the creation of a second part of the general budget to contain the headings relating to borrowing and lending operations. The budgetary authority will thus have overall information at its disposal enabling it to exercise its powers of authorization and control under optimum conditions'.

On 14 June 1978 the Commission then submitted a draft regulation amending the Financial Regulation of 21 December 1977 by creating a second part of the general budget pursuant to Article 199 of the EEC Treaty (which stipulates that 'all items of revenue and expenditure of the Community ..... shall be shown in the budget') ; borrowing and lending operations would be shown in this second part of the budget. Finally in the document entitled 'elements of the motion for a resolution' (PE 54.500/add.) drawn up by Mr Bangemann and approved on 20 September 1978, the Committee on Budgets of the European Parliament states that 'the Community loans policy must be entered in a capital account budget'. It is therefore appropriate to restore the second part, introduced by the Commission ; the remarks against Title 4, Chapter 43 must be modified accordingly.

\* \* \*

Draft amendment No 58

tabled by Mr Spinelli, Mr Sandri, Mr Vitali, Mrs Squarcialupi and Mr Mascagni

## Section III — Commission

## STATEMENT OF REVENUE

Title 9	— Miscellaneous revenue
Chapter 94	— Borrowing and lending operations
Article 940	— Eximbank loans
Item	—

*Revenue*

Unchanged

## COMMITMENTS

*Schedule*

## REMARKS

Modify the remarks as follows:

'For the legal basis, see Article 100 of the second part of the budget. This line is intended to cover possible operations connected with the right of recourse of the EAEC against the beneficiaries of EURATOM loans'.

## JUSTIFICATION

Since 1975 the European Parliament has maintained that Community borrowing and lending operations should be subject to control by the budgetary authority. In its resolution of 13 May 1976 is stated in particular that: 'b) the purpose of the entry in the budget of Community borrowing and lending operations is to bring these operations into the normal process of authorization of Community revenue and expenditure; d) entry in the budget enables the budgetary authority to fix the maximum annual amount of the capital account operations on the basis of full information relating to the Community's indebtedness; f) the creation of a capital account budget for the Communities will make for overall transparency of the Community loans policy'. In the introduction to its preliminary draft general budget of the European Communities for the financial year 1979, the Commission — following the views expressed by the European Parliament — stated that: 'the method of entering loans in the budget followed up to now does not appear to reflect the specific and complex nature of these operations. The Commission therefore proposes the creation of a second part of the general budget to contain the headings relating to borrowing and lending operations. The budgetary authority will thus have overall information at its disposal enabling it to exercise its powers of authorization and control under optimum conditions'.

On 14 June 1978 the Commission then submitted a draft regulation amending the Financial Regulation of 21 December 1977 by creating a second part of the general budget pursuant to Article 199 of the EEC Treaty (which stipulates that 'all items of revenue and expenditure of the Community ..... shall be shown in the budget'); borrowing and lending operations would be shown in this second part of the budget. Finally in the document entitled 'elements of the motion for a resolution' (PE 54.500/add.) drawn up by Mr Bangemann and approved on 20 September 1978, the Committee on Budgets of the European Parliament states that 'the Community loans policy must be entered in a capital account budget'. It is therefore appropriate to restore the second part, introduced by the Commission; the remarks against Article 940 must be modified accordingly.

\* \* \*

Draft amendment No 59

tabled by Mr Spinelli, Mr Sandri, Mr Vitale, Mrs Squarcialupi and Mr Mascagni

## Section III — Commission

## STATEMENT OF REVENUE

Title 9	— Miscellaneous revenue
Chapter 94	— Borrowing and lending operations
Article 941	— Euratom loans
Item	—

*Revenue*

Unchanged

## COMMITMENTS

*Schedule*

## REMARKS

Modify the remarks as follows :

'For the legal basis see Article 102 of part II of the budget. This line is intended to cover operations connected with the right of recourse of the EAEC against beneficiaries of EURATOM loans.'

## JUSTIFICATION

Since 1975 the European Parliament has maintained that Community borrowing and lending operations should be subject to control by the budgetary authority. In its resolution of 13 May 1976 it stated in particular that : 'b) the purpose of the entry in the budget of Community borrowing and lending operations is to bring these operations into the normal process of authorization of Community revenue and expenditure ; d) entry in the budget enables the budgetary authority to fix the maximum annual amount of the capital account operations on the basis of full information relating to the Community's indebtedness ; f) the creation of a capital account budget for the Communities will make for overall transparency of the Community loans policy.' In the introduction to its preliminary draft general budget of the European Communities for the financial year 1979, the Commission — following the view expressed by the European Parliament — stated that : 'the method of entering loans in the budget followed up to now does not appear to reflect the specific and complex nature of these operations. The Commission therefore proposes the creation of a second part of the general budget to contain the headings relating to borrowing and lending operations. The budgetary will thus have overall information at its disposal enabling it to exercise its powers of authorization and control under optimum conditions.'

On 14 June 1978 the Commission then submitted a draft regulation amending the Financial Regulation of 21 December 1977 by creating a second part of the general budget pursuant to Article 199 of the EEC Treaty (which stipulates that 'all items of revenue and expenditure of the Community .... shall be shown in the budget') ; borrowing and lending operations would be shown in this second part of the budget. Finally in the document entitled 'elements of the motion for a resolution' (PE 54.500/add.) drawn up by Mr Bangemann and approved on 20 September 1978, the Committee on Budgets of the European Parliament states that 'the Community loans policy must be entered in a capital account budget.' It is therefore appropriate to restore the second part, introduced by the Commission ; the remarks against Article 941 must be modified accordingly.

\* \* \*

Draft amendment No 60

tabled by Mr Spinelli, Mr Sandri, Mr Vitale, Mrs Squarcialupi and Mr Mascagni

Section III — Commission

## STATEMENT OF REVENUE

Title 9	— Miscellaneous revenue
Chapter 94	— Borrowing and lending operation
Article 942	— Community loans to support balances of payments
Item	—

*Revenue*

Unchanged

## COMMITMENTS

—

*Schedule*

—

## Remarks

Modify the remarks as follows :

'For the legal basis, see Article 101 of part II of the budget. This line is intended to cover possible operations connected with the Community's right of recourse against the Member States benefiting from loans.'

## JUSTIFICATION

Since 1975 the European Parliament has maintained that Community borrowing and lending operations should be subject to control by the budgetary authority. In its resolution of 13 May 1976 it stated in particular that : 'b) the purpose of the entry in the budget of Community borrowing and lending operations is to bring these operations into the normal process of authorization of Community revenue and expenditure ; d) entry in the budget enables the budgetary authority to fix the maximum annual amount of the capital account operations on the basis of full information relating to the Community's indebtedness ; f) the creation of a capital account budget for the Communities for the financial year 1979, the Commission — following the views expressed by the European Parliament — stated that : 'the method of entering loans in the budget followed up to now does not appear to reflect the specific and complex nature of these operations. The Commission therefore proposes the creation of a second part of the general budget to contain the headings relating to borrowing and lending operations. The budgetary authority will thus have overall information at its disposal enabling it to exercise its powers of authorization and control under optimum conditions'.

On 14 June 1978 the Commission then submitted a draft regulation amending the Financial Regulation of 21 December 1977 by creating a second part of the general budget pursuant to Article 199 of the EEC Treaty (which stipulates that 'all items of revenue and expenditure of the Community ... shall be shown in the budget') ; borrowing and lending operations would be shown in this second part of the budget. Finally in the document entitled 'elements of the motion for a resolution' (PE 54.500/add.) drawn up by Mr Bangemann and approved on 20 September 1978, the Committee on Budgets of the European Parliament states that 'the Community loans policy must be entered in a capital account budget'. It is therefore appropriate to restore the second part, introduced by the Commission ; the remarks against Article 942 must be modified accordingly.

\* \* \*

## Draft amendment No 61

tabled by Mr Spinelli, Mr Sandri, Mr Vitale, Mrs Squarcialupi and Mr Mascagni

## Section III — Commission

## STATEMENT OF REVENUE

Title 9	— Miscellaneous revenue
Chapter 94	— Borrowing and lending operations
Article 943	— Community loans intended for the promotion of investments in the Community
Item	—

*Revenue*

Unchanged

## COMMITMENTS

—

*Schedule*

—

## REMARKS

Modify the remarks as follows :

'For the legal basis, see Article 103 of part II of the budget. This line is intended to cover possible operations connected with the Community's right of recourse against the Member States benefiting from loans.'

## JUSTIFICATION

Since 1975 the European Parliament has maintained that Community borrowing and lending operations should be subject to control by the budgetary authority. In its resolution of 13 May 1976 it stated in particular that : 'b) the purpose of the entry in the budget of Community borrowing and lending operations is to bring these operations into the normal process of authorization of Community revenue and expenditure ; d) entry in the budget enables the budgetary authority to fix the maximum annual amount of the capital account operations on the basis of full information relating to the Community's indebtedness ; f) the creation of a capital account budget for the Communities will make for overall transparency of the Community loans policy'. In the introduction to its preliminary draft general budget of the European Communities for the financial year 1979, the Commission — following the views expressed by the European Parliament — stated that : 'the method of entering loans in the budget followed up to now does not appear to reflect the specific and complex nature of these operations. The Commission therefore proposes the creation of a second part of the general budget to contain the headings relating to borrowing and lending operations. The budgetary authority will thus have overall information at its disposal enabling it to exercise its powers of authorization and control under optimum conditions'.

On 14 June 1978 the Commission then submitted a draft regulation amending the Financial Regulation of 21 December 1977 by creating a second part of the general budget pursuant to Article 199 of the EEC Treaty (which stipulates that 'all items of revenue and expenditure of the Community ... shall be shown in the budget') ; borrowing and lending operations would be shown in this second part of the budget. Finally in the document entitled 'elements of the motion for a resolution' (PE 54.500/add.) drawn up by Mr Bangemann and approved on 20 September 1978, the Committee on Budgets of the European Parliament states that 'the Community loans policy must be entered in a capital account budget'. It is therefore appropriate to restore the second part, introduced by the Commission ; the remarks against Article 943 must be modified accordingly.

\* \* \*

Draft amendment No 62

tabled by Mr Spinelli, Mr Sandri, Mr Vitale, Mrs Squarcialupi and Mr Mascagni

Section III — Commission

## PAYMENTS

- |             |  |
|-------------|--|
| Title 3     | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 37  | — Expenditure in the industrial and transport sectors  |
| Article 370 | — Projects in the data processing sector   |
| Item 3702   | — Community projects for the development of data processing  |

A) *Expenditure*

Enter an appropriation of 8 000 000 EUA (instead of a token entry) (Reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

Delete the appropriation of 1 000 000 EUA in Chapter 100 for Item 3702

C) *Revenue*

Increase revenue by 7 000 000 EUA  
(Reinstatement of the appropriation shown in the preliminary draft budget)

## COMMITMENTS

Enter an appropriation of 17 000 000 EUA against Item 3702

Delete the appropriation of 2 000 000 EUA in Chapter 100, Item 3702

*Schedule of Payments*

The commitment appropriation authorized for 1979 is 17 000 000 EUA<sup>1</sup>.

The likely Schedule of Payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment					
Appropriations for commitment remaining					
Appropriations for commitment 1978	p.m.	p.m.			
Appropriations for commitment 1979	17 000 000		8 000 000	6 000 000	3 000 000
Total	17 000 000	p.m.	8 000 000	6 000 000	3 000 000

<sup>1</sup> This text provides the basis for implementation of the expenditure for the purpose authorized by the title of the present article.

## REMARKS

Enter the following remarks :

Proposal laid before the Council on 9 November 1976 (Doc. COM(76) 524) on the basis of Article 235 of the EEC Treaty.

This Item is to cover expenditure arising from the programme for improving the competitiveness and generally promoting the data processing industries :

- Standardization
- Coordination of public procurement
- Collaboration between research centres
- Studies on the state of the data processing sector, employment problems, physical and legal protection of software
- The award of Community grants to industry or users for product development in specific sectors
- The payment of consultants and related miscellaneous or secretarial services

The appropriations for commitment authorized for 1979 are 17 000 000 EUA <sup>1</sup>.

## JUSTIFICATION

The European data processing industry finds itself in a position of inferiority in relation to its American competitors. Furthermore the scale and complexity of the problems involved call for Community action and justify the size of the appropriations requested.

\* \* \*



## Draft amendment No 63

tabled by Mr Spinelli, Mr Sandri, Mr Vitale, Mrs Squarcialupi and Mr Mascagni

## Section III — Commission

## PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 37 — Expenditure in the industrial and transport sectors
- Article 371 — Operations in the aerospace sector
- Item 3710 — Technological research

A) *Expenditure*

Enter an appropriation of 7 000 000 EUA (Reinstatement of the appropriation shown in the preliminary draft budget)

B) *Compensation*

—

C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

Enter a commitment appropriation of 5 000 000 EUA (instead of a token entry) (Reinstatement of the appropriation shown in the preliminary draft budget)

*Schedule of Payments*

Restore the Schedule of Payments shown in the preliminary draft budget

The commitment appropriation authorized for 1979 is 5 000 000 EUA <sup>1</sup>.

The likely Schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	8 000 000 <sup>1</sup>	8 000 000 <sup>1</sup>			
Appropriations for commitment remaining					
Appropriations for commitment remaining					
Appropriations for commitment 1978	15 000 000 <sup>2</sup>	1 000 000 <sup>2</sup>	5 000 000	5 000 000	4 000 000
Appropriations for commitment 1979	5 000 000		2 000 000	1 700 000	1 300 000
Total	28 000 000	9 000 000	7 000 000	6 700 000	5 300 000

<sup>1</sup> Non-differentiated appropriations subject to an application for a non-automatic carry-over

<sup>2</sup> Appropriation entered in Chapter 100

## REMARKS

Unchanged

<sup>1</sup> This text provides the basis for implementation of the expenditure for the purpose authorized by the title of the present article.

## JUSTIFICATION

As indicated in the action programme submitted by the Commission on 3 October 1975, the intention is to ensure Community participation in aeronautical research cooperation projects. If European industry wishes to provide for the future, it must start acquiring now the basic technology on which the aircraft of the next generation will be based.

\* \* \*

Draft amendment No 64

tabled by Mr Spinelli, Mr Sandri, Mr Vitae, Mrs Squarcialupi and Mr Mascagni

Section III — Commission

## PAYMENTS

Title 5	— Social and Regional Funds
Chapter 55	— European Regional Development Fund
Article 551	— Specific Community measures
Item	—

(A) *Expenditure*

—

(B) *Compensation*

—

(C) *Revenue*

—

## COMMITMENTS

Enter an appropriation of 100 000 000 EUA (instead of a token entry)

*Schedule of Payments*

## REMARKS

Modify the remarks as follows :

— Add the following in fine :

The commitment appropriation authorized for 1979 is 100 000 000 EUA

## JUSTIFICATION

The monetary decisions taken at the Bremen Summit necessarily involve the Community — as was recognised by the Heads of Government themselves — in responsibility for the achievement of two fundamental objectives ; the first is that efforts made to reflate the economy should produce convergence and not divergence ; the second is that development policy measures on a genuinely large scale cannot be taken at national level but must be part of a wider context and here, the Community context is the most appropriate. The Community's regional policy should hinge on the economic and monetary policy choices made in Bremen. The Fund as it is conceived at present, both from the point of view of the regulations governing it and the financial resources allocated, can make no more than a very modest contribution towards the reduction of regional imbalances in the Community ; a greater effort is needed if the objectives referred to above are to be attained : the appropriation proposed in the draft amendment is barely sufficient for this purpose.

\* \* \*

## Draft amendment No 65

tabled by Mr Spinelli, Mr Sandri, Mr Vitale, Mrs Squarcialupi and Mr Mascagni

## Section III — Commission

## PAYMENTS

Title 5 — Social and Regional Fund

Chapter 55 — European Regional Development Fund

Article 550 — Community measures in support of national regional policies

Item —

(A) *Expenditure*

Increase the payment appropriation by 198 000 000 EUA (from 320 000 000 EUA to 518 000 000 EUA)

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

Increase the appropriations by 380 000 000 EUA (from 620 000 000 EUA to 1 000 000 000 EUA)

*Schedule of Payments*

Modify the Schedule of Payments as follows :

The commitment appropriation authorized for 1979 is 1 000 000 000 EUA.<sup>1</sup>

The likely Schedule of Payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	333 000 000	275 000 000		42 000 000	16 000 000
Appropriations for commitment remaining from 1977	15 000 000	5 000 000	5 000 000	3 000 000	2 000 000
Appropriations for commitment 1978	581 000 000	245 000 000	163 000 000	116 000 000	57 000 000
Appropriations for commitment 1979	1 000 000 000		350 000 000	456 000 000	184 000 000
<b>Total</b>	<b>1 929 000 000</b>	<b>525 000 000</b>	<b>518 000 000</b>	<b>617 000 000</b>	<b>259 000 000</b>

## REMARKS

Unchanged

## JUSTIFICATION

The monetary decisions taken at the Bremen Summit necessarily involve the Community — as was recognised by the Heads of Government themselves — in responsibility for the achievement of two fundamental objectives; the first is that efforts made to reflate the economy should produce convergence and not divergence; the second is that development policy measures on a genuinely

<sup>1</sup> This text provides the basis for implementation of the expenditure for the purpose authorized by the title of the present article.

large scale cannot be taken at national level but must be part of a wider context and here, the Community context is the most appropriate. The Community's regional policy should hinge on the economic and monetary policy choices made in Bremen. The Fund as it is conceived at present, both from the point of view of the regulations governing it and the financial resources allocated, can make no more than a very modest contribution towards the reduction of regional imbalances in the Community; a greater effort is needed if the objectives referred to above are to be attained; the appropriation proposed in the draft amendment is barely sufficient for this purpose.

\* \* \*

#### Draft amendment No 66

tabled by Mr Spinelli, Mr Sandri, Mr Vitale, Mrs Squarcialupi and Mr Mascagni

#### Section III — Commission

#### PAYMENTS

Title 9 — Cooperation with developing countries and other non-Member States  
 Chapter 93 — Financial and technical cooperation with non-associated developing countries  
 Article 930 — Financial cooperation with non-associated developing countries  
 Item —

#### (A) *Expenditure*

Increase the appropriation by 135 000 000 EUA (from 45 000 000 EUA to 180 000 000 EUA)

#### (B) *Compensation*

—

#### (C) *Revenue*

Increase revenue by the same amount

#### COMMITMENTS

Increase the appropriation by 416 380 000 EUA (from 83 620 000 EUA to 500 000 000 EUA)

#### *Schedule of Payments*

Modify the Schedule of Payments as follows :

The commitment appropriation authorised for 1979 is 500 000 000 EUA<sup>1</sup>.

The likely Schedule of Payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment					
Appropriations for commitment remaining					
Appropriations for commitment 1978	80 196 000	10 796 000	7 000 000	21 000 000	42 000 000
Appropriations for commitment 1979	500 000 000		173 000 000	115 000 000	212 000 000
<b>Total</b>	<b>580 196 000</b>	<b>10 796 000</b>	<b>180 000 000</b>	<b>136 000 000</b>	<b>254 000 000</b>

<sup>1</sup> This text provides the basis for implementation of the expenditure for the purpose authorized by the title of the present article.

## REMARKS

Unchanged.

## JUSTIFICATION

The prospects of economic recovery must not be confined to the advanced countries but should also take in the developing countries. The European Council meeting in Bremen strongly emphasised the need for the Community to pursue its development aid activities on a world scale. In addition to cooperation under the Lomé Convention, the Community must step up its efforts to aid the non-associated developing countries. As the Commission itself has said, the traditional method of budgetary calculation is not relevant to this type of aid: the scale of financial requirements is so vast that provision must be made for budgetary appropriations that are politically and economically significant. Given that the EDF amounts to 3 billion EUA over four years and that the type of project requiring funding under Article 930 calls for a multi-annual framework, provision should be made in the next financial year for a commitment appropriation of 500 000 000 EUA which is the minimum required to meet the objective accepted by the European Council meeting in Bremen.

\* \* \*

Draft amendment No 67

tabled by Mr Spinelli, Mr Sandri, Mr Vitale, Mrs Squarcialupi and Mr Mascagni

## Section III — Commission

## Borrowing and lending operations

- Delete Annex III: 'Borrowing and lending operations' in the draft budget
- Reinststate in its entirety Part II: 'Borrowing and lending operations' in the preliminary draft budget

Title —

Chapter —

Article —

Item —

(A) *Expenditure*

—

(B) *Compensation*(C) *Revenue*

## COMMITMENTS

—

*Schedule*

## REMARKS

Enter the following remarks at the beginning of Part II of the budget:

'Part II of the budget is an integral part of the latter. It shows all borrowing and lending operations which already appear as a guarantee in Part I: Statement of revenue and expenditure.

It constitutes an authorization to the Commission to effect borrowing and lending operations for fixed amounts.

It indicates the debt situation of the Community (reimbursement of loans, recovery of loans) and the corresponding financial expenditure.'

## JUSTIFICATION

Since 1975 the European Parliament has maintained that Community borrowing and lending operations should be subject to control by the budgetary authority. In its resolution of 13 May 1976 it stated in particular that ; 'b) the purpose of the entry in the budget of Community borrowing and lending operations is to bring these operations into the normal process of authorization of Community revenue and expenditure ; d) entry in the budget enables the budgetary authority to fix the maximum annual amount of the capital account operations on the basis of full information relating to the Community's indebtedness ; f) the creation of a capital account budget for the Communities will make for overall transparency of the Community loans policy.' In the introduction to its preliminary of the Community loans policy.' In the introduction to its preliminary draft general budget of the European Communities for the financial year 1979, the Commission — following the views expressed by the European Parliament — stated that : 'the method of entering loans in the budget followed up to now does not appear to reflect the specific and complex nature of these operations. The Commission therefore proposes the creation of a second part of the general budget to contain the headings relating to borrowing and lending operations. The budgetary authority will thus have overall information at its disposal enabling it to exercise its powers of authorization and control under optimum conditions.'

On 14 June 1978 the Commission then submitted a draft regulation amending the Financial Regulation of 21 December 1977 by creating a second part of the general budget pursuant to Article 199 of the EEC Treaty (which stipulates that 'all items of revenue and expenditure of the Community ... shall be shown in the budget') ; borrowing and lending operations would be shown in this second part of the budget. Finally in the document entitled 'elements of the motion for a resolution' (PE 54.500/add) drawn up by Mr Bangemann and approved on 20 September 1978, the Committee on Budgets of the European Parliament states that 'the Community loans policy must be entered in a capital account budget.

\* \* \*

Proposed modification No 68/rev.

tabled by Mr Spinelli, Mr Sandri, Mr Vitale, Mrs Squarcialupi and Mr Mascagni

## Section III — Commission

## PAYMENT

Titles 6 and 7 — European Agricultural Guidance and Guarantee Fund — Guarantee Section

Chapter —

Article —

Item —

(A) *Expenditure*

—

(B) *Compensation*

—

(C) *Revenue*

—

## COMMITMENTS

—

*Schedule*

## REMARKS

Add to the remarks at the beginning of Titles 6 and 7 the following new text :

Communication from the Commission to the Council and the European Parliament on the global

appraisal of the budgetary problems of the Community, COM (78) 64 final.

Resolution of the European Parliament on its guidelines for the budgetary and financial policy of the European Community for 1979, Doc. 54/78.

Joint Council of Foreign Affairs Ministers and Finance Ministers of the Community of 3 April 1978.  
European Council of 6-7 July 1978.

The Commission is required to present to the Council — which undertakes to adopt them by 31 December 1979 — amendments to the regulations relating to agricultural prices and monetary compensatory amounts with a view to :

- (a) fixing a real and not merely indicative ceiling on commitments of the EAGGF Guarantee Section
- (b) modifying the procedures and criteria for fixing agricultural prices to ensure that the aforementioned conditions are met
- (c) progressively reducing the proportion of expenditure of the EAGGF Guarantee Section and increasing that of the EAGGF Guidance Section
- (d) Converting all the monetary compensatory amounts into amounts limited for a maximum period of three years from the date of their introduction and on a degressive basis.

#### JUSTIFICATION

Measured against the economic policy requirements facing the Community, its actual financial participation is still marginal — with a single exception relating not to agricultural policy in the strict sense of the term but purely to agricultural prices. The European Council meeting in Bremen called upon the Commission to submit by 31 December 1978 proposals for the amendment of the agricultural price regulations on the lines indicated in the document referred to in the above remarks.

\* \* \*

Draft Amendment No 69

tabled by the Committee on Social Affairs, Employment and Education

Section III — Commission

#### PAYMENTS

Title 2 — Buildings, Equipment and Miscellaneous Administrative Expenditure  
Chapter 25 — Expenditure on formal and other meetings  
Article 254 — Measures for young people

##### (A) *Expenditure*

Increase the payment by 85 500 EUA (from 275 000 to 360 500 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

##### (B) *Compensation*

—

##### (C) *Revenue*

Increase revenue by the same amount

#### COMMITMENTS

—

*Schedule*

—

#### REMARKS

unchanged

## JUSTIFICATION

In view of the fact that the Youth Forum is on the point of starting up, it is necessary to ensure that it has the required funds, particularly in view of the role it can play as a multiplier in motivating youth in view of direct elections.

\* \* \*

Draft Amendment No 70  
tabled by the Committee on Social Affairs, Employment and Education

## Section III — Commission

## PAYMENTS

Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials  
Chapter 30 — Expenditure in the social sector  
Article 305 — Community measures under the employment policy  
Item 3052 — Community system of guaranteed incomes for workers undergoing retraining  
(new)

(A) *Expenditure*

Create a new item: 'Community system of guaranteed incomes for workers undergoing retraining'.

Make a token entry

(B) *Compensation*

—

(C) *Revenue*

unchanged

## COMMITMENTS

—

*Schedule*

—

## REMARKS

Enter the following remarks:

The Commission provided in its Social Action Programme for the creation and Development in all the Member States of national systems to guarantee the incomes of workers during occupational retraining with the possible backing of Community aid adjusted to the evolution of Community objectives in the employment sector.

The Council did not accept this suggestion. In the past, the Commission has stressed its intention of undertaking work in this area.

## JUSTIFICATION

This action was originally proposed in the Social Action Programme and has appeared as a token entry in the Budget ever since. Until such time as such a system is established either within the framework of the Social Fund or otherwise, this Item must remain, even as a token entry, to underline the political will of the Community to provide a comprehensive system of aid for workers undergoing retraining.

\* \* \*



Draft Amendment No 71  
tabled by the Committee on Social Affairs, Employment and Education

### Section III — Commission

#### PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials.  
Chapter 30 — Expenditure in the social sector  
Article 306 — Pilot research projects on action to combat poverty

#### (A) *Expenditure*

Increase the payment appropriation by 4 000 000 EUA (from 4 000 000 to 8 000 000 EUA)

#### (B) *Compensation*

—

#### (C) *Revenue*

Increase revenue by the same amount

#### COMMITMENTS

Increase the commitment appropriation by 4 000 000 EUA (from 5 750 000 to 9 750 000 EUA)

#### *Schedule*

Amend the schedule of payments as follows:

The commitment appropriation for 1979 is 9 750 000 EUA. The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	2 373 000	1 853 000	520 000	—	—
Appropriations carried over from 1977	541 000	100 000	441 000	—	—
Appropriations for 1978	5 000 000	951 000	3 039 000	1 010 000	—
Appropriations for 1979	9 750 000	—	4 000 000	3 513 000	2 237 000
<b>Total</b>	<b>17 664 000</b>	<b>2 904 000</b>	<b>8 000 000</b>	<b>4 523 000</b>	<b>2 237 000</b>

#### REMARKS

Add the following remarks after the first paragraph:

In view of the value of these pilot research projects and pilot studies, and of the necessity of taking concrete action at national level as well as at Community level, based on their findings, in order to ensure the understanding of, and eventual elimination of poverty in our society, this Programme must be supported and continued. The necessary commitments and payments will be continued annually in order to maintain the financing of the projects and to take the necessary measures arising.

#### JUSTIFICATION

The preamble to the Treaty of Rome and the Articles relating to Social Policy affirm that an essential objective of the Community is the constant improvement of the living and working standards of its

citizens. The Programme of Pilot Schemes and Studies to combat poverty, set up in accordance with the Social Action Programme, has the function of examining the causes of poverty and methods to eliminate it — thus in effect working towards bringing about improvements in the living standards of the most underprivileged in our society. The European Parliament must mark its political will to continue this action by providing the necessary financial resources in the future for the development of this Programme.

\* \* \*

Draft Amendment No 72  
tabled by the Committee on Social Affairs, Employment and Education

### Section III — Commission

#### PAYMENTS

Title 10 — Other expenditure  
Chapter 100 — Provisional appropriations

##### (A) *Expenditure*

Enter a new sub-section 24a — 'Article 512 — Consequences of industrial conversion'  
(Reinstatement of sub-section 10 of the preliminary draft budget)

Enter a payment appropriation of 15 000 000 EUA  
(Reinstatement of the appropriation shown in the preliminary draft budget)

##### (B) *Compensation*

—

##### (C) *Revenue*

Increase revenue by the same amount

#### COMMITMENTS

Enter a commitment appropriation of 50 000 000 EUA in Chapter 100, sub-section 24a  
(Reinstatement of the appropriation shown in the preliminary draft budget)

#### *Schedule of Payments*

—

#### REMARKS

A — Remarks on Article 512

Modify the third paragraph as follows:

A reserve of 50 000 000 EUA in commitment appropriations and 15 000 000 EUA in payment appropriations is entered under Chapter 100.

(Reinstatement of the comment contained in the preliminary draft budget)

#### JUSTIFICATION

In its preliminary draft budget the Commission made a token entry against Article 512 but provided under Chapter 100, sub-section 10 for provisional payment appropriations of 15 000 000 EUA and provisional commitment appropriations of 50 000 000 EUA.

The Council accepted the token entry in Article 512 but made no provision for provisional appropriations in Chapter 100.

If, as the European Parliament has recommended on several occasions, the planned industrial conversion measures in crisis sectors are to be accompanied by social measures to aid workers involved in the conversion process, it is essential that in addition to the token entry in Article 512, provisional appropriations on an adequate scale should be entered in Chapter 100 so that when decisions are taken on conversion measures, the funds required for the relevant social measures can be transferred in good time.

\* \* \*

Draft amendment No 73  
tabled by the Committee on Social Affairs, Employment and Education

Section III — Commission

LIST OF POSTS

Amend the list of posts as follows :

Add 3 grade-A officials

Add 7 grade-B officials

(A) *Expenditure*

Increase the payment appropriation by 128 785 EUA

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount <sup>1</sup>

COMMITMENTS

—

*Schedule*

—

REMARKS

JUSTIFICATION

Not only the extension of the activities of the ESF decided upon by the Council in late 1977, but also the substantial expansion of social measures to accompany the structural economic crisis make it essential to strengthen the staffing level of DG V (Social Affairs), particularly as regards B-grade officials, who are needed to perform the accounting duties associated with the management of the Fund.

\* \* \*

Draft amendment No 74  
tabled the Committee on Social Affairs, Employment and Education

Section III — Commission

PAYMENTS

Title 10 — Other expenditure

Chapter 100 — Provisional appropriations

Point 25 of the Remarks : Chapter 53 — Social Fund — measures to promote the employment of young people

(A) *Expenditure*

Increase the payment appropriation by 5 000 000 EUA (from 18 000 000 EUA to 23 000 000 EUA)

(B) *Compensation*

—

<sup>1</sup> This increase in revenue includes an increase in taxation on staff remuneration of 19 910 EUA.

(c) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

Increase the commitment appropriation by 50 000 000 EUA (from 40 000 000 EUA to 90 000 000 EUA)

*Schedule of Payments*

Amend the schedule against Article 530 as follows :

The commitment appropriation authorised for 1979 (entered in Chapter 100) is 90 000 000 EUA <sup>1</sup>.

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment					
Appropriations for commitment remaining					
Appropriations for commitment 1978					
Appropriations for commitment 1979	90 000 000 <sup>1</sup>		23 000 000 <sup>1</sup>	31 000 000	36 000 000
Total					

<sup>1</sup> This appropriation is entered in Chapter 100

## REMARKS

—

## JUSTIFICATION

In this case the Committee on Social Affairs, Employment and Education is going further than the Commission (a payment appropriation of 16 000 000 EUA, a commitment appropriation for 1979 also of 16 000 000 EUA, giving together with subsequent years a total of 55 000 000 EUA) and the Council (a payment appropriation of 18 000 000 EUA and commitments totalling 40 000 000 EUA) in order to stress the political importance of Community aid to unemployed young people. There should be no technical objections to making this entry in Chapter 100 at this stage, as the decision on this subject awaited from the Council of Social Affairs Ministers will automatically entail the transfer of these funds to Article 530.

\* \* \*

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977

Draft amendment No 75  
tabled by the Committee on Social Affairs, Employment and Education

### Section III — Commission

#### PAYMENTS

Title 5 — Social and Regional Funds  
Chapter 50 — Social Fund — Expenditure provided for under Article 4 of the Council  
Decision of 1 February 1971  
Article 520 — Social Fund — Pilot schemes and preparatory studies

#### (A) *Expenditure*

Increase the payment appropriation by 500 000 EUA from 2 500 000 EUA to 3 000 000 EUA  
(reinstatement of the appropriation shown in the preliminary draft budget)

#### (B) *Compensation*

—

#### (C) *Revenue*

Increase revenue by the same amount.

#### COMMITMENTS

Increase the appropriation by 500 000 EUA (from 2 500 000 EUA to 3 000 000 EUA)  
(Reinstatement of the appropriation shown in the preliminary draft budget)

#### *Schedule of Payments*

Re-enter the following Schedule of Payments :

The commitment appropriation authorised for 1979 is 3 000 000 EUA<sup>1</sup>

The likely Schedule of Payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	800 000	600 000	200 000	—	—
Appropriations for commitment remaining from 1977	—	—	—	—	—
Appropriations for commitment 1978	1 500 000	700 000	600 000	200 000	—
Appropriations for commitment 1979	3 000 000	—	2 200 000	500 000	300 000
<b>Total</b>	<b>5 300 000</b>	<b>1 300 000</b>	<b>3 000 000</b>	<b>700 000</b>	<b>300 000</b>

#### REMARKS

Unchanged

#### JUSTIFICATION

These pilot schemes cover areas of considerable importance such as placement in employment. For this reason the Commission should at the very least have at its disposal the appropriations which it had entered in the preliminary draft budget.

\* \* \*

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977

Draft amendment No 76  
tabled by the Committee on Social Affairs, Employment and Education

### Section III — Commission

#### PAYMENTS

Title 5 — Social and Regional Funds  
Chapter 51 — Social Fund — Expenditure provided for under Article 5 of the Council of  
Decision of 1 February 1971  
Article 511 Aid to handicapped persons

#### (a) *Expenditure*

Increase the payment appropriation by 12 500 000 EUA from 36 500 000 EUA to 48 000 000  
EUA

(Reinstatement of the appropriation shown in the preliminary draft budget)

#### (B) *Compensation*

—

#### (C) *Revenue*

Increase revenue by the same amount

#### COMMITMENTS

—

#### *Schedule of Payments*

Amend the schedule as follows :

The commitment appropriation authorised for 1979 is 61 000 000 EUA<sup>1</sup>

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	47 400 000	25 000 000	6 000 000	5 900 000	10 500 000
Appropriations for commitment remaining from 1977	—	—	—	—	—
Appropriations for commitment 1978	49 000 000	12 000 000	16 500 00	19 100 000	1 400 000
Appropriations for commitment 1979	61 000 000	—	26 500 000	16 000 000	18 500 000
<b>Total</b>	<b>157 400 000</b>	<b>37 000 000</b>	<b>49 000 000</b>	<b>41 000 000</b>	<b>30 400 000</b>

#### REMARKS

—

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977

## JUSTIFICATION

Handicapped persons are hit even harder by the present economic situation than able-bodied workers. Moreover, as this article concerns the further prolongation of existing Fund operations, where the financial requirements are comparatively easy to assess, the appropriations proposed by the Commission (Item 5110 : 4 000 000 EUA and Item 5111 : 2 000 000 EUA) should be maintained in their entirety.

\* \* \*

Draft amendment No 77  
tabled by Mr Seefeld, on behalf of the Political Affairs Committee

## Section III — Commission

## PAYMENTS

- Title 2 — Buildings, equipment and miscellaneous administrative expenditure
- Chapter 27 — Expenditure on publishing and information
- Article 272 — Expenditure on the dissemination of information and on participation in public events
- Item 2729 — Information projects relating to direct elections to the European Parliament.

(A) *Expenditure*

Increase the payment appropriation by 1 500 000 EUA (from 500 000 to 2 000 000 EUA)  
(Reinstatement of the appropriation shown in the preliminary draft budget)

(B) *Revenue*

Increase revenue by the same amount

(C) *Remarks*

Modify the remarks as follows :

This appropriation will be used to finance expenditure by the Commission during the financial year on the following measures : to cover, together with the appropriation entered in the 1978 budget, Community participation in certain activities to be carried out in preparation for the direct elections to the European Parliament. As well as information projects, this appropriation will cover subsidies to European movements and other bodies for the financing of the activities they have planned in this field. (It is intended that the activities in question should be carried out in concert with the European Parliament.)

## JUSTIFICATION

The Commission and the European Parliament within the contact body, have drawn up a special information programme leading up to early 1979 with a view to direct elections to the European Parliament. Parliament has already delivered a favourable opinion on the broad lines of this programme, which requires a contribution from the Commission of 2 000 000 EUA for 1979. The Political Affairs Committee considers that the implementation by the Commission of the joint programme with the European Parliament necessitates an appropriation of 2 000 000 EUA, as requested in the preliminary draft budget.

\* \* \*

Draft Amendment No 79  
tabled Mr Seefeld, on behalf of the Political Affairs Committee

Section III — Commission

PAYMENTS

- |             |  |
|-------------|--|
| Title 3     | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 39  | — Other expenditure on specific projects undertaken by the institution   |
| Article 393 | — Cultural measures and events   |
| Item 3930   | — Expenditure on cultural projects   |

(A) Increase the payment appropriation by 40 000 EUA (from 200 000 to 240 000 EUA)  
(reinstatement of the appropriation entered in the preliminary draft budget)

(B) Revenue

Increase revenue by the same amount.

(C) Remarks

Modify the remarks as follows :

This appropriation will be used to finance expenditure by the Commission during the financial year on the following measures :

- protection of the architectural heritage, by granting scholarships and subsidies and concluding contracts ;
  - promotion of cultural exchanges,
- and the implementation of a pilot experiment, the results of which should lead to cooperation between the various cultural institutes of the Member States.

JUSTIFICATION

The appropriations entered under item 3 930 are intended for specific actions requested by the European Parliament. It is essential that these appropriations be sufficiently high for the action the appropriations requested by the Commission in its preliminary draft budget, totalling 240 000 EUA, should be reinstated.

\* \* \*

Draft Amendment No 80  
tabled by Mr Seefeld, on behalf of the Political Affairs Committee

Section III — Commission

PAYMENTS

- |             |  |
|-------------|--|
| Title 3     | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 39  | — Other expenditure on specific projects undertaken by the institution   |
| Article 396 | — Subsidy for the functioning of the European Foundation   |

(A) Increase the payment appropriation by 4 500 000 EUA (from 500 000 to 5 000 000 EUA).

(C) Revenue

Increase revenue by the same amount.

(C) Remarks

Modify the remarks as follows :

This appropriation will be used to finance expenditure by the Commission during the financial year on the following measures : setting up the European Foundation and making available a



financial endowment commensurate with the tasks assigned to it, in implementation of the provisions adopted by the European Council in Copenhagen on 7 and 8 April 1978.

#### JUSTIFICATION

The Political Affairs Committee considers that the appropriations requested by the Commission (5 000 000 EUA) are necessary for the financing of the initial endowment of the Foundation. The committee therefore requests the reinstatement of the 5 000 000 EUA entered by the Commission in its preliminary draft budget.

\* \* \*

Draft amendment No 81  
tabled Mr Klinker on behalf of the Committee on Agriculture

#### Section III — Commission

#### PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 31 — Expenditure in the agricultural sector
- Article 341 — Agricultural research
- Item 3141 — Research programmes

#### (A) *Expenditure*

Increase the payment appropriation by 4 000 000 EUA (instead of a token entry)

#### (B) *Compensation*

Delete the appropriation of 2 705 000EUA earmarked under Chapter 100 'Provisional appropriations' for Item 3141 'Research programmes'

#### (C) *Revenue*

Increase revenue by 1 295 000 EUA

#### COMMITMENTS

—

#### *Schedule*

—

#### REMARKS

Modify the remarks under Item 3141 as follows :

#### JUSTIFICATION

The European Training and Promotion for Farming and Rural Life (CEPFAR) performs a most valuable function in the dissemination of knowledge in the countryside, particularly among women and young people, by organizing seminars.

It has received the following appropriations in the last two financial years :

121 000 EUA in 1977  
and 131 100 EUA in 1978

The subsidy proposed by the Commission in the preliminary draft budget and adopted by the Council in the draft budget amounts to 50 000 EUA. This is insufficient to cover the deficits for the years 1977 and 1978 generated by the Centre's numerous activities.

The Committee on Agriculture recommends, therefore, that the Community appropriation for CEPFAR be increased so as to cover the accumulated deficit for the last two years (111 000 EUA) and enable it to intensify its information and training activities in the countryside, particularly with a view to the election of the European Parliament by direct universal suffrage which requires a general mobilization of European public opinion.

The Committee on Agriculture therefore proposes that the Community subsidy to CEPFAR be increased from 50 000 to 300 000 EUA

\* \* \*

Draft Amendment No 82

tabled Mr Klinker on behalf of the Committee on Agriculture

### Section III — Commission

#### PAYMENTS

- |             |  |
|-------------|--|
| Title 3     | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 31  | — Expenditure in the agricultural sector   |
| Article 316 | — Community action relating to the vocational training of farmers  |

#### (A) *Expenditure*

Increase the payment appropriation by 250 000 EUA (from 50 000 to 300 000 EUA)

#### (B) *Compensation*

—

#### (C) *Revenue*

Increase revenue by the same amount

#### COMMITMENTS

—

#### *Schedule*

—

#### REMARKS

Unchanged

#### JUSTIFICATION

The European Training and Promotion Centre for Farming and Rural Life (CEPFAR) performs a most valuable function in the dissemination of knowledge in the countryside, particularly among women and young people, by organizing seminars.

It has received the following appropriations in the last two financial years:

121 000 EUA in 1977  
and 131 100 EUA in 1978

The subsidy proposed by the Commission in the preliminary draft budget and adopted by the Council in the draft amounts to 50 000 EUA. This is insufficient to cover the deficits for the years 1977 and 1978 generated by the Centre's numerous activities.

The Committee on Agriculture recommends, therefore, that the Community appropriation for CEPFAR be increased so as to cover the accumulated deficit for the last two years (111 000 EUA) and enable it to intensify its information and training activities in the countryside, particularly with a view to the election of the European Parliament by direct universal suffrage which requires a general mobilization of European public opinion.

The Committee on Agriculture therefore proposes that the Community subsidy to CEPFAR be increased from 50 000 to 300 000 EUA

\* \* \*

Draft Amendment No 83  
tabled by Mr Klinker on behalf of the Committee on Agriculture

### Section III — Commission

#### PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 31 — Expenditure in the agricultural sector
- Article 317 (new) — Community supervision of the application of agricultural rules

#### (A) *Expenditure*

- Create a new Article 317: 'Community supervision of the application of agricultural rules'
- Make a token entry (reinstatement of the token entry shown in the preliminary draft budget)

#### (B) *Compensation*

—

#### (C) *Revenue*

Unchanged

#### COMMITMENTS

#### *Schedule*

—

#### REMARKS

Restore the remarks shown in the preliminary draft budget:

Existing agricultural legislation requires the Community to check that EAGGF operations are carried out in accordance with the rules.

This Item is intended to cover analysis costs, payment of fees, travel and subsistence expenses of official experts, etc.

#### JUSTIFICATION

The reinstatement of this budget line by the Committee on Agriculture demonstrates the importance attached by the latter to checking that EAGGF operations are conducted in a proper manner and in compliance with the rules.

Stricter controls over EAGGF operations will make fraudulent practices more difficult, thus putting the common agricultural policy in a better position to resist the criticism all too often directed against it.

\* \* \*

Draft amendment No 84  
tabled by Mr Klinker on behalf of the Committee on Agriculture

### Section III — Commission

#### PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment, and the supply of energy and raw materials
- Chapter 38 — Common policy on the sea  
(new)

#### (A) *Expenditure*

Create a new Chapter 38 : 'Common policy on the sea'

#### (B) *Compensation*

—

#### (C) *Revenue*

—

#### COMMITMENTS

#### *Schedule*

—

#### REMARKS

—

Enter the following new remark :

The Commission will submit to the Council in 1979 proposals for the introduction of a common policy on the sea, pursuant to point 1 of the European Parliament's resolution of 14 April 1978 on the 'Amoco Cadiz' disaster (OJ No C 108, 8 April 1978, p. 59).

#### JUSTIFICATION

In view of the interdependence of the common fisheries policy, the protection of fishery resources, the protection of the environment, sea transport, etc. there is now a need for a common policy on the sea covering all these aspects.

The European Parliament wishes to emphasize in this way the political role of the budget by which Communities activities should be guided.

\* \* \*

Chapter 38 'Common policy on the sea' might, subject to the decisions taken by the European Parliament, be subdivided as follows :

- Article 380 — Measures relating to the common fisheries policy
- Article 381 — The Community's international obligations in respect of fisheries
- Article 382 — Standardization of surveillance craft
- Article 383 — Community coastguard service
- Article 384 — Activities relating to the study, exploration, exploitation and protection of the marine environment

\* \* \*

Draft amendment No 85  
tabled by Mr Klinker on behalf of the Committee on Agriculture

### Section III — Commission

#### PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 38 (new) — Common policy on the sea
- Article 380 (new) — Measures relating to the common fisheries policy
- Item 3800 (new) — Immediate measures to adjust capacity
- Item 3801 (new) — Financial participation in inspection and surveillance operations in the maritime waters of certain Member States

#### (A) *Expenditure*

- Create a new Chapter 38 : 'Common policy on the sea'
- Create a new Article 380 : 'Measures relating to the common fisheries policy'
- Create a new Item 3800 : 'Immediate measures to adjust capacity' Make a token entry
- Create a new Item 3801 : 'Financial participation in inspection and surveillance operations in the maritime waters of certain Member States' Make a token entry

#### (B) *Compensation*

- Delete Chapter 87 'Specific measures in the fisheries sector'
- Delete Article 870 'Immediate measures to adjust capacity' and the token entry shown against it
- Delete Article 871 'Financial participation in inspection and surveillance operations in the maritime waters of Denmark and Ireland' and the token entry shown against it

#### (C) *Revenue*

Unchanged

#### COMMITMENTS

—

#### *Schedule*

—

#### REMARKS

- Item 3800 (new Item) —
- Enter the remarks appearing against former Article 870
- Item 3801 (new Item) —
- Enter the remarks appearing against former Article 871

#### JUSTIFICATION

This expenditure, which does not fall within the scope of the EAGGF, Guidance Section should be entered in the new Chapter 38 'Common policy on the sea' in the new Article 380 'Measures relating to the common fisheries policy'.

By thus grouping together all the items of expenditure relating to fisheries which fall neither under the Guarantee nor the Guidance Section of the EAGGF the political nature of the budget is emphasized. Moreover this new presentation simplifies the budget layout and makes for greater budgetary transparency.

\* \* \*

Draft Amendment No 86  
tabled by Mr Klinker on behalf of the Committee on Agriculture

### Section III — Commission

#### PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 38 — Common policy on the sea  
(new)
- Article 380 — Measures relating to the common fisheries policy  
(new)
- Item 3802 — Coordination of surveillance operations by the Member States  
(new)

#### (A) *Expenditure*

Create a new Chapter 38 : 'Common policy on the sea'  
Create a new Article 380 : 'Measures relating to the common fisheries policy'  
Create a new Item 3802 : 'Coordination of surveillance operations by the Member States'  
Enter a payment appropriation of 1 000 000 EUA

#### (B) *Compensation*

—

#### (C) *Revenue*

Increase revenue by the same amount

#### COMMITMENTS

—

#### *Schedule*

—

#### REMARKS

Enter the following new remarks :

Item 3802 (new Item)

This appropriation is intended to cover measures to coordinate surveillance operations by the Member States in Community fishing zones. 900 000 EUA are frozen and will be released by the Budgetary Authority once the Commission has submitted a suitable proposal to the Council. This measure was envisaged in point 5(a) of the European Parliament's resolution of 16 February 1978 on some aspects of the final version of the common fisheries policy (OJ No. C 63, 13. 3. 1978, p. 28).

#### JUSTIFICATION

As long as fishing activities continue to be controlled by the Member States, the control of fishing operations is likely to be less than totally effective. The Community could therefore either establish a coordinating centre for the surveillance operations of the Member States, or set up a system for rapid communications and exchange of information between the Member States in order to enable them to coordinate their sea surveillance operations.

It should be noted that if such a coordination centre were set up it could become the nucleus for the eventual establishment of a Community coastguard service.

\* \* \*

**Draft amendment No 87**

tabled by Mr Klinker on behalf of the Committee on Agriculture

**Section III — Commission****PAYMENTS**

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 38 — Common policy on the sea
- (new)
- Article 381 — The Community's international obligations in respect of fisheries
- (new)
- Item 3810 — International agreements on fisheries
- (new)
- Item 3811 — Reimbursements in respect of certain financial obligations relating to fishing the Adriatic
- (new)
- Item 3812 — Payment of compensation for salmon fishing in the Baltic
- (new)
- Item 3813 — Payments in respect of compensation and dues relating to fishing in the maritime waters of certain African countries
- (new)

**(A) Expenditure**

- Create a new Chapter 38: 'Common policy on the sea'
- Create a new Article 381: 'The Community's international obligations in respect of fisheries'
- Create a new Item 3810: 'International agreements on fisheries'
- Make a token entry
- Create a new Item 3811: 'Reimbursements in respect of certain financial obligations relating to fishing in the Adriatic'
- Make a token entry
- Create a new Item 3812: 'Payment of compensation for salmon fishing in the Baltic'
- Make a token entry
- Create a new Item 3813: 'Payments in respect of compensation and dues relating to fishing in the maritime waters of certain African countries'
- Make a token entry

**(B) Compensation**

- Delete Item 2987: 'International agreements on fisheries'
- Delete the token entry shown against it
- Delete Chapter 89: 'Assumption by the Community of certain financial obligations pursuant to agreements on fishing rights in non-Community waters'
- Delete Article 890: 'Reimbursements in respect of certain financial obligations relating to fishing rights in the Adriatic'
- Delete the token entry shown against it
- Delete Article 891: 'Payment of compensation for salmon fishing in the Baltic'
- Delete the token entry shown against it
- Delete Article 892: 'Payments in respect of compensation and dues relating to fishing in the maritime waters of certain African countries'
- Delete the token entry shown against it

**(C) Revenue**

- Unchanged

**COMMITMENTS**

—

*Schedule***REMARKS**

Item 3810 (new Item) —  
 Enter the remarks appearing against former Item 2987  
 Item 3811 (new Item) —  
 Enter the remarks appearing against former Article 890  
 Item 3812 (new Item) —  
 Enter the remarks appearing against former Article 891  
 Item 3813 (new Item) —  
 Enter the remarks appearing against former Article 892

**JUSTIFICATION**

The purpose is to group together in the new Chapter 38 'Common policy on the sea' all the expenditure relating to the Community's international obligations in respect of fisheries.  
 The political nature of the budget is thus emphasized and its greater transparency ensured.

\* \* \*

Draft amendment No 88  
 tabled by Mr Klinker on behalf of the Committee on Agriculture

**Section III — Commission****PAYMENTS**

Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials  
 Chapter 38 (new) — Common policy on the sea  
 Article 382 (new) — Standardization of surveillance craft

**(A) Expenditure**

Create a new Chapter 38 : 'Common policy on the sea'  
 Create a new Article 382 : 'Standardization of surveillance craft'  
 Enter a payment appropriation of 1 000 000 EUA

**(B) Compensation****(C) Revenue**

Increase revenue by the same amount

**COMMITMENTS***Schedule*



**REMARKS**

Enter the following new remarks :

Article 382 (new Article)

This appropriation is intended to cover the initial measures (studies, meeting of experts, etc) which the Commission will implement during 1979 to achieve standardization of the aircraft and ships to be acquired by the Member States for the surveillance of the maritime waters off the Community's coasts, more particularly within the framework of the common fisheries policy.

This new article thus complies with point 5(d) of the European Parliament's resolution of 16 February 1978 on some aspects of the final version of the common fisheries policy (OJ C 63, 13. 3. 1978, p. 28) and point 11(c) of the resolution of 15 June 1978 embodying the opinion of the European Parliament on the proposal from the Commission of the European Communities to the Council for a decision on financial participation by the Community in respect of the inspection and surveillance operations in the maritime waters of Denmark and Ireland (OJ C 163, 10. 7. 1978, p. 43).

The Commission will propose to the Council during 1979 the measures necessary to achieve standardization of the aircraft and ships to be acquired by the Member States for the surveillance of the maritime waters off their coasts. The European Parliament will be consulted on each of the proposals submitted by the Commission to the Council.

**JUSTIFICATION**

By standardizing their surveillance craft, the Member States

- (a) can obtain aircraft and ships on better terms than if they adopted a purely national solution ;
- (b) will increase the competitiveness of the Community's aircraft and shipbuilding industries ;
- (c) will create the basis for closer integration of surveillance of maritime waters off the Community's coasts', since this craft can subsequently be transferred, against fair compensation from the Community, to a Community coastguard service.

\* \* \*

Draft amendment No 89

tabled by Mr Klinker on behalf of the Committee on Agriculture

**Section III — Commission****PAYMENTS**

Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials

Chapter 38 — Common policy on the sea  
(new)

Article 383 — Community coastguard service  
(new)

**(A) Expenditure**

Create a new Chapter 38 : 'Common policy on the sea'

Create a new Article 383 : 'Community coastguard service'

Enter a payment appropriation of 20 000 000 EUA

**(B) Compensation**

—

**(C) Revenue**

Increase revenue by the same amount

**COMMITMENTS**

—

*Schedule***REMARKS**

Enter the following new remarks :

Article 383 (new Article)

This appropriation is intended to cover the purchase by the Community of sea surveillance and anti-pollution equipment. 18 m EUA remain frozen and will be released by the Budgetary Authority once the Commission has submitted to the Council a proposal for the creation of a Community coastguard service and, pending the final establishment of this service, has specified interim measures for preparing the ground, on the basis of the Member States' existing capabilities, for the establishment of this service. The European Parliament will be consulted on each of these proposals.

This new article complies with point 5 (c) of the European Parliament's resolution of 16 February 1978 on some aspects of the final version of the common fisheries policy (OJ C 63, 13. 3. 1978, p. 28), point 2 of its resolution of 14 April 1978 on the 'Amoco Cadiz' disaster (OJ C 108, 8. 5. 1978, p. 59) and point 6 of the resolution of 15 June 1978 embodying the opinion of the European Parliament on the proposal from the Commission of the European Communities to the Council for a decision on financial participation by the Community in respect of the inspection and surveillance operations in the maritime waters of Denmark and Ireland (OJ C 163, 10. 7. 1978, p. 43).

**JUSTIFICATION**

A Community coastguard service will offer the following advantages :

- (a) as regards the surveillance of fishing operations
  - more effective control,
  - assurance of the neutrality of the control,
  - assertion of the Community's own responsibility for the control of fishing activities,
  - assertion of the European Community's identity vis-à-vis both its own citizens and third countries ;
- (b) as regards combating pollution
  - ability to purchase specialized equipment which individual States could not afford,
  - improved coordination of anti-pollution activities.

\* \* \*

Draft amendment No 90

tabled by Mr Klinker on behalf of the Committee on Agriculture

**Section III — Commission****PAYMENTS**

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 38 — Common policy on the sea
- (new)
- Article 384 — Activities relating to the study, exploration, exploitation and protection of the marine environment
- (new)

**(A) Expenditure**

Create a new Chapter 38 : 'Common policy on the sea'

Create a new Article 384 : 'Activities relating to the study, exploration, exploitation and protection of the marine environment'

Make a token entry

**(B) Compensation**

(C) *Revenue*

—

## COMMITMENTS

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*Schedule*

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## REMARKS

Enter the following new remarks :

Article 384 (new Article)

The Commission will submit to the Council in 1979 an action programme concerning the study, exploration, the possibilities of exploitation on a Community basis, and the protection of the marine environment. The Council will adopt the necessary measures in agreement with the European Parliament.

This new Article complies with point 1 of the European Parliament's resolution of 14 April 1978 on the 'Amoco Cadiz' disaster (OJ C 108, 8. 5. 1978, p. 59) and with points 6 and 7 of its resolution of 15 June 1978 embodying the opinion of the European Parliament on the proposal from the Commission of the European Communities to the Council for a decision on financial participation by the Community in respect of the inspection and surveillance in the maritime waters of Denmark and Ireland (OJ C 163, 10. 7. 1978, p. 43).

## JUSTIFICATION

It is imperative for the common fisheries policy to be complemented by the measures described above in order to ensure protection of the fisheries resources. The activities envisaged may be carried out within or outside Community waters, depending on the decisions to be taken by the Third United Nations Conference on the Law of the Sea.

\* \* \*

Draft amendment No 91

tabled by Mr Klinker on behalf of the Committee on Agriculture

## Section III — Commission

## PAYMENTS

- |                     |  |
|---------------------|--|
| Title 4             | — Repayments and aids to Member States and miscellaneous                     |
| Chapter 44<br>(new) | — Accession compensatory amounts granted in respect of intra-Community trade |
| Article 440         | — Accession compensatory amounts granted in respect of intra-Community trade |

(A) *Expenditure*

Create a new Chapter 44: 'Accession and compensatory amounts granted in respect of intra-Community trade'

Create a new Article 440: 'Accession compensatory amounts granted in respect of intra-Community trade'

Enter a payment appropriation of 1 200 000 EUA

(B) *Compensation*

Delete Chapter 75: 'Accession compensatory amounts granted in respect of intra-Community trade'

Delete Article 750: 'Accession compensatory amounts granted in respect of intra-Community trade' together with the appropriation of 1 200 000 EUA shown against it

**(C) Revenue**

Unchanged

**COMMITMENTS**

—

*Schedule*

—

**REMARKS**

Restore against Article 440 the remark appearing against former Article 750 in the preliminary draft budget :

This appropriation is to cover the accession compensatory amounts provided for in Article 55 of the Act of Accession.

**JUSTIFICATION**

Accession compensatory amounts were abolished on 1 January 1978 but, because of payment still outstanding, an appropriation of 1.2 m EUA has been entered in the 1979 draft budget.

As the common agricultural policy has come into force for all Member States since the above date, these appropriations should now be entered not under Title 7 'EAGGF, Guarantee Section' but under Title 4 'Repayments and aids to Member States and miscellaneous'.

During the discussions on the 1978 draft budget the Council accepted the modification with compensation proposed by the European Parliament (OJ L 36, 6. 2. 1978, p. 342)

\* \* \*

Draft amendment No 92

tabled by Mr Klinker on behalf of the Committee on Agriculture

**Section III — Commission****PAYMENTS**

Title 4	— Repayments and aids to Member States and miscellaneous
Chapter 45	— Monetary compensatory amounts paid or levied in respect of trade in agricultural products
(new)	
Article 450	— Monetary compensatory amounts in respect of intra-Community trade
(new)	
Item 4500	— Monetary compensatory amounts paid or levied by importing Member States
(new)	
Item 4501	— Monetary compensatory amounts on imports paid by exporting Member States on behalf of importing Member States
Item 4502	— Monetary compensatory amounts on exports paid or levied by exporting Member States
(new)	
Article 451	— Monetary compensatory amounts in respect of trade with non-Community countries
(new)	
Item 4510	— Portion of monetary compensatory amounts granted on imports over and above the levy
(new)	
Item 4511	— Monetary compensatory amounts on exports
(new)	

*(A) Expenditure*

- Create a new Chapter 45 : 'Monetary compensatory amounts paid or levied in respect of trade in agricultural products'
- Create a new Article 450 : 'Monetary compensatory amounts in respect of intra-Community trade'
- Create a new Item 4500 : 'Monetary compensatory amounts paid or levied by importing Member States'
  - Enter a payment appropriation of — 108 700 000 EUA
- Create a new Item 4501 : 'Monetary compensatory amounts on imports paid by exporting Member States on behalf of importing Member States'
  - Enter a payment appropriation of 1 000 200 000 EUA
- Create a new Item 4502 : 'Monetary compensatory amounts on exports paid or levied by exporting Member States'
  - Enter a payment appropriation of — 209 700 000 EUA
- Create a new Article 451 : 'Monetary compensatory amounts in respect of trade with non-Community countries'
- Create a new Item 4510 : 'Portion of monetary compensatory amounts granted on imports over and above the levy'
  - Enter a payment appropriation of 104 600 000 EUA
- Create a new Item 4511 : 'Monetary compensatory amounts on exports'
  - Enter a payment appropriation of 22 800 000 EUA

*(B) Compensation*

- Delete Chapter 78 : 'Monetary compensatory amounts paid or levied in respect of trade in agricultural products'
- Delete Article 780 : 'Monetary compensatory amounts in respect of intra-Community trade'
- Delete Item 7800 : 'Monetary compensatory amounts on imports paid or levied by importing Member States'
  - Delete the appropriation of — 108 700 000 EUA shown against it
- Delete Item 7801 : 'Monetary compensatory amounts on imports paid by exporting Member States on behalf of importing Member States'
  - Delete the appropriation of 1 000 200 000 EUA shown against it
- Delete Item 7802 : 'Monetary compensatory amounts on exports paid or levied by exporting Member States'
  - Delete the appropriation of — 209 700 000 EUA shown against it
- Delete Article 781 : 'Monetary compensatory amounts in respect of trade with non-Community countries'
- Delete Item 7810 : 'Portion of monetary compensatory amounts granted on imports over and above the levy'
  - Delete the appropriation of 104 600 000 EUA shown against it
- Delete Item 7811 : 'Monetary compensatory amounts on exports'
  - Delete the appropriation of 22 800 000 EUA shown against it

*(C) Revenue*

## COMMITMENTS

*Schedule*

## REMARKS

Transfer to Article 450 and Items 4500, 4501, 4502, 4510 and 4511 under Chapter 45 the remarks appearing under former Chapter 78 against Article 780 and Items 7800, 7801, 7802, 7810 and 7811.

## JUSTIFICATION

As monetary compensatory amounts reflect the lack of alignment between Member States' economies and the lack of economic and monetary union, they cannot under any circumstances be regarded as expenditure directly chargeable to the common agricultural policy.

The Committee on Agriculture therefore requests that this expenditure be transferred to Title 4 'Repayments and aids to Member States and miscellaneous'.

Last year the Council accepted the modification with compensation proposed by the European Parliament requesting the transfer of this expenditure from Title 7 to Title 4 in the 1978 draft budget (OJ No L 36, 6. 2. 1978, pp. 342-344).

\* \* \*

Proposed modification No 95  
tabled by Mr Klinker, on behalf of the Committee on Agriculture

## Section III — Commission

## PAYMENTS

Title 7	— European Agricultural Guidance and Guarantee Fund — Guarantee Section
Chapter 71	— Fisheries
Article 710 (new)	— Refunds for fishery products
Article 711 (new)	— Intervention in respect of fishery products
Item 7110 (new)	— Withdrawal and buying-in
Item 7111 (new)	— Aid for private storage
Item 7119 (new)	— Other intervention

(A) *Expenditure*

Change the Title of Chapter 71 to:

'Common organization of the market in fishery products'

Create a new Article 710 — 'Refunds for fishery products'

Enter a payment appropriation of 6 500 000 EUA

Create a new Article 711 — 'Intervention in respect of fishery products'

Create a new Item 7110 — 'Withdrawal and buying-in'

Enter a payment appropriation of 9 000 000 EUA

Create a new Item 7111 — 'Aid for private storage'

Enter a payment appropriation of 1 500 000 EUA

Create a new Item 7119 — 'Other intervention'

Enter a payment appropriation of 3 000 000 EVA.

(B) *Compensation*

Delete Chapter 88 — 'Common organization of the market in fishery products'

Delete Article 880 — 'Refunds for fishery products'

Delete the appropriation of 6 500 000 EUA

Delete Article 881 — 'Intervention in respect of fishery products'

Delete Item 8810 — 'Withdrawal and buying-in'

Delete the appropriation of 9 000 000 EUA

Delete Item 8811 — 'Aid for private storage'

Delete the appropriation of 1 500 000 EUA

Delete Item 8819 — 'Other intervention'

Delete the appropriation of 3 000 000 EUA

*(C) Revenue*

Unchanged

## COMMITMENTS

—

*Schedule of Payments*

—

## REMARKS

Delete the remarks against Chapter 71

Enter against Item 7110 the remarks against Item 8810 in the draft budget

Enter against Item 7111 the remarks against Item 8811 in the draft budget

Enter against Item 7119 the remarks against Item 8819 in the draft budget

## JUSTIFICATION

The Committee on Agriculture is of the opinion that the grouping together under Title 8 of EAGGF Guidance Section and Common fisheries policy expenditure makes it more difficult to understand the common agricultural policy and detracts from budgetary transparency.

It therefore advocates that market support expenditure under the common fisheries policy should, as in the 1978 budget, be included in Title 7 'EAGGF, Guarantee Section,' Chapter 71 'Common organization of the market in fishery products'.

\* \* \*

Draft amendment No 96

tabled by Mr Klinker on behalf of the Committee on Agriculture

## Section III — Commission

## PAYMENTS

Title 8 — European Guidance and Guarantee Fund — Guidance Section and fisheries policy

Amend Title 8 to read: 'European Agricultural Guidance and Guarantee Fund — Guidance Section'

## JUSTIFICATION

The Committee on Agriculture feels it is inappropriate to include expenditure on the common fisheries policy under Title 8. Market support expenditure should logically be included in the EAGGF, Guarantee Section (Title 7) and the proper place for expenditure on structural improvements is the EAGGF, Guidance Section (Title 8).

Other expenditure connected with the common fisheries policy (surveillance for instance) should be entered under the new Chapter 38, 'Common policy on the sea' since in Parliament's view the common fisheries policy is an essential, but not the only, aspect of a future common policy on the sea.

Title 8 should therefore be confined to EAGGF, Guidance Section activities. By simplifying the presentation of the budget in this way, the Committee on Agriculture is seeking to increase budgetary transparency.

\* \* \*

Draft amendment No 97  
tabled by Mr Klinker on behalf of the Committee on Agriculture

Section III — Commission

PAYMENTS

Title 9 — Cooperation with the developing countries and non-member states  
Chapter 92 — Food aid  
Article 920 — Food aid in cereals  
Item 9201 — 1979 programme

(A) *Expenditure*

Increase the payment appropriation by 42 488 000 EUA (from 96 117 000 to 138 605 000 EUA)  
(Reinstatement of the appropriation shown in the preliminary draft budget)

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

*Schedule*

—

REMARKS

Restore the following remarks:

This item is to cover the supply in 1979 of 1 135 000 t of cereals to developing countries.

JUSTIFICATION

The Community ought to demonstrate its solidarity with the poorest countries in the world. The Community's food aid contribution should therefore be increased and the quantities proposed by the Commission, which are based on a realistic assessment of developing countries' needs, reinstated.

\* \* \*

Draft amendment No 98  
tabled by Mr Klinker on behalf of the Committee on Agriculture

Section III — Commission

PAYMENTS

Title 9 — Cooperation with the developing countries and non-member states  
Chapter 92 — Food aid  
Article 921 — Food aid in milk products  
Item 9213 — 1979 butteroil programme

(A) *Expenditure*

Increase the payment appropriation by 13 786 000 EUA (from 62 250 000 to 76 036 000 EUA)  
(Reinstatement of the appropriation shown in the preliminary draft budget)



*(B) Compensation*

—

*(C) Revenue*

Increase revenue by the same amount

## COMMITMENTS

—

*Schedule*

—

## REMARKS

Restore the following remark :

This item is to cover the supply in 1979 of 55 000 t of butteroil to developing countries, particularly the requesting countries in most need.

## JUSTIFICATION

The Community ought to demonstrate its solidarity with the poorest countries in the world. The Community's food aid contribution should therefore be increased and the quantities proposed by the Commission, which are based on a realistic assessment of developing countries' needs, reinstated.

\* \* \*

Draft amendment No 99  
tabled by Mr Klinker on behalf of the Committee on Agriculture

## Section III — Commission

## PAYMENTS

Title 9 — Cooperation with the developing countries and non-member states  
Chapter 92 — Food aid  
Article 922 — Food aid in sugar  
Item 9221 — 1979 programme

*(A) Expenditure*

Increase the payment appropriation by 904 000 EUA (from 1 448 000 to 2 352 000 EUA)  
(Reinstatement of the appropriation shown in the preliminary draft budget)

*(B) Compensation*

—

*(C) Revenue*

Increase revenue by the same amount

## COMMITMENTS

—

*Schedule*

—

## REMARKS

Restore the following remark :

This item is to cover the supply in 1979 of 6 153 of sugar to the United Nations Relief and Works Agency for Palestine Refugees (UNRWA) under the Agreement concluded between the EEC and the Agency on 18 December 1972 and renewed by the Council Decision of 20 July 1976, and of 3 847 to developing countries.

## JUSTIFICATION

The Committee on Agriculture is requesting the reinstatement of 3 487 t of food aid in sugar to some developing countries, because it feels that the Community should provide greater evidence of its solidarity with the poorest developing countries. Requests made by several developing countries to the Community have not yet been met. The quantities involved are relatively small, but would be highly appreciated because of the high energy value of sugar.

\* \* \*

Draft Amendment No 100

tabled by Mr Klinker on behalf of the Committee on Agriculture

Section III — Commission

## PAYMENTS

- Title 9 — Cooperation with developing countries and non-member states
- Chapter 92 — Food aid
- Article 925 — Refunds in connection with Community food aid in cereals
- (new)
- Item 9250 — Refunds in connection with Community food aid for the current financial year
- Item 9251 — Refunds in connection with Community food aid under previous programmes
- (new)

(A) *Expenditure*

- Create a new Article 925: 'Refunds in connection with Community food aid in cereals'
- Create a new Item 9250: 'Refunds in connection with Community food aid for the current financial year'
- Enter a payment appropriation of 77 900 000 EUA (instead of the 46 600 000 EUA entered under Item 6001 on the draft budget) (reinstatement of the appropriation under Item 6001 in the preliminary draft budget)
- Create a new Item 9251: 'Refunds in connection with Community food aid under previous programmes'
- Enter a payment appropriation of 3 100 000 EUA

(B) *Compensation*

- Delete Item 6001: 'Refunds in connection with Community food aid for the current financial year'
- Delete the appropriation of 46 600 000 EUA shown against it
- Delete Item 6002: 'Refunds in connection with Community food aid under previous programmes'
- Delete the appropriation of 3 100 000 EUA shown against it

(C) *Revenue*

- Increase revenue by 31 300 000 EUA

## COMMITMENTS

—

*Schedule***REMARKS**

Enter against Items 9250 and 9251 the following remarks :

The appropriations entered cover that proportion of expenditure on food aid corresponding to refunds. Regulation (EEC) No 2681/74 will be amended as a result.

**JUSTIFICATION**

Refunds in connection with Community food aid should not be charged to the EAGGF, Guarantee Section for the following reasons :

- (a) Food aid is not a way of disposing of agricultural surpluses. Expenditure on food aid should therefore be kept separate from expenditure on regulation of the agricultural markets.
- (b) In the preliminary draft budget the Commission states that this presentation would increase budgetary transparency and the Committee on Agriculture agrees with this view. It would also simplify management of food aid.

During the budgetary procedure, therefore, the budgetary authority ought to reach agreement on the adaptation of Regulation (EEC) No. 2681/74 to this new situation.

By reinstating the expenditure proposed by the Commission, the Committee on Agriculture is expressing its agreement with the Commission's programme for food aid in cereals, i.e. 1 135 000 t, which the Council reduced to 720 500 t. The increase in expenditure corresponds to the cost of implementing the Commission's programme.

\* \* \*

Draft Amendment No 101

tabled by Mr Klinker on behalf of the Committee on Agriculture

**Section III — Commission****PAYMENTS**

- Title 9 — Cooperation with developing countries and non-Member States
- Chapter 92 — Food aid
- Article 926 — Refunds in connection with Community food aid in rice  
(new)
- Item 9260 — Refunds in connection with Community food aid for the current financial year  
(new)
- Item 9261 — Refunds connection with Community food aid under previous programmes  
(new)

**(A) Expenditure**

- Create a new Article 926 — 'Refunds in connection with Community food aid in rice'
- Create a new Item 9260 — 'Refunds in connection with Community food aid for the current financial year'
- Enter a payment appropriation of 7 200 000 EUA
- Create a new Item 9261 — 'Refunds in connection with Community food aid under previous programmes'
- Enter a payment appropriation of 500 000 EUA

**(B) Compensation**

- Delete Item 6101 — 'Refunds in connection with Community food aid for the current financial year'
- Delete the appropriation of 7 200 000 EUA

Delete Item 6102 — 'Refunds in connection with Community food aid under previous programmes'

— Delete the appropriation of 500 000 EUA

(C) *Revenue*

Unchanged

COMMITMENTS

—

*Schedule*

—

REMARKS

Enter the following remarks against Items 9260 and 9261 :

These appropriations cover the proportion of expenditure on food aid which corresponds to refunds. Regulation (EEC) No 2681/74 will be amended as a result.

(Amended text of Items 6101 and 6102 of the draft budget).

JUSTIFICATION

Refunds in connection with Community food aid should not be charged to the EAGGF, Guarantee Section for the following reasons :

- (a) Food aid is not a way of disposing of agricultural surpluses. Expenditure on food aid should therefore be kept separate from expenditure on regulation of the agricultural markets.
- (b) In the preliminary draft budget the Commission states that this presentation would increase budgetary transparency and the Committee on Agriculture agrees with this view. It would also simplify management of food aid.

During the budgetary procedure, therefore, the budgetary authority ought to reach agreement on the adaptation of Regulation (EEC) No. 2681/74 to this new situation.

\* \* \*

Draft Amendment No 102

tabled by Mr Klinker on behalf of the Committee on Agriculture

Section III — Commission

PAYMENTS

- Title 9 — Cooperation with developing countries and non-Member States
- Chapter 92 — Food aid
- Article 927 — Refunds on milk and milk products supplied under the food aid programme (new)
- Item 9270 — Refunds on skimmed milk powder supplied under the food aid programme for the current financial year (new)
- Item 9271 — Refunds on butteroil supplied under the food aid programme for the current financial year (new)
- Item 9272 — Refunds on skimmed milk powder supplied under previous food aid programmes (new)
- Item 9273 — Refunds on butteroil supplied under previous food aid programmes (new)

*(A) Expenditure*

- Create a new Article 927 — 'Refunds on milk and milk products supplied under the food aid programme'
- Create a new Item 9270 — 'Refunds on skimmed milk powder supplied under the food aid programme for the current financial year'
  - Enter a payment appropriation of 125 000 000 EUA
- Create a new Item 9271 — 'Refunds on butteroil supplied under the food aid programme for the current financial year'
  - Enter a payment appropriation of 139 500 000 EUA (in place of the 114 100 000 EUA shown against Item 6202 in the draft budget)  
(Reinstatement of the appropriation shown against Item 6202 in the preliminary draft budget)
- Create a new Item 9272 — 'Refunds on skimmed milk powder supplied under previous food aid programmes'
  - Enter a payment appropriation of 31 600 000 EUA
- Create a new Item 9273 — 'Refunds on butteroil supplied under previous food aid programmes'
  - Enter a payment appropriation of 22 000 000 EUA

*(B) Compensation*

- Delete Item 6201 — 'Refunds on skimmed milk powder supplied under the food aid programme for the current financial year'
  - Delete the appropriation of 125 000 000 EUA
- Delete Item 6202 — 'Refunds on butteroil supplied under the food aid programme for the current financial year'
  - Delete the appropriation of 114 100 000 EUA
- Delete Item 6203 — 'Refunds on skimmed milk powder supplied under previous food aid programmes'
  - Delete the appropriation of 31 600 000 EUA
- Delete Item 6204 — 'Refunds on butteroil supplied under previous food aid programmes'
  - Delete the appropriation of 22 000 000 EUA

*(C) Revenue*

Increase revenue by 25 400 000 EUA

## COMMITMENTS

—

*Schedule*

—

## REMARKS

Enter the following remarks against Items 9270, 9271, 9272 and 9273: Appropriations to cover the proportion of expenditure on food aid which corresponds to refunds. Regulation (EEC) No 2681/74 will be amended accordingly.

## JUSTIFICATION

Refunds in connection with Community food aid should not be charged to the EAGGF, Guarantee Section for the following reasons:

- (a) Food aid is not a way of disposing of agricultural surpluses. Expenditure on food aid should therefore be kept separate from expenditure on regulation of the agricultural markets.
- (b) In the preliminary draft budget the Commission states that this presentation would increase budgetary transparency and the Committee on Agriculture agrees with this view. It would also simplify management of food aid.

During the budgetary procedure, therefore, the budgetary authority ought to reach agreement on the adaptation of Regulation (EEC) No 2681/74 to this new situation.

In reinstating the expenditure entered by the Commission against the old Item 6202, the Committee on Agriculture notifies its approval of a butteroil food aid programme of 55 000 tonnes instead of the programme for 45 000 tonnes adopted by the Council. The increase in expenditure therefore corresponds to the additional intalment of 10 000 tonnes.

\* \* \*

Draft Amendment No 103  
tabled by Mr Klinker on behalf of the Committee on Agriculture

### Section III — Commission

#### PAYMENTS

- Title 9 — Cooperation with the developing countries and non-member states
- Chapter 92 — Food aid
- Article 928 — Refunds in connection with Community food aid in sugar  
(new)
- Item 9280 — Refunds in connection with Community food aid for the current financial year  
(new)
- Item 9281 — Refunds in connection with Community food aid under previous programmes  
(new)

#### (A) *Expenditure*

- Create a new Article 928 : 'Refunds in connection with Community food aid in sugar'
- Create a new Item 9280 : 'Refunds in connection with Community food aid for the current financial year'
- Enter a payment appropriation of 2 900 000 EUA (instead of the 1 700 000 EUA entered under Item 6401 of the draft budget) (Reinstatement of the appropriation shown under Item 6401 of the preliminary draft budget)
- Create a new Item 9281 : 'Refunds in connection with Community food aid under previous programmes'
- Make a token entry

#### (B) *Compensation*

- Delete Item 6401 : 'Refunds in connection with Community food aid for the current financial year'
- Delete the appropriation of 1 700 000 EUA shown against it
- Delete Item 6402 : 'Refunds in connection with Community food aid under previous programmes'
- Delete the token entry shown against it

#### (C) *Revenue*

- Increase revenue by 1 200 000 EUA

#### COMMITMENTS

—

#### *Schedule*

—

#### REMARKS

Enter against Items 9280 and 9281 the following remarks :

The appropriations for these Items represent the proportion of the expenditure on food aid which corresponds to refunds. Regulation (EEC) No 2861/74 will therefore be amended.

## JUSTIFICATION

Refunds in connection with Community food aid should not be charged to the EAGGF, Guarantee Section for the following reasons :

- (a) Food aid is not a way of disposing of agricultural surpluses. Expenditure on food aid should therefore be kept separate from expenditure on regulation of the agricultural markets.
- (b) In the preliminary draft budget the Commission states that this presentation would increase budgetary transparency and the Committee on Agriculture agrees with this view. It would also simplify management of food aid.

During the budgetary procedure, therefore, the budgetary authority ought to reach agreement on the adaption of Regulation (EEC) No. 2681/74 to this new situation.

By reinstating the expenditure proposed by the Commission, the Committee on Agriculture is expressing its approval of a food aid programme of 10 000 t of sugar instead of the 6 153 t for UNRWA alone adopted by the Council. The increase in expenditure which will finance the export of an additional 3 847 t of sugar will help the poorest developing countries.

\* \* \*

Draft Amendment No 104  
tabled by Mr Klinker on behalf of the Committee on Agriculture

## Section III — Commission

## PAYMENTS

- Title 9 — Cooperation with developing countries and non-member states
- Chapter 92 — Food aid
- Article 929 — Refunds in connection with Community food aid in beef and veal  
(new)
- Item 9290 — Refunds in connection with Community food aid for the current financial year  
(new)

(A) *Expenditure*

- Create a new Article 929 : 'Refunds in connection with Community food aid in beef and veal'
- Create a new Item 9290 : 'Refunds in connection with Community food aid for the current financial year'
- Make a token entry

(B) *Compensation*

- Delete Item 6501 : 'Refunds in connection with Community food aid for the current financial year'
- Delete the token entry shown against it

(C) *Revenue*

Unchanged

## COMMITMENTS

—

*Schedule*

—

## REMARKS

Enter against Item 9290 the following remarks :

This item was entered for the years prior to 1978 to cover the proportion of expenditure on food aid which corresponds to refunds pursuant to Article 2 of Regulation (EEC) No 2681/74. As from 1979,

it will be used to reflect the amendment to Regulation (EEC) No 2681/74 which groups expenditure due to refunds in connection with Community food aid together under Chapter 92.

#### JUSTIFICATION

Refunds in connection with Community food aid should not be charged to the EAGGF, Guarantee Section for the following reasons :

- (a) Food aid is not a way of disposing of agricultural surpluses. Expenditure on food aid should therefore be kept separate from expenditure on regulation of the agricultural markets.
- (b) In the preliminary draft budget the Commission states that this presentation would increase budgetary transparency and the Committee on Agriculture agrees with this view. It would also simplify management of food aid.

During the budgetary procedure, therefore, the budgetary authority ought to reach agreement on the adaptation of Regulation (EEC) No. 2681/74 to this new situation.

\* \* \*

Draft amendment No 105  
tabled the Group of European Progressive Democrats

#### Section III — Commission

#### PAYMENTS

Title 1	— Expenditure relating to persons working with the Institution
Chapter 14	— Expenditure on social welfare
Article 145	— Building loans
(new)	
Item	—

#### (A) *Expenditure*

Create a new Article 145: Building loans  
Enter an appropriation of 1 000 000 EUA

#### (B) *Compensation*

—

#### (C) *Revenue*

Increase revenue by the same amount

#### COMMITMENTS

—

#### *Schedule*

—

#### REMARKS

The purpose of this appropriation is to grant mortgage loans at favourable rates of interest to officials of the European Community Institutions.

#### JUSTIFICATION

For the financial year 1976, the Council had already cut the appropriations requested by the Commission by half and had only granted 1 000 000 u.a.



For the financial years 1977 and 1978 the Council refused to enter any appropriations for this purpose. It has adopted the same attitude in the case of the 1979 budget.

The ECSC funds made available to officials in 1976 had already proved insufficient to meet many of the loan applications submitted, although very stringent criteria were applied to ensure that the social character of this measure was maintained.

We consider that the entry of an appropriation of 1 000 000 EUA is fully justified, especially as this amount does not represent an outright grant but an interest-bearing loan which will be recovered in full for the budget within a period not exceeding 25 years.

\* \* \*

Draft amendment No 106  
tabled by the Group of European Progressive Democrats

### Section III — Commission

#### PAYMENTS

- Title 2 — Buildings, equipment and miscellaneous administrative expenditure
- Chapter 26 — Expenditure on studies, surveys and consultations
- Article 266 — Regional studies
- Item 2660 — Regional studies undertaken at the request of the Member States

#### (A) *Expenditure*

Increase the payment appropriation by 200 000 EUA (from 340 000 to 540 000 EUA)

#### (B) *Compensation*

—

#### (C) *Revenue*

Increase revenue by the same amount

#### COMMITMENTS

—

#### *Schedule*

—

#### REMARKS

Unchanged

#### JUSTIFICATION

This increase in the payment appropriation will make an additional 200 000 EUA available for regional studies during 1979. The need for regional studies, particularly in certain regions of the Community, remains as urgent as ever. The success of previous studies will give rise to an increased demand for Community aid for studies undertaken at the request of the Member States. Since the adoption of the Draft Budget by the Council additional requests for studies of the Irish border region have been submitted which justify the additional appropriation.

\* \* \*

Draft amendment No 107  
tabled by the Group of European Progressive Democrats

Section III — Commission

PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 31 — Expenditure in the agricultural sector
- Article 310 — Community action in campaigns against epidemics to which the livestock of Member States may be exposed
- Item 3101 — EEC participation in the campaign against African swine fever; local measures

(A) *Expenditure*

Enter an appropriation of 2 000 000 EUA (instead of the token entry) (reinstatement of the appropriation shown in the preliminary draft budget)

(B) *Compensation*

Delete the appropriation of 1 000 000 EUA entered in Chapter 100

(C) *Revenue*

Increase revenue by 1 000 000 EUA

COMMITMENTS

—

*Schedule*

—

REMARKS

This appropriations provides for Community financial participation in measures for the elimination of African swine fever in the whole of the Iberian Peninsular (text as in preliminary draft budget).

JUSTIFICATION

African swine fever is at present particularly prevalent in Spain where it is constantly spreading and becoming a direct and serious threat to Community livestock.

The Group of European Progressive Democrats therefore considers it necessary to enter an appropriation of 2 000 000 EUA against Item 3101, as originally proposed by the Commission, to enable effective action to be taken forthwith against this epidemic.

\* \* \*

Draft amendment No 109  
tabled by the Group of European Progressive Democrats

Section III — Commission

PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 31 — Expenditure in the agricultural sector

Article 317 — Community supervision of the application of agricultural rules  
(new)  
Item —

(A) *Expenditure*

Create a new Article : Community supervision of the application of agricultural rules  
Make a token entry

(B) *Compensation*

—

(C) *Revenue*

Unchanged

COMMITMENTS

—

*Schedule*

—

REMARKS

New Article :

In accordance with agricultural legislation, the Community is required to check that EAGGF operations are carried out in accordance with the rules.

This item is intended to cover analysis costs, payment of fees, travel and subsistence expenses of official experts, etc.

(Text as in preliminary draft budget)

JUSTIFICATION

The control of EAGGF operations is a difficult but nonetheless essential activity.

It appears desirable to provide a specific budgetary item enabling the Commission to make better organizational arrangements in future and to have at its disposal ad hoc appropriations to cover the services of experts.

This proposal makes for greater transparency of the budget — an aim which the Parliament has always encouraged.

\* \* \*

Draft amendment No 110  
tabled by the Group of European Progressive Democrats

Section III — Commission

PAYMENTS

Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of raw materials  
Chapter 32 — Expenditure under the energy policy  
Article 321 — Prospecting for uranium in Community territory

(A) *Expenditure*

Increase the payment appropriation by 2 000 000 EUA (from 3 000 000 to 5 000 000 EUA)

(B) *Compensation*(C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

Increase the commitment appropriation by 10 000 000 EUA (from 5 000 000 to 15 000 000 EUA)

*Schedule*

Amend the schedule as follows :

The payment appropriation authorized for 1979 is 15 000 000 EUA<sup>1</sup>.

The likely schedule of payments against commitments is as follow :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	3 300 000	2 300 000	1 000 000		
Appropriations for commitment remaining					
Appropriations for commitment 1978	5 000 000	3 000 000	1 000 000	1 000 000	
Appropriations for commitment 1979	15 000 000		3 000 000	6 000 000	6 000 000
Total	23 300 000	5 300 000	5 000 000	7 000 000	6 000 000

## REMARKS

Unchanged

## JUSTIFICATION

Prospecting for uranium in Community territory is a further step towards reducing the Community's dependence on external energy supplies.

Without seeking to restore the appropriations requested by the Commission, which often finds it difficult to commit the bulk of the appropriations for the current financial year, the Group of European Progressive Democrats therefore proposes to increase the commitment appropriations for 1979 to 15 000 000 EUA and the payment appropriations to 5 000 000 EUA.

\* \* \*

Draft amendment No 111

tabled by the Group of European Progressive Democrats

Section III — Commission

## PAYMENTS

Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials

Chapter 32 — Expenditure under the energy policy

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21.12.1977.

Article 323 — Operations in the coal sector  
 Item 3230 — Use of coal in power stations

(A) *Expenditure*

Enter an appropriation of 30 000 000 EUA (instead of the token entry)

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount.

COMMITMENTS

Enter a commitment appropriation of 75 000 000 EUA (instead of a token entry) (Reinstatement of the appropriation shown in the preliminary draft budget)

*Schedule*

Amend the schedule as follows :

The commitment appropriation authorized for 1979 is 75 000 000 EUA <sup>1</sup>

The likely schedule of payments against commitments is as follow :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment					
Appropriations for commitment remaining					
Appropriations for commitment 1978	10 000 000	token entry	10 000 000	—	
Appropriations for commitment 1979	75 000 000	—	20 000 000	35 000 000	20 000 000
<b>Total</b>	<b>85 000 000</b>	<b>token entry</b>	<b>30 000 000</b>	<b>35 000 000</b>	<b>20 000 000</b>

REMARKS

Restore the following remarks :

Formerly 323

Article 235 of the EEC Treaty.

Opinion of the European Parliament of 10 May 1977.

Proposal submitted to the Council on 31 December 1976 (COM (76) 648 fin. 2). The appropriation is to cover expenditure arising from the grant of support to operators of power stations with a view to encouraging the construction, conversion or modernization of their plants for the use of coal instead of liquid fuels.

Support is limited to the extra costs due to these operations.

(Text of the preliminary draft budget)

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977.

## JUSTIFICATION

It is essential to encourage the use of coal in power stations for two reasons.

First, conventional power stations have a heavy impact on the oil market as they consume large quantities of fuel oil; the use of coal would lead to a corresponding reduction in the oil bill.

Second, it is well known that the coal industry is, for a variety of reasons (costs, crisis in the steel industry) experiencing difficulty in disposing of its output. This measure would increase the demand for Community coal.

The Group of European Progressive Democrats therefore proposes the reinstatement of the commitment appropriations requested for 1979 i.e. 75 000 000 EUA; having regard to the difficulty experienced by the Commission in effecting many payments during the financial year, the Group is only asking for the entry of 30 000 000 EUA in payment appropriations.

\* \* \*

Draft amendment No 112

tabled by the Group of European Progressive Democrats

Section III — Commission

## PAYMENTS

- |            |  |
|------------|--|
| Title 3    | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 37 | — Expenditure in the industrial and transport sectors  |
| Item 3751  | — Measures in the oil refining sector  |

(A) *Expenditure*

Enter an appropriation of 5 000 000 EUA (instead of the token entry) (reinstatement of the appropriation shown in the preliminary draft budget)

(B) *Compensation*

—

(C) *Revenue*

Increase the revenue by the same amount.

## COMMITMENTS

Enter a commitment appropriation of 10 000 000 EUA (reinstatement of the appropriation shown in the preliminary draft budget)

*Schedule*

The commitment appropriation authorized for 1979 amounts to 10 000 000 EUA<sup>1</sup>.

<sup>1</sup> See Article 1(3) of the Financial Regulation of 21 December 1977.

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment					
Appropriations for commitment remaining					
Appropriations for commitment 1978					
Appropriations for commitment 1979	10 000 000	—	5 000 000	3 000 000	2 000 000
Total					

#### REMARKS

(new item)

This appropriation is to cover subsidies to :

- encourage a reduction in distillation capacity (at present in surplus);
- promote the creation of alternative employment for workers made redundant by the reduction in distillation capacity.

(Text as in preliminary draft budget)

#### JUSTIFICATION

The Community refining industry is at present hard-hit by a crisis from which it cannot emerge without Community solutions in terms of organizational measures and financial participation.

The Group of European Progressive Democrats therefore requests the entry of payment appropriations of 5 000 000 EUA and commitment appropriations of 10 000 000 EUA in the 1979 budget.

\* \* \*

Draft amendment No 113  
tabled by the Group of European Progressive Democrats

#### Section III — Commission

#### PAYMENTS

Title 5 — Social and Regional Funds  
Chapter 59 — Aid to disaster victims in the Community  
Article 590 — Aid to disaster victims in the Community  
Item

#### (A) Expenditure

Increase expenditure by 5 000 000 EUA (from 5 000 000 EUA to 10 000 000 EUA)  
(Reinstatement of the appropriation shown in the preliminary draft budget)

#### (B) Compensation

—

*(C) Revenue*

Increase revenue by the same amount

## COMMITMENTS

—

*Schedule of Payments*

—

## REMARKS

Unchanged

## JUSTIFICATION

Experience in 1978 showed that the appropriation of 5 000 000 EUA was not enough to provide aid to disaster victims in the Community; the Group of European Progressive Democrats therefore considers that the appropriations granted by the Council should be raised from 5 000 000 to 10 000 000 EUA.

It is unfortunately the case that the countries of the Community suffer more than one disaster each year and it is impossible to refuse one Member State what is granted to another.

\* \* \*

Proposed modification No 114

tabled by the Group of European Progressive Democrats

## Section III — Commission

## PAYMENTS

Title 6 — European Agricultural Guidance and Guarantee Fund — Guarantee Section  
Chapter 62 — Milk and milk products  
Article 628 — Financial contribution by milk producers

*(A) Expenditure*

Delete this Article and the negative appropriation of — 30 900 000 EUA

*(B) Compensation*

—

*(C) Revenue*

Increase revenue by 30 900 000 EUA

## COMMITMENTS

—

*Schedule*

—

## REMARKS

Delete the remarks.



## JUSTIFICATION

The Group of European Progressive Democrats maintains its opposition to the co-responsibility levy on milk producers. This levy is unjust because it selectively penalizes milk producers alone. Application of the co-responsibility levy which farmers greatly resent is the first subtle blow to the Common Agricultural Policy hidden behind the pretext of eliminating milk powder surpluses.

The Group of European Progressive Democrats calls upon the Commission, as it has always done in the past, to define an overall policy on proteins.

\* \* \*

Proposed modification No 115  
tabled by the Group of European Progressive Democrats

## Section III — Commission

## PAYMENTS

Title 8	— European Agricultural Guidance and Guarantee Fund — Guidance Section and fisheries policy
Chapter 81	— Common measures for the reform of agricultural structures
Article 814	— Forestry measures for the reform of agricultural production structures
Item	

(A) *Expenditure*

Enter a payment appropriation of 5 000 000 EUA (instead of a token entry) (Reinstatement of the appropriation shown in the preliminary draft budget)

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

Enter a commitment appropriation of 5 000 000 EUA (Reinstatement of the appropriation shown in the preliminary draft budget).

*Schedule*

Restore the following schedule :

The commitment appropriation authorized for 1979 is 5 000 000 EUA <sup>1</sup>

<sup>1</sup> See Article 1(3) of the Financial Regulation of 21. 12. 1977.

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment					
Appropriations outstanding from 1977					
1978					
Appropriations 1979					
Appropriations	5 000 000	—	5 000 000	—	—
Total					

#### REMARKS

Restore the following remarks :

Former Item 8104

Expenditure against this Article in 1979 arises from the amended proposal for a directive on forestry measures (COM (75) 88) based on Article 6 of Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy (OJ L 94 of 28. 4. 1970, p. 13).

The intention is to introduce a system for the promotion of forestry measures with the immediate purpose of reinforcing the measures to improve agricultural structures and, in particular, Directives Nos 72/159/EEC and 72/160/EEC, and, in a wider context, to make forestry form part of a really effective pattern of land use.

The Commission proposes a system of aid grants over ten years (to be reviewed after five years) :

- afforestation grant (between 40 and 90 % of the cost ; average : 60 %) ;
- capital grant (240 EUA per hectare) ;
- grant for the conversion of woodland ;
- aid for the construction of forest roads and tracks ;
- aid for the provision of recreational facilities.

(Text of the preliminary draft)

#### JUSTIFICATION

The intention is to introduce a system for the promotion of forestry measures with the immediate purpose of reinforcing the measures to improve agricultural structures and, in a wider context, to make forestry form part of a really effective pattern of land use.

Although the Council has not yet taken a decision, the Group of European Progressive Democrats considers that an appropriation should be entered in the 1979 budget so as to permit the Commission to get the measures under way and commit expenditure as soon as the Council has acted, thus avoiding the need for a supplementary budget.

\* \* \*

Proposed modification No 116  
tabled by the Group of European Progressive Democrats

### Section III — Commission

#### PAYMENTS

Title 8 — European Agricultural Guidance and Guarantee Fund — Guidance Section and fisheries policy  
Chapter 81 — Common measures for the reform of agricultural structures  
Article 815 — Special aid for young farmers  
Item —

#### (A) *Expenditure*

Enter a payment appropriation of 4 000 000 EUA (instead of a token entry) (Reinstatement of the appropriation shown in the preliminary draft budget)

#### (B) *Compensation*

—

#### (C) *Revenue*

Increase revenue by the same amount

#### COMMITMENTS

Enter a commitment appropriation of 4 000 000 EUA (Reinstatement of the appropriation shown in the preliminary draft budget)

#### *Schedule*

Restore the following schedule :

The commitment appropriation authorized for 1979 is 4 000 000 EUA<sup>1</sup>.

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment					
Appropriations outstanding from 1977					
1978 Appropriations					
1979 Appropriations	4 000 000	—	4 000 000	—	—
Total					

#### REMARKS

Unchanged

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21. 12. 1977.

## JUSTIFICATION

This special aid for young farmers who have been farming for only a short time is intended to offset the additional expenditure incurred by them.

The Group of European Progressive Democrats considers that, pending a Council decision, an appropriation should be entered in the 1979 budget so as to allow the Commission to get this project under way rapidly and commit expenditure as soon as the Council has taken its decision.

In most cases young farmers have to become established under particularly difficult condition. Not many of them remain on the land. The project is therefore of special importance if the process of depopulation of the countryside is to be arrested.

\* \* \*

Proposed modification No 117

tabled by the Group of European Progressive Democrats

## Section III — Commission

## PAYMENTS

- Title 8 — European Agricultural Guidance and Gurantee Fund — Guidance Section and fisheries policy
- Chapter 83 — Common measures in particular sectors
- Article 835 — Wine sector
- Item 8351 — Joint-Trade Table Wine Organization

(A) *Expenditure*

Enter a payment appropriation of 170 000 EUA (instead of a token entry) (Reinstatement of the appropriation shown in the preliminary draft budget)

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

Enter a commitment appropriation of 170 000 EUA (Reinstatement of the appropriation shown in the preliminary draft budget)

*Schedule*

Restore the following schedule :

The commitment appropriation authorized for 1979 is 170 000 EUA<sup>1</sup>.

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments		
		1979	1980	1981
Commitments made before 1978 to be paid from new appropriations for payment				
Appropriations outstanding from 1977				
1978 Appropriations				
1979 Appropriations	170 000	170 000	—	—

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21. 12. 1977

## REMARKS

Unchanged

## JUSTIFICATION

This is part of a series of measures to improve the organization of the wine sector.

The aim of a European Joint-Trade Table Wine Organization is to create a single forum for growers, traders, table wine producers and the Community institutions, thus permitting better transparency of the market.

It is therefore useful to establish a system of aid towards operating costs, together with aid for research and for the organization of an annual competition for quality wines.

The market in table wines needs to be improved and better organized in order to eliminate the difficulties that have arisen in recent years.

The Group of European Progressive Democrats therefore requests that the appropriation necessary for these measures be entered in the 1979 budget so as to enable the Commission to start work immediately the Council has taken a decision and so avoid the need for a supplementary budget.

\* \* \*

Proposed modification No 118  
tabled by the Group of European Progressive Democrats

## Section III — Commission

## PAYMENTS

Title 8	— European Agricultural Guidance and Guarantee Fund — Guidance Section and fisheries policy
Chapter 84	— Common measures relating to agricultural infrastructures
Article 843	— Forestry measures in certain dry Mediterranean regions
Item	—

(A) *Expenditure*

Enter a payment appropriation of 10 000 000 EUA (instead of a token entry) (Partial reinstatement of the appropriations shown in the preliminary draft budget)

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

Enter a commitment appropriations of 20 000 000 EUA (Reinstatement of the appropriation shown in the preliminary draft budget)

*Schedule*

Enter the following schedule :

The commitment appropriation authorized for 1979 is 20 000 000 EUA.<sup>1</sup>

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21. 12. 1977

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments		
		1979	1980	1981
Commitments made before 1978 to be paid from new appropriations for payment Appropriations outstanding from 1977				
1978 Appropriations				
1979 Appropriations	20 000 000	10 000 000	6 000 000	4 000 000

#### REMARKS

Unchanged

#### *Justification*

The main purpose of this operation is to finance forestry measures in certain dry Mediterranean regions : afforestation, preparing the land and fire protection measures, improvement of low-grade forest, construction of forest roads.

It will also contribute to preparatory work and research on the outline programme.

Each summer, part of the forests in the dry Mediterranean regions are devastated by terrible fires. It is therefore imperative that a common operation be launched to improve the geophysical and cultural conditions for agriculture in the Mediterranean regions.

The Group of European Progressive Democrats therefore proposes that a payment appropriation of 10 000 000 EUA and a commitment appropriation of 20 000 000 EUA be entered to enable the Commission to get this operation underway as quickly as possible once the Council has taken a decision, thus avoiding the need for a supplementary budget.

\* \* \*

Proposed modification No 119

tabled by the Groups of European Progressive Democrats

#### Section III — Commission

#### PAYMENTS

Title 8 — European Agricultural Guidance and Guarantee Fund — Guidance Section and fisheries policy

Chapter 87 — Specific measures in the fisheries sector

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

Item —

#### (A) *Expenditure*

Enter a payment appropriation of 16 000 000 EUA (instead of a taken entry) (Reinstatement of the appropriation shown in the preliminary draft budget)

#### (B) *Compensation*

Delete the payment appropriation of 16 000 000 EUA in Chapter 100 for Article 871

#### (C) *Revenue*

Unchanged

## COMMITMENTS

Enter a commitment appropriation of 40 000 000 EUA

Delete the commitment appropriation of 40 000 000 EUA earmarked under Chapter 100 for Article 871.

*Schedule*

Amend the schedule as follows :

The commitment appropriation authorized for 1979 is 40 000 000 EUA<sup>1</sup>.

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment					
Appropriations outstanding from 1977					
1978 Appropriations					
1979 Appropriations	40 000 000	—	16 000 000	10 000 000	14 000 000
Total	40 000 000	—	16 000 000	10 000 000	14 000 000

## REMARKS

Unchanged

## JUSTIFICATION

The purpose of this operation is to provide effective supervision of the maritime waters of Greenland and Ireland in connection with the Community arrangements for the conservation and management of fishing resources.

The Community is to make a financial contribution to the cost of inspection and surveillance of fishing zones by coastguard vessels, aircraft and shore installations.

The Council has entered the appropriations requested by the Commission under Chapter 100.

The Group of European Progressive Democrats considers it preferable to enter the appropriations against the budget line in question so as to allow the Commission to get the operation under way as quickly as possible after the Council has taken a decision.

\* \* \*

Draft amendment No 122

tabled by Mr Dalyell on behalf of the Committee on Energy and Research

Section III — Commission

## PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 33 — Expenditure on research and investment

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21. 12. 1977.

Article 333 — Joint Research Centre — other activities  
 Item 3334 — Modernization of the infrastructure of the JCR  
 (new)

(A) *Expenditure*

Create a new Item 3334 'Modernization of the infrastructure of the JRC'  
 Enter a payment appropriation of 3 000 000 EUA

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

REMARKS

Enter the following new remarks :

'This item is intended for all the work involved in modernizing the infrastructure of the JRC.

The appropriations cover :

- Roadworks, repair and modernization of existing buildings ;
- Repair of gas and water pipes ;
- Construction of administrative and other buildings'.

JUSTIFICATION

The condition of the buildings, technical facilities, water pipes and administrative buildings is such that repairs and modernization are essential.

*Table of Equivalence*

The table of equivalence of the new Item 3334 is as follows :

Item	Heading	Sub-items						
		1	2	3	4	5	9	Total
3334	Modernization of the infrastructure of the JRC	C	P	1 000 000	2 000 000			3 000 000
				1 000 000	2 000 000			3 000 000

C = Commitment appropriations

P = Payment appropriations

\* \* \*

Draft amendment No 123

tabled by Mr Dalyell on behalf of the Committee on Energy and Research

Section III — Commission

PAYMENTS

Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials

Chapter 33 — Expenditure on research and investment



Article 333 — Joint Research Centre — other activities  
 Item 3335 — Collaboration with industry, universities and others  
 (new)

(A) *Expenditure*

Create a new Item 3335 'Collaboration with industry, universities and others'  
 Enter a payment appropriation of 2 000 000 EUA

(C) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

REMARKS

Enter the following new remarks :

'These are activities enabling the Commission :

- to acquire the specialist knowledge needed in the preparation, for example, of future programmes or for solving specific problems to assist the other departments of the Commission in new fields ;
- to establish scientific or technical contacts with industries, universities, research institutions and others.

The appropriations cover :

- the costs involved in the appointment of visiting scientists ;
- research contracts (in particular for Items 3300, 3301 and 3302)'

JUSTIFICATION

Parliament considers it desirable for the JCR to be able to assist the other departments of the Commission in specific fields to give the research carried out by the Centre a more practical purpose. Collaboration with other organizations is essential for the purpose of these contracts.

*Table of equivalence*

Item	Heading	Sub-items ,						
		1	2	3	4	5	9	Total
3335	Collaboration with industry, universities and others	C —	200 000	—	—	1 800 000	—	2 000 000
		P —	200 000	—	—	1 800 000	—	2 000 000

C = Commitment appropriations

P = Payment appropriations

\* \* \*

Proposed modification No 125  
tabled by Mr Scott-Hopkins on behalf of the European Conservative Group

### Section III — Commission

#### PAYMENTS

Title 8	— European Agricultural Guidance and Guarantee Fund — Guidance Section (Chapters 80 to 86) and Fisheries Policy (Chapters 86 to 89)
Chapter 80	— Projects for the improvement of agricultural structures provided for under Article 13 of Regulation No 17/64/EEC
Chapter 81	— Common measures for the reform of agricultural production structures
Chapter 82	— Common measures concerning the marketing and processing of agricultural products
Chapter 83	— Common measures in particular sectors
Chapter 84	— Common measures relating to agricultural infrastructures
Chapter 85	— Special measures

Amend the headings of Title 8 and Chapters 80, 81, 82, 83, 84, 85 as follows :

Title 8	— European Agricultural Guidance and Guarantee Fund — Guidance Section (chapters 80 to 85 — European Rural Development Fund) and Fisheries Policy (Chapters 86 to 89)
Chapter 80	— European Rural Development Fund — Projects for the improvement of agricultural structures provided for under Article 13 of Regulation No 17/64/EEC
Chapter 81	— European Rural Development Fund — Common measures for the reform of agricultural production structures
Chapter 82	— European Rural Development Fund — Common measures concerning the marketing and processing of agricultural products
Chapter 83	— European Rural Development Fund — Common measures in particular sectors
Chapter 84	— European Rural Development Fund — Common measures relating to agricultural infrastructures
Chapter 85	— European Rural Development Fund — Special measures

#### (A) *Expenditure*

Unchanged

#### (B) *Compensation*

—

#### (C) *Revenue*

Unchanged

#### COMMITMENTS

—

#### *Schedule*

#### REMARKS

Unchanged

#### JUSTIFICATION

The creation of a European Rural Development Fund, by bringing together existing appropriations in the EAGGF, Guidance Section (except Article 86 — Fisheries), into a single Fund will :

1. Rationalise the Community's aid for structural reform ;
2. Facilitate the necessary coordination with the Regional Development Fund and the Social Fund, since the problems of depressed rural regions are not solely agricultural.

\* \* \*

Draft amendment No 126  
tabled by Mr Spicer, on behalf of the European Conservative Group

Section III — Commission

PAYMENTS

Title 3 — Community policies in regard, particularly, to Research, Technology, Industry, the Social Sector, the Environment and the Supply of Energy and Raw Materials

Chapter 35 — Protection of man and his environment

Article 353 — Public health studies and measures

Item

(A) *Expenditure*

Increase the payment appropriation by 50 000 EUA (from 150 000 EUA to 200 000 EUA)

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by same amount

COMMITMENTS

—

*Schedule*

—

REMARKS

Modify the remarks as follows :

This project, based on Article 118 of the EEC Treaty, will consist of exploratory work undertaken with a view to defining Community strategy for counteracting and preventing social diseases. The Council of Health Ministers meeting on 13 December 1977 called upon the Commission to initiate a number of measures in the field of public health.

The 'social diseases' are those resulting from partial or complete failure to adapt to modern life, e.g. nicotine poisoning, drug addiction, absenteeism, heart disease, etc. They will be evaluated on a comparable basis in the various Member States as a result of the establishment of health parameters or indicators.

JUSTIFICATION

In restoring this example of a small, uncalled-for cut-back by the Council in a modest but worthwhile line of expenditure, the opportunity has been taken to extend the work under this heading to heart disease.

\* \* \*

Draft amendment No 124  
tabled by Sir Brandon Rhys Williams on behalf of the European Conservative Group

Section III — Commission

PAYMENTS

Title 10 — Other expenditure

Chapter 100 — Provisional appropriations

Article —

**(A) Expenditure**

Enter a payment appropriation of 3 050 000 EUA earmarked for Item 282: 'European Communities' Institute for Economic Analysis and Research'

**(B) Compensation**

—

**(C) Revenue**

Increase revenue by the same amount

**COMMITMENTS**

—

*Schedule*

—

**REMARKS****(A) Enter the following remarks under Chapter 100 'Provisional appropriations':**

Article 282 — European Communities' Institute for Economic Analysis and Research  
3 050 000 EUA

**(B) Add the following remark against Article 282: 'European Communities' Institute for Economic Analysis and Research':**

An appropriation of 3 050 000 EUA has been entered in Chapter 100.

**JUSTIFICATION**

The proposal for this Institute was submitted by the Commission to the Council on 10 October 1975, and the opinion of the European Parliament was given on 11 March 1976. The Commission amended its original proposal on 21 April 1976.

The project is designed to meet real need at Community level for the analysis of economic, monetary, industrial and social questions currently arising from the process of European integration, and for research into longer-term issues affecting the development and policies of the European Community.

The project should be launched in 1979, and therefore appropriations of 3 050 000 EUA should be entered in Chapter 100 (as is the case in the 1978 Budget).

\* \* \*

Proposed modification No 128

tabled by Mr Scott-Hopkins on behalf of the European Conservative Group

**Section III — Commission****PAYMENTS**

Titles 6 and 7— European Agricultural Guidance and Guarantee Fund — Guarantee Section

Chapters 60 — Cereals; Article 601 — Intervention in respect of cereals

Chapters 61 — Rice; Article 611 — Intervention in respect of rice

Chapters 62 — Milk and milk products; Article 621 — Intervention in respect of skimmed milk, Article 622 — Intervention in respect of butter and cream, Article 623 — Intervention in respect of other milk products

Chapters 63 — Oils and fats; Article 631 — Intervention in respect of olive oil, Article 633 — Intervention in respect of colza, rape and sunflower seeds, Article 634 — Intervention in respect of other seeds falling within heading 1201 of the CCT

- Chapters 64 — Sugar ; Article 641 — Intervention in respect of sugar  
 Chapters 65 — Beef and veal ; Article 651 — Intervention in respect of the storage of beef and veal, Article 652 — Other intervention in respect of beef and veal  
 Chapters 66 — Pigmeat ; Article 661 — Intervention in respect of pigmeat  
 Chapters 68 — Fruit and vegetables ; Article 681 — Intervention in respect of fresh fruit and vegetables  
 Chapters 69 — Wine ; Article 691 — Intervention in respect of wine  
 Chapters 70 — Tobacco ; Article 701 — Intervention in respect of tobacco  
 Chapters 73 — Other sectors or products subject to common market organization ; Article 730 — Intervention in respect of fibre flax and hemp

(A) *Expenditure*

Reduce each line of expenditure under Articles 601, 611, 621, 622, 623, 631, 633, 634, 641, 651, 652, 661, 681, 691, 701 and 730 by 25 per cent, giving a total reduction of 1 034 275 000 EUA

(B) *Compensation*

Increase by 1 034 275 000 EUA the appropriation in Chapter 100 : 'Provisional appropriations'

(C) *Revenue*

Unchanged

*Schedule*

REMARKS

Enter the following remarks under Chapter 100 : 'Provisional appropriations' in EUA :

Article 601	Intervention in respect of cereals	108 700 000
Article 611	Intervention in respect of rice	725 000
Article 621	Intervention in respect of skimmed milk	388 500 000
Article 622	Intervention in respect of butter and cream	117 450 000
Article 623	Intervention in respect of other milk products	9 775 000
Article 631	Intervention in respect of olive oil	80 150 000
Article 633	Intervention in respect of colza, rape and sunflower seeds	43 650 000
Article 634	Intervention in respect of other seeds falling within heading 1201 of the CCT	5 150 000
Article 641	Intervention in respect of sugar	63 200 000
Article 651	Intervention in respect of the storage of beef and veal	73 375 000
Article 652	Intervention in respect of beef and veal	18 025 000
Article 661	Intervention in respect of pigmeat	4 075 000
Article 681	Intervention in respect of fresh fruit and vegetables	31 050 000
Article 691	Intervention in respect of wine	21 925 000
Article 701	Intervention in respect of tobacco	64 150 000
Article 730	Intervention in respect of fibre, flax and hemp	4 375 000

JUSTIFICATION

The appropriations entered in these articles cannot possibly be calculated with any degree of accuracy. Firstly, there are the unknown variables influencing supply and demand which affect quantities going into intervention. Secondly, the prices for the 1979/1980 marketing year will not be decided by the Council for another six months. Accordingly, this modification reduces intervention appropriations by 25 per cent and transfers this 25 per cent to Chapter 100 as a reserve, for use if and when necessary.

Draft amendment No 130  
tabled by the Socialist Group

### Section III — Commission

#### PAYMENTS

Title 2 — Buildings, equipment and miscellaneous administrative expenditure  
Chapter 28 — Subsidies for balancing budgets  
Article 282 — European Communities' Institute for Economic Analysis and Research

#### (A) *Expenditure*

Enter a payment appropriation of 3 050 000 EUA (instead of a token entry)

#### (B) *Compensation*

—

#### (C) *Revenue*

Increase revenue by the same amount

#### COMMITMENTS

—

#### *Schedule*

—

#### REMARKS

Unchanged

#### JUSTIFICATION

For several years, there has been general agreement that the Community needs an independent body to conduct medium and long-term economic research, and which possesses greater expertise than that available to Directorate-General II of the Commission.

The Commission submitted its proposal to set up such a body in October 1975. Parliament gave its Opinion in March 1976. Since then, the proposal has been stalled at Council level, apparently because of the obduracy of one delegation.

The Commission, at the least sign of resistance, has partially caved in by placing a reduced appropriation under Chapter 100 in its preliminary draft budget, imagining that the Council would willingly agree to a carry-over from 1978 (when an appropriation of 3 050 000 EUA had also been entered under Chapter 100).

The Council, in its draft, has brazenly refused to enter any appropriations whatsoever stating, in Volume 7, that 'it felt it unnecessary to enter appropriations in Chapter 100 for Article 282' as it had not taken a decision on the Commission's proposal.

In the view of the authors of this amendment, the full amount (i.e. sufficient for the first year's operation) should be placed on the line so as to prevent the delays accumulating. Such an amendment might conceivably act as an incitement to the Council to act, and would, in any case, indicate that Parliament had not entirely forgotten the Commission's proposal, despite the lapse of time.

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Draft amendment No 131/rev.  
tabled by the Socialist Group

Section III — Commission

PAYMENTS

- Title 2 — Buildings, equipment and miscellaneous administrative expenditure
  - Chapter 29 — Subsidies and financial contributions
  - Article 293 — Subsidy in respect of certain activities of non-governmental organizations pursuing humanitarian aims and promoting human rights
  - Item 2932 — Subsidies to non-governmental organizations seeking a solution to the North-South conflict
- (new)

(A) *Expenditure*

- Create a new Item 2932: 'Subsidies to non-governmental organizations seeking a solution to the North-South conflict'
- Enter a payment appropriation of 250 000 EUA

(B) *Compensation*

- Delete Article 946 and the appropriation shown against it

(C) *Revenue*

Increase revenue by 150 000 EUA.

COMMITMENTS

—

*Schedule*

—

REMARKS

Enter the following new remark :

This appropriation will be used to finance expenditure by the Commission during the financial year on the following measures :

Subsidies to certain activities by non-governmental organizations seeking a solution to the North-South conflict.

JUSTIFICATION

The Socialist Group considers that this Item concerns administrative expenditure which ought not to be entered under Title 9, thus artificially inflating the overall total of Community aid to developing and non-member countries.

The increasing needs of the main organization concerned with this Item (the ICIDI) justify a more substantial EEC grant than proposed in the draft budget.

\* \* \*

Draft amendment No 132  
tabled by the Socialist Group

Section III — Commission

PAYMENTS

- Title 3 — Community policies in regard, particularly, to research technology, industry, the social sector, the environment and the supply of energy and raw materials

- Chapter 32 — Expenditure the energy policy  
 Article 323 — Operations in the coal sector  
 Item 3230 — Use of coal in power stations

**(A) Expenditure**

Enter a payment appropriation of 20 000 000 EUA (instead of a token entry) (partial reinstatement of the appropriation shown in the preliminary draft budget).

**(B) Compensation**

—

**(C) Revenue**

Increase revenue by the same amount

**COMMITMENTS**

Enter a commitment appropriation of 75 000 000 EUA (instead of a token entry) (reinstatement of the appropriation shown in the preliminary draft budget)

*Schedule*

Amend the schedule of payments as follows :

The appropriation for commitment authorized for 1979 amounts to 75 000 000 EUA.<sup>1</sup> The likely schedule of payments vis-à-vis commitment is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Appropriations 1978	10 000 000	token entry	10 000 000	—	—
Appropriations 1979	75 000 000	—	10 000 000	30 000 000	35 000 000
Total	85 000 000	token entry	20 000 000	30 000 000	35 000 000

**REMARKS**

Unchanged

**JUSTIFICATION**

The Community must reduce its consumption of oil and natural gas between now and the end of this Century, both to reduce dependence on imports and to extend the life of Community supplies. The greatest savings should come in electricity generation. As nuclear power is only suited to base-load electricity supply, coal must increasingly take over from oil, especially for booster power stations.

The programme to be financed by these appropriations aims to increase the Community's coal-fired generating capacity by 30 GW by the mid-1980's, by offering electricity producers grants of 30 % of the additional capital cost of installing coal-fired plant, instead of oil-fired plant, over a 12-15 year period. The grants would be available for the construction of new plant, the modernization of existing coal-fired capacity, and for conversion from oil-fired to coal-fired capacity.

This action was welcomed by the European Parliament (Bessborough report, Doc. 45/77, OJ No C 133 of 6. 6. 1977, p. 18), which demanded that one-fifth of the total sum available be reserved for projects using only Community coal (at present the Community has coal stocks totalling 60 million tons). The programme would require at least 20 000 000 EUA in payment and 75 000 000 EUA in commitment appropriations for 1979 if it is to be effective.

The Commission's original proposal of 40 000 000 EUA appears excessive in terms of the likelihood of payments which could actually be made in 1979.

\* \* \*

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977



Proposed modification No 133  
tabled by the Socialist Group

Section III — Commission

PAYMENTS

Title 6	— European Agricultural Guidance and Guarantee Fund — Guarantee Section
Chapter 62	— Milk and milk products
Article 621	— Intervention in respect of skimmed-milk
Item 6217	— Public storage and special disposal measures

(A) *Expenditure*

Reduce the payment appropriation by 1 EUA

(B) *Compensation*

—

(C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

—

*Schedule*

—

REMARKS

Unchanged

JUSTIFICATION

For many years the institutions of the Community have expressed pious regrets about the growth of the costs of storage, which has become a vital prop of the Common Agricultural Policy.

An inflationary price policy has encouraged producers to produce for intervention rather than for the consumer, and this at the expense of the Community. At the same time there has been no serious attempt to tackle shortages. Moreover the absence of an imaginative food aid policy has meant that surpluses have simply been accumulated to rot or to be resold, either way to the benefit of the larger producers and at the expense of the smaller producers and consumers of Europe.

The Socialist Group believes that the only way to encourage serious attempts to reduce structural surpluses is to reduce money available from the Guarantee Section of EAGGF and increase money available from the Guidance Section.

This year the Group is undertaking a symbolic action in order to illustrate its point of view and in the hope that the Council and Commission will take the initiative and, in the coming year, redefine the content of a CAP faithful to the principles of May 1961 but operating in a new way, so as to take into account the realities of the regions, of Europe as a whole (taking into account enlargement) and the Community's world wide responsibilities.

The Group propose that the savings in this item be transferred to Article 800 of the 1979 Budget, thereby adding to the resources available for improving agricultural structures.

\* \* \*

Proposed modification No 134  
tabled by the Socialist Group

### Section III — Commission

#### PAYMENTS

Title 6	— European Agricultural Guidance and Guarantee Fund — Guarantee Section
Chapter 62	— Milk and milk products
Article 622	— Intervention in respect of butter and cream
Item 6220	— Private storage

#### (A) *Expenditure*

Reduce the payment appropriation by 1 EUA

#### (B) *Compensation*

—

#### (C) *Revenue*

Reduce revenue by the same amount

#### COMMITMENTS

—

#### *Schedule*

—

#### REMARKS

Unchanged

#### JUSTIFICATION

For many years the institutions of the Community have expressed pious regrets about the growth of the costs of storage, which has become a vital prop of the Common Agricultural Policy.

An inflationary price policy has encouraged producers to produce for intervention rather than for the consumer, and this at the expense of the Community. At the same time there has been no serious attempt to tackle shortages. Moreover the absence of an imaginative food aid policy has meant that surpluses have simply been accumulated to rot or to be resold, either way to the benefit of the larger producers and at the expense of the smaller producers and consumers of Europe.

The Socialist Group believes that the only way to encourage serious attempts to reduce structural surpluses is to reduce money available from the Guarantee Section of EAGGF and increase money available from the Guidance Section.

This year the Group is undertaking a symbolic action in order to illustrate its point of view and in the hope that the Council and Commission will take the initiative and, in the coming year, redefine the content of a CAP faithful to the principles of May 1961 but operating in a new way, so as to take into account the realities of the regions of Europe as a whole (taking into account enlargement) and the Community's world wide responsibilities.

The Group propose that the savings in this item be transferred to Article 800 of the 1979 Budget, thereby adding to the resources available for improving agricultural structures.

Proposed modification No 135  
tabled by the Socialist Group

### Section III — Commission

#### PAYMENTS

Title 6	— European Agricultural Guidance and Guarantee Fund — Guarantee Section
Chapter 62	— Milk and milk products
Article 622	— Intervention in respect of butter and cream
Item 6221	— Public storage and special disposal measures for butter stocks

#### (A) *Expenditure*

Reduce the payment appropriation by 1 EUA

#### (B) *Compensation*

—

#### (C) *Revenue*

Reduce revenue by the same amount

#### COMMITMENTS

—

#### *Schedule*

—

#### REMARKS

Unchanged

#### JUSTIFICATION

For many years the institutions of the Community have expressed pious regrets about the growth of the costs of storage, which has become a vital prop of the Common Agricultural Policy.

An inflationary price policy has encouraged producers to produce for intervention rather than for the consumer, and this at the expense of the Community. At the same time there has been no serious attempt to tackle shortages. Moreover the absence of an imaginative food aid policy has meant that surpluses have simply been accumulated to rot or to be resold, either way to the benefit of the larger producers and at the expense of the smaller producers and consumers of Europe.

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The Group propose that the savings in this item be transferred to Article 800 of the 1979 Budget, thereby adding to the resources available for improving agricultural structures.

\* \* \*

Proposed modification No 136  
tabled by the Socialist Group

Section III — Commission

PAYMENTS

Title 6	— European Agricultural Guidance and Guarantee Fund — Guarantee Section
Chapter 62	— Milk and milk products
Article 623	— Intervention in respect of other milk products
Item 6230	— Storage of cheese

(A) *Ependiture*

Reduce the payment appropriation by 1 EUA

(B) *Compensation*

—

(C) *Revenue*

Reduce the revenue by the same amount

COMMITMENTS

—

*Schedule*

—

REMARKS

Unchanged

JUSTIFICATION

For many years the institutions of the Community have expressed pious regrets about the growth of the costs of storage, which has become a vital prop of the Common Agricultural Policy.

An inflationary price policy has encouraged producers to produce for intervention rather than for the consumer, and this at the expense of the Community. At the same time there has been no serious attempt to tackle shortages. Moreover the absence of an imaginative food aid policy has meant that surpluses have simply been accumulated to rot or to be resold, either way to the benefit of the larger producers and at the expense of the smaller producers and consumers of Europe.

The Socialist Group believes that the only way to encourage serious attempts to reduce structural surpluses is to reduce money available from the Guarantee Section of EAGGF and increase money available from the Guidance Section.

This year the Group is undertaking a symbolic action in order to illustrate its point of view and in the hope that the Council and Commission will take the initiative and, in the coming year, redefine the content of a CAP faithful to the principles of May 1961 but operating in a new way, so as to take into account the realities of the regions, of Europe as a whole (taking into account enlargement) and the Community's world wide responsibilities.

The Group propose that the saving in this item be transferred to Article 800 of the 1979 Budget, thereby adding to the resources available for improving agricultural structures.

\* \* \*

**Proposed modification No 137**  
 tabled by the Socialist Group

Section III — Commission

**PAYMENTS**

Title 6	— European Agricultural Guidance and Guarantee Fund — Guarantee Section
Chapter 64	— Sugar
Article 641	— Intervention in respect of sugar
Item 6412	— Reimbursement of storage costs

**(A) Expenditure**

Reduce the payment appropriation by 1 EUA

**(B) Compensation**

—

**(C) Revenue**

Reduce revenue by the same amount

**COMMITMENTS**

—

*Schedule*

—

**REMARKS**

Unchanged

**JUSTIFICATION**

For many years the institutions of the Community have expressed pious regrets about the growth of the costs of storage, which has become a vital prop of the Common Agricultural Policy.

An inflationary price policy has encouraged producers to produce for intervention rather than for the consumer, and this at the expense of the Community. At the same time there has been no serious attempt to tackle shortages. Moreover, the absence of an imaginative food aid policy has meant that surpluses have simply been accumulated to rot or to be resold, either way to the benefit of the larger producers and at the expense of the smaller producers and consumers of Europe.

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This year the Group is undertaking a symbolic action in order to illustrate its point of view and in the hope that the Council and Commission will take the initiative and, in the coming year, redefine the content of a CAP faithful to the principles of May 1961 but operating in a new way, so as to take into account the realities of the regions of Europe as a whole (taking into account enlargement) and the Community's world wide responsibilities.

The Group propose that the savings in this item be transferred to Article 800 of the 1979 Budget, thereby adding to the resources available for improving agricultural structures.

\* \* \*

Proposed modification No 138  
tabled by the Socialist Group

Section III — Commission

PAYMENTS

Title 6	— European Agricultural Guidance and Guarantee Fund — Guarantee Section
Chapter 65	— Beef and veal
Article 651	— Intervention in respect of the storage of beef and veal
Item 6511	— <b>Public storage</b>

(A) *Expenditure*

Reduce the payment appropriation by 1 EUA

(B) *Compensation*

—

(C) *Revenue*

Reduce revenue by the same amount

COMMITMENTS

—

*Schedule*

—

REMARKS

Unchanged

JUSTIFICATION

For many years the institutions of the Community have expressed pious regrets about the growth of the costs of storage, which has become a vital prop of the Common Agricultural Policy.

An inflationary price policy has encouraged producers to produce for intervention rather than for the consumer, and this at the expense of the Community. At the same time there has been no serious attempt to tackle shortages. Moreover the absence of an imaginative food aid policy has meant that surpluses have simply been accumulated to rot or to be resold, either way to the benefit of the larger producers and at the expense of the smaller producers and consumers of Europe.

The Socialist Group believes that the only way to encourage serious attempts to reduce structural surpluses is to reduce money available from the Guarantee Section of EAGGF and increase money available from the Guidance Section.

**This year the Group is undertaking a symbolic action in order to illustrate its point of view and in the hope that the Council and Commission will take the initiative and, in the coming year, redefine the content of a CAP faithful to the principles of May 1961 but operating in a new way, so as to take into account the realities of the regions, of Europe as a whole (taking into account enlargement) and the Community's world wide responsibilities.**

The Group propose that the savings in this item be transferred to Art. 800 of the 1979 Budget, thereby adding to the resources available for improving agricultural structures.

\* \* \*

Proposed modification No 139  
tabled by the Socialist Group

### Section III — Commission

#### PAYMENTS

Title 7 — European Agricultural Guidance and Guarantee Fund — Guarantee Section  
Chapter 70 — Tobacco  
Article 701 — Intervention in respect of tobacco  
Item 7011 — Storage

#### (A) *Expenditure*

Reduce the payment appropriation by 1 EUA

#### (B) *Compensation*

—

#### (C) *Revenue*

Reduce revenue by the same amount

#### COMMITMENTS

—

#### *Schedule*

—

#### REMARKS

Unchanged

### JUSTIFICATION

For many years the institutions of the Community have expressed pious regrets about the growth of the costs of storage, which has become a vital prop of the Common Agricultural Policy.

An inflationary price policy has encouraged producers to produce for intervention rather than for the consumer, and this at the expense of the Community. At the same time there has been no serious attempt to tackle shortages. Moreover the absence of an imaginative food aid policy has meant that surpluses have simply been accumulated to rot or to be resold, either way to the benefit of the larger producers and at the expense of the smaller producers and consumers of Europe.

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The Group propose that the savings in this item be transferred to Art. 800 of the 1979 Budget, thereby adding to the resources available for improving agricultural structures.

\* \* \*

Draft amendment No 140  
tabled by the Socialist Group

Section III — Commission

#### PAYMENTS

- Title 8 — European Agricultural Guidance and Guarantee Fund — Guidance Section  
(Chapters 80 to 86) and fisheries policy (Chapters 86 to 89)
- Chapter 80 — Projects for the improvement of agricultural structures provided for under  
Article 13 of Regulation No 17/64/EEC
- Article 800 — Projects for the improvement of agricultural structures provided for under  
Article 13 of Regulation No 17/64/EEC

#### (A) *Expenditure*

Increase the payment appropriation by 6 EUA

#### (B) *Compensation*

—

#### (C) *Revenue*

Increase revenue by the same amount

#### COMMITMENTS

—

#### *Schedule*

Increase 1979 payments as shown in the schedule by 6 EUA to 40 000 006 EUA. Otherwise the schedule is unchanged.

#### REMARKS

Unchanged.

#### JUSTIFICATION

The agricultural policy of the Community as it operates at present leads to an excessive amount of expenditure on the Guarantee Section. Starting from 1979 the Community should as rapidly as is practically possible reduce expenditure on the Guidance Section and increase expenditure on structural policy. This is in line with the needs of the poorest regions of the Community as well as the economy of the Community as a whole, particularly in the light of further enlargement.

\* \* \*

Draft amendment No 147  
tabled by Mrs Dalherup, Mrs Dunwoody, Lord Bruce, Mr Kavanagh, Mr Albers, Mrs Krouwel-Vlam

Section III — Commission

#### List of posts

Amend the list of posts as follows :

- Add : 4 Category A officials at grade A 7/6  
4 Category B officials at grade B 3/2  
4 Category C officials at grade C 3/2



*(A) Expenditure*

Increase the payment appropriation by 155 660 EUA

*(B) Compensation*

—

*(C) Revenue*

Increase revenue by 131 400 EUA<sup>1</sup>

## COMMITMENTS

—

*Schedule*

—

## REMARKS

—

## JUSTIFICATION

The purpose of this amendment is to provide extra staff for Directorate-General V — Social Affairs and Employment — for the expansion of the Bureau for Questions affecting women's employment. This Bureau is seriously understaffed and its competences are limited. It is essential that :

- its personnel be increased to allow for it to deal more effectively with its existing tasks relating to employment and vocational training
- its competences be extended to enable it to deal with all aspects of women's policy.

The Women's Bureau should be in position to deal with the monitoring of progress in the member states, and at Community level towards the implementation of the Directive on Equal Pay for Equal Work (75/117/EEC) and on Equal Opportunity (76/207/EEC); further, it should have responsibility for other aspects of policy relating to women, such as social security, education, the Social Fund. Responsibility for most of these is at present scattered throughout the various sections of the Social Affairs Directorate-General. The Bureau should also be in a position to maintain close regular contact with the various Commissions on Equality and social partners in the Member States in order to ensure an efficient mutual exchange of information and ideas, and to facilitate it in its monitoring function. A further urgent task for the Women's Bureau must be an examination of the ways and means whereby it can be institutionalized at Community level.

*Financial Implications*

Under the provisions currently in force, this draft amendment will affect the budget as follows :

	4 × A7/6	4 × B3/2	4 × C3/2
1100	52 260 EUA	42 280 EUA	27 820 EUA
1101	4 400 EUA	3 560 EUA	2 340 EUA
1102	7 740 EUA	6 260 EUA	4 120 EUA
1130	1 560 EUA	1 260 EUA	840 EUA
1131	520 EUA	420 EUA	280 EUA
Expenditure :	66 480 EUA	53 780 EUA	35 400 EUA
Chap. 40 :	9 120 EUA	5 240 EUA	1 640 EUA
Chap. 41 :	3 520 EUA	2 860 EUA	1 880 EUA
Revenue :	12 640 EUA	8 100 EUA	3 520 EUA

\* \* \*

<sup>1</sup> + 24 260 from taxation on salaries.

Draft amendment No 149/rev.  
tabled by Christian-Democratic Group (EPP)

#### Section I — European Parliament

#### PAYMENTS

Title 2 — Buildings, equipment and miscellaneous operating expenditure  
Chapter 22 — Movable property and ancillary expenses  
Article 222 — Technical equipment and installations  
Item 2220 — Initial equipment

#### (A) *Expenditure*

Increase the payment appropriation by 1 250 000 EUA (from 585 500 to 1 835 000 EUA)

#### (B) *Compensation*

—

#### (C) *Revenue*

Increase revenue by the same amount

#### COMMITMENTS

—

#### *Schedule*

#### REMARKS

Unchanged

#### JUSTIFICATION

In the 1977 Budget Parliament voted 940 000 EUA for the purchase of television equipment, and for the recruitment of planning staff.

Since the staff had not been recruited during 1977, the appropriation was carried forward to 1978 (and corrected to 1 143 750 EUA).

In view of further delay to the recruitment it will be impossible to complete the purchase before December 1978, and the appropriations will be lost.

In order to implement Parliament's decision of October 1976, it will therefore be necessary to restore the appropriations in the 1979 budget.

\* \* \*

Draft amendment No 152  
tabled by Mr AIGNER on behalf of the Christian-Democratic Group

#### Section III — Commission

#### STATEMENT OF REVENUE

Title 9 — Miscellaneous revenue  
Chapter 94 — Borrowing and lending  
Article 943 — Community loans for the promotion of investments in the Community  
Items —

#### *Revenue*

Unchanged

## COMMITMENTS

—

*Schedule*

—

## REMARKS

Modify the remarks as follows :

'For the legal basis see Article 103 of part II of the budget. This line is intended to cover operations connected with the right of recourse of the EEC against Member States which have received these loans.'

## JUSTIFICATION

Since 1975 the European Parliament has maintained that Community borrowing and lending operations should be subject to control by the budgetary authority. In its resolution of 13 May 1976 it stated in particular that : 'b) the purpose of the entry in the budget of Community borrowing and lending operations is to bring these operations into the normal process of authorization of Community revenue and expenditure ; d) entry in the budget enables the budgetary authority to fix the maximum annual amount of the capital account operations on the basis of full information relating to the Community's indebtedness ; f) the creation of a capital account budget for the Communities will make for overall transparency of the Community loans policy.' In the introduction to its preliminary draft general budget of the European Communities for the financial year 1979, the Commission — following the views expressed by the European Parliament — stated that : 'the method of entering loans in the budget followed up to now does not appear to reflect the specific and complex nature of these operations. The Commission therefore proposes the creation of a second part of the general budget to contain the headings relating to borrowing and lending operations. The budgetary authority will thus have overall information at its disposal enabling it to exercise its powers of authorization and control under optimum conditions.'

On 14 June 1978 the Commission then submitted a draft regulation amending the Financial Regulation of 21 December 1977 by creating a second part of the general budget pursuant to Article 199 of the EEC Treaty (which stipulates that 'all items of revenue and expenditure of the Community... shall be shown in the budget') ; borrowing and lending operations would be shown in this second part of the budget. Finally in the document entitled 'elements of the motion for a resolution' (PE 54.500/add.) drawn up by Mr Bangemann and approved on 20 September 1978, the Committee on Budgets of the European Parliament states that 'the Community loans policy must be entered in a capital account budget.' It is therefore appropriate to restore the second part, introduced by the Commission ; the remarks against Article 943 must be modified accordingly.

\* \* \*

Draft amendment No 153

tabled by Mr Aigner on behalf of the Christian-Democratic Group

Section III — Commission

## STATEMENT OF REVENUE

Title 9	— Miscellaneous revenue
Chapter 94	— Borrowing and lending
Article 941	— Euratom loans
Item	—

*Revenue*

Unchanged

## COMMITMENTS

—

*Schedule*

## REMARKS

Modify the remarks as follows :

'For the legal basis see Article 102 of part II of the budget. This line is intended to cover operations connected with the right of recourse of the EAEC against beneficiaries of EURATOM loans.'

## JUSTIFICATION

Since 1975 the European Parliament has maintained that Community borrowing and lending operations should be subject to control by the budgetary authority. In its resolution of 13 May 1976 it stated in particular that : 'b) the purpose of the entry in the budget of Community borrowing and lending operations is to bring these operations into the normal process of authorization of Community revenue and expenditure ; d) entry in the budget enables the budgetary authority to fix the maximum annual amount of the capital account operations on the basis of full information relating to the Community's indebtedness ; f) the creation of a capital account budget for the Communities will make for overall transparency of the Community loans policy.' In the introduction to its preliminary draft general budget of the European Communities for the financial year 1979, the Commission — following the views expressed by the European Parliament — stated that : 'the method of entering loans in the budget followed up to now does not appear to reflect the specific and complex nature of these operations. The Commission therefore proposes the creation of a second part of the general budget to contain the headings relating to borrowing and lending operations. The budgetary authority will thus have overall information at its disposal enabling to exercise its powers of authorization and control under optimum conditions.'

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\* \* \*

Draft amendment No 154

tabled by Mr Aigner on behalf of the Christian-Democratic Group

## Section III — Commission

## STATEMENT OF REVENUE

Title 9	— Miscellaneous revenue
Chapter 94	— Borrowing and lending
Article 940	— Eximbank loans
Item	—

*Revenue*

Unchanged

## COMMUNICATIONS

*Schedule*

## REMARKS

Modify the remarks as follows :

'For the legal basis see Article 100 of part II of the budget. This line is intended to cover operations connected with the right of recourse of the EAEC against beneficiaries of EURATOM loans.'

## JUSTIFICATION

Since 1975 the European Parliament has maintained that Community borrowing and lending operations should be subject to subject by the budgetary authority. In its resolution of 13 May 1976 it stated in particular that : 'b) the purpose of the entry in the budget of Community borrowing and lending operations is to bring these operations into the normal process of authorization of Community revenue and expenditure ; d) entry in the budget enables the budgetary authority to fix the maximum annual amount of the capital account operations on the basis of full information relating to the Community's indebtedness ; f) the creation of a capital account budget for the Communities will make for overall transparency of the Community loans policy.' In the introduction to its preliminary draft general budget of the European Communities for the financial year 1979, the Commission — following the views expressed by the European Parliament — stated that : 'the method of entering loans in the budget followed up to now does not appear to reflect the specific and complex nature of these operations. The Commission therefore proposes the creation of a second part of the general budget to contain the headings relating to borrowing and lending operations. The budgetary authority will thus have overall information at its disposal enabling it to exercise its powers of authorization and control under optimum conditions.'

On 14 June 1978 the Commission then submitted a draft regulation amending the Financial Regulation of 21 December 1977 by creating a second part of the general budget pursuant to Article 199 of the EEC Treaty (which stipulates that 'all items of revenue and expenditure of the Community ... shall be shown in the budget') ; borrowing and lending operations would be shown in this second part of the budget. Finally in the document entitled 'elements of the motion for a resolution' (PE 54 500/add.) drawn up by Mr Bangemann and approved on 20 September 1978, the Committee on Budgets of the European Parliament states that 'the Community loans policy must be entered in a capital account budget.' It is therefore appropriate to restore the second part, introduced by the Commission ; the remarks against Article 940 must be modified accordingly.

\* \* \*

Draft amendment No 155

tabled by Mr Aigner on behalf of the Christian Democratic Group

## Section III — Commission

## STATEMENT OF REVENUE

Title 9	— Miscellaneous revenue
Chapter 94	— Borrowing and lending
Article 942	— Community loans to support balances of payments
Item	—

## REVENUE

*Unchanged*

## COMMITMENTS

—

*Schedule*

## REMARKS

Modify the remarks as follows :

'For the legal basis see Article 101 of part II of the budget. This line is intended to cover operations connected with the right of recourse of the EEC against Member States which have received these loans.'

## JUSTIFICATION

Since 1975 the European Parliament has maintained that Community borrowing and lending operations should be subject to control by the budgetary authority. In its resolution of 13 May 1976 it stated in particular that: 'b) the purpose of the entry in the budget of Community borrowing and lending operations is to bring these operations into the normal process of authorization of Community revenue and expenditure; d) entry in the budget enables the budgetary authority to fix the maximum annual amount of the capital account operations on the basis of full information relating to the Community's indebtedness; f) the creation of a capital account budget for the Communities will make for overall transparency of the Community loans policy.' In the introduction to its preliminary draft general budget of the European Communities for the financial year 1979, the Commission — following the view expressed by the European Parliament — stated that: 'the method of entering loans in the budget followed up to now does not appear to reflect the specific and complex nature of these operations. The Commission therefore proposes the creation of a second part of the general budget to contain the headings relating to borrowing and lending operations. The budgetary authority will thus have overall information at its disposal enabling it to exercise its powers of authorization and control under optimum conditions.'

On 14 June 1978 the Commission then submitted a draft regulation amending the Financial Regulation of 21 December 1977 by creating a second part of the general budget pursuant to Article 199 of the EEC Treaty (which stipulates that 'all items in the budget'); borrowing and lending operations would be shown in this second part of the budget. Finally in the document entitled 'elements of the motion for a resolution' (PE 54.500/add.) drawn up by Mr Bangemann and approved on 20 September 1978, the Committee on Budgets of the European Parliament states that 'the Community loans policy must be entered in a capital account budget.' It is therefore appropriate to restore the second part, introduced by the Commission; the remarks against Article 942 must be modified accordingly.

\* \* \*

Draft amendment No 156  
tabled by Mr Aigner on behalf of the Christian-Democratic Group

## Section III — Commission

## REVENUE

Title 9	— Miscellaneous revenue
Chapter 94	— Borrowing and lending
Article 944 (new)	— European Export Bank borrowings and lendings

(A) *Expenditure*

—

(B) *Compensation*

—

(C) *Revenue*

Create a new Article 944 — 'European Export Bank borrowings and lendings'  
Make a token entry

## COMMITMENTS

—

## REMARKS

Enter the following remarks:

## New Article

This entry provides the budgetary framework for European Export Bank borrowings and lendings (see Commission proposal of 17 February 1976)

## JUSTIFICATION

The Commission submitted proposals for the setting up of a European Export Bank on 17 February 1976. At its sitting of 9 May 1977, the European Parliament delivered a favourable opinion on this proposal. Appropriate budgetary lines were entered in the 1977 and 1978 budgets in order to ensure that EEB operations were budgetised. A token entry was made at that time.

The Commission in its preliminary draft budget for 1979 and the Council in its draft budget have deleted all reference to the EEB without providing any explanations.

In the course of the debate on the Oral Question tabled by the Committee on External Economic Relations during the September part-session, the Commissioner gave a reply which did not entirely satisfy Parliament in the view of the author of this amendment. Parliament delivered a favourable opinion on the setting up of the EEB and still takes the view that the need for a financial instrument of this kind is no less urgent.

This holds particularly true in that the Commissioner has said that the Commission has not given up the project for a European Export Bank. The reasons for the omission of any reference to the Bank should therefore be clearly explained both in the preliminary draft and in the draft budgets.

Failing any information received to the contrary, the author of this draft calls for the creation of a Community instrument subject to proper financial control which is seen as vital in order to encourage European exporters by providing them with their own export bank (this does not raise any problems as far as the harmonization of export credits is concerned). These new Articles provide an appropriate budgetary framework for the necessary financing and the request for their inclusion should be considered as a call to the Council to follow up the proposals originally submitted by the Commission which should have been speedily finalised, as was promised at the time, 18 months ago. A similar draft amendment has been drawn up in respect of expenditure.

\* \* \*

## Draft Amendment No 157

tabled by Mr De Clercq, on behalf of the Liberal and Democratic Group

## Section III — Commission

## PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 33 — Expenditure on research and investment
- Article 337 — Indirect action: miscellaneous activities and coordinated projects
- Item 3371 — Implementation of coordinated projects

(A) *Expenditure*

Increase the payment appropriation by 226 000 EUA (from 554 000 to 780 000 EUA)  
(reinstatement of the appropriation shown in the preliminary draft budget)

Replace footnote 2 by:

An appropriation of 648 000 EUA is entered in Chapter 100

(B) *Compensation*

- Title 10 — other expenditure
- Chapter 100 — Provisional appropriations

Decrease by 226 000 EUA the payment appropriation entered under Chapter 100 for Item 3371 'Implementation of coordinated projects'

(C) *Revenue*

unchanged

## COMMITMENTS

Increase the commitment appropriation by 226 000 EUA (reinstatement of the appropriation shown in the preliminary draft budget)

Decrease by 226 000 EUA the commitment appropriation earmarked under Chapter 100 for Item 3371 'Implementation of coordinated projects'

### Schedule

Amend the schedule as follows :

The commitment appropriation authorized for 1979 is 1 900 000 EUA, of which 1 150 000 EUA corresponding to the programme 'Medical research II' is entered under Chapter 100.<sup>1</sup> The schedule of payments against commitments is as follow :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment					
Appropriations for commitment remaining					
Appropriations for commitment 1978	675 000 <sup>1</sup>	159 300	—	—	
Appropriations for commitment 1979	1 900 000 <sup>3</sup>	—	1 268 700 <sup>4</sup>	631 000	—
<b>Total</b>	<b>2 575 000</b>	<b>515 700</b>	<b>1 428 000</b>	<b>631 000</b>	

<sup>1</sup> including 615 000 EUA entered in Chapter 100

<sup>2</sup> including 475 700 EUA entered in Chapter 100

<sup>3</sup> including 1 150 000 EUA entered in Chapter 100

<sup>4</sup> including 648 000 EUA entered in Chapter 100

### COMMENTS

Unchanged

### JUSTIFICATION

The appropriations in question correspond to the following coordinated projects :

Projects	C A	P A
(a) Analysis of micropollutants in water	126 000 EUA	126 000 EUA
(b) Physicochemical behaviour of atmospheric pollutants	100 000 EUA	100 000 EUA

Since the European Parliament delivered a favourable opinion on the projects on 14 April 1978 and the Council is to approve them on 9 October 1978, nothing now stands in the way of entering these appropriations under Item 3371 instead of retaining them under Chapter 100.

As regards the staff needed to coordinate the projects in question, the draft budget allows for three posts, namely 1 A 6, 1 B 3 and 1 C 3.

In its preliminary draft budget the Commission had requested 2 A 6 and 1 C 3 posts. Following confirmation of this request by the programme decisions referred to above, it is justified to restore the list of posts in accordance with the Commission's request.

\* \* \*

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977



Draft Amendment No 158  
tabled by Mr Pintat, on behalf of the Liberal and Democratic Group

# Section I — Parliament

## PAYMENTS

- Title 2 — Buildings, equipment and miscellaneous administrative expenditure
- Chapter 27 — Expenditure on publishing and information
- Article 272 — Expenditure on the dissemination of information and on participation in public events
- Item 2723 — Publicity campaign to encourage participation in direct elections
- (new)

### (A) *Expenditure*

Create a new Item 2723: 'Publicity campaign to encourage participation in direct elections'  
Enter a payment appropriation of 30 000 EUA

### (B) *Compensation*

—

### (C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

—

### *Schedule*

## REMARKS:

Enter the following new remarks:

### 2723 New item

This appropriation will be used to finance the award of two prizes, one to an amount of 10 000 EUA to be awarded to the commune with less than 20 000 inhabitants, the second to an amount of 20 000 EUA to be awarded to the commune with more than 20 000 inhabitants. Which shows the highest turnout in the elections to Parliament by direct universal suffrage.

## JUSTIFICATION

The elections to the European Parliament by direct universal suffrage will mark an essential stage in the necessary democratization of the European Communities. However, the significance of these elections will be diminished unless there is a high turnout. It appears at the present moment that the abstention rate could be considerable.

It is therefore desirable that various measures be taken to encourage the highest possible number of electors to vote in June 1979. In this connection, and as a supplement to the Community's information campaign in measures to encourage a high electoral turnout at commune level would be particularly effective. The cooperation of local authorities will be essential for the success of elections by direct universal suffrage, since they are in the best position to polarize the attention of the population which they represent, by continual information on the need for and objectives of the European elections, and thus to encourage a high turnout.

The award of these prizes could also permit closer relations between the Communities and local authorities.

\* \* \*

## Draft Amendment No 160

tabled by Mr De Clercq, on behalf of the Liberal and Democratic Group

## Section III — Commission

## PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 33 — Expenditure on research and investment
- Article 335 — Indirect action — Joint programmes
- Item 3355 — Plutonium recycling in light-water reactors

(A) *Expenditure*

Increase the payment appropriation by 260 000 EUA (from 1 084 000 to 1 344 000 EUA)  
(Reinstatement of the appropriation shown in the preliminary draft budget).

(B) *Compensation*

Delete the payment appropriation of 260 000 EUA earmarked under Chapter 100 for Item 3355  
(Plutonium recycling in light-water reactors)

(C) *Revenue*

Unchanged

## COMMITMENTS

Enter a commitment appropriation of 260 000 EUA (Reinstatement of the appropriation shown in the preliminary draft budget)

Delete the commitment appropriation of 260 000 EUA earmarked under Chapter 100 for Item 3355  
(Plutonium recycling in light-water reactors)

*Schedule*

Amend the schedule as follows :

The payment appropriation authorized for 1979 is 260 000 EUA<sup>1</sup>

The schedule of payments against commitments is as follows :

(in ECU)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	1 552 570	1 552 570	—	—	—
Appropriation for commitment remaining from 1977	752 132				
Appropriations for commitment 1978	693 886	349 230	1 096 788	—	—
Appropriations for commitment 1979	260 000	—	247 212	12 788	
<b>Total</b>	<b>3 258 588</b>	<b>1 901 800</b>	<b>1 344 000</b>	<b>12 788</b>	<b>—</b>

## REMARKS

Unchanged

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977

## JUSTIFICATION

Since the European Parliament delivered a favourable opinion on this programme<sup>1</sup> and the Council will very probably take a decision on it during October 1978, nothing now stands in the way of entering these appropriations on the line instead of retaining them under Chapter 100.

\* \* \*

Draft amendment No 161

tabled by Mr De Clercq, on behalf of the Liberal and Demoratic Group

Section III — Commission

## PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 33 — Expenditure on research and investment
- Article 336 — Indirect action — joint programmes
- Item 3362 — Long-term forecasts and assessments

(A) *Expenditure*

Increase the payment appropriation by 857 000 EUA (replace the token entry by 857 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

(B) *Compensation*

Title 10 — Other expenditure

Chapter 100 — Provisional appropriations

Delete the payment appropriation of 857 000 EUA earmarked under Chapter 100 for Item 3362 'Long-term forecasts and assessments'

(C) *Revenue*

Unchanged

## COMMITMENTS

Enter a commitment appropriation of 957 000 EUA under Item 3362. Delete the commitment appropriation of 957 000 EUA earmarked under Chapter 100 for Item 3362 'Long-term forecasts and assessments'

<sup>1</sup>) OJ C 182/78

*Schedule*

Amend the schedule as follows :

The commitment appropriation authorized for 1979 is 957 000 EUA.<sup>1</sup> The schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	—	—	—	—	—
Appropriations for commitment remaining	—	532 600 *	—	—	—
Appropriations for commitment 1978	179 400 *				
Appropriations for commitment 1979	957 000	—	857 000	100 000	—
<b>Total</b>	<b>1 136 400</b>	<b>532 600</b>	<b>857 000</b>	<b>100 000</b>	<b>—</b>

\* The appropriations entered can be committed up to the amount of the open appropriations for payment, namely 532 600 EUA

## REMARKS

Unchanged

## JUSTIFICATION

Since the European Parliament delivered a favourable opinion on this programme<sup>1</sup> and the Council adopted it on 25 July 1978,<sup>2</sup> nothing now stands in the way of entering these appropriations on the line instead of retaining them under Chapter 100.

\* \* \*

## Draft amendment No 162

tabled by Mr Ripamonti, on behalf of the Christian Democratic Group

## Section III — Commission

## PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 36 — Expenditure on scientific and technical information and on information management
- Article 361 — Dissemination, circulation and utilization of scientific and technical knowledge
- Item 3611 — Assessment and utilization of the research findings

(A) *Expenditure*

Enter a payment appropriation of 420 000 EUA (reinstatement of the appropriation shown in the preliminary draft budget)

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977

<sup>2</sup> OJ C 299, 12. 12. 1977, p. 41

<sup>3</sup> OJ L 225, 16. 8. 1978, p. 38

*(B) Compensation*

Decrease by 150 000 EUA the appropriation earmarked under Chapter 100 'Provisional appropriations' for Item 3611

*(C) Revenue*

Increase revenue by 270 000 EUA

Commitments

—

*Schedule*

—

## REMARKS

Restore the remarks appearing in the preliminary draft budget :

This item is intended to cover expenditure on :

1. The optimum utilization of research results by ;
  - evaluation on the basis of feasibility and/or market studies or any other means of investigation ;
  - demonstrations, trials and prototype development,
  - the study and establishment of a technical and commercial information system giving supply and demand details of new techniques.
2. The definition and implementation of a Community policy on industrial innovation by means of studies and services in connection with the process of industrial innovation

## JUSTIFICATION

An appropriation was already entered against this heading in the 1978 budget. It is essential to reinstate the appropriation shown in the Commission's preliminary draft budget, especially since an appropriation has been entered since 1977, so that it is necessary either not to interrupt research already under way or else to begin work on studies or research planned in this sector for the past three years.

\* \* \*

Draft amendment No 163

tabled Mr Ripamonti, on behalf of the Christian-Democratic Group

Section III — Commission

## PAYMENTS

- |             |  |
|-------------|--|
| Title 3     | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 37  | — Expenditure in the industrial and transport sectors  |
| Article 370 | — Projects in the data-processing sector   |
| Item 3702   | — Community projects for the development of data processing  |

*(A) Expenditure*

Enter an appropriation of 8 000 000 EUA (instead of a token entry) (Reinstatement of the appropriation shown in the preliminary draft budget)

*(B) Compensation*

Delete the appropriation of 1 000 000 EUA in Chapter 100 'Provisional appropriations' for Item 3702

**(C) Revenue**

Increase revenue by 7 000 000 EUA (Reinstatement of the revenue shown in the preliminary draft budget)

**COMMITMENTS**

Reinstate the appropriation of 17 000 000 EUA proposed by the Commission in the preliminary draft budget

Delete the appropriation of 2 000 000 EUA earmarked under Chapter 100 for Item 3702

*Schedule*

Reinstate the schedule proposed by the Commission in the preliminary draft budget :

The commitment appropriation for 1979 is 17 000 000 EUA<sup>1</sup>

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	—				
Appropriations for commitment remaining					
Appropriations for commitment 1978	token entry	token entry			
Appropriations for commitment 1979	17 000 000	—	8 000 000	6 000 000	3 000 000
<b>Total</b>	<b>17 000 000</b>	<b>token entry</b>	<b>8 000 000</b>	<b>6 000 000</b>	<b>3 000 000</b>

**REMARKS**

Restore the following remarks proposed by the Commission in the preliminary draft budget :

Proposal laid before the Council on 9 November 1979 on the basis of Article 235 of the EEC Treaty (Doc. COM(76) 524).

This Item is to cover expenditure arising from the programme for improving the competitiveness and generally promoting the data-processing industries :

- standardization,
- coordination of public procurement,
- collaboration between research centres,
- studies on the state of the data-processing sector, employment problems, physical and legal protection of software,
- the payment of consultants and related miscellaneous or secretarial services.

**JUSTIFICATION**

As is pointed out in the remarks in the preliminary draft budget, Community projects for the development of data processing were proposed by the Commission to the Council on 9 November 1976. A budget line was also entered in the 1978 budget. The author of the amendment emphasizes the Council's failure to act. He considers that it is not right that a Community proposal should be quite simply blocked for years on end by the Council. He deems this attitude to be contrary to the spirit of the Treaty. The reinstatement of the appropriation proposed therefore amounts to a demand that the Council take a decision on these projects, which are all the more vital as the Community has fallen so far behind in this sector.

\* \* \*

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21. 12. 1977.

Draft amendment No 164

tabled by Mr Ripamonti, on behalf of the Christian-Democratic Group

Section III — Commission

PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 37 — Expenditure in the industrial and transport sectors
- Article 371 — Operations in the aerospace sector
- Item 3710 — Technological research

(A) *Expenditure*

Reinstate the appropriation of 7 000 000 EUA instead of the token entry proposed by the Commission in the preliminary draft budget

(B) *Compensation*

—

(C) *Revenue*

Increase the revenue by the same amount

COMMITMENTS

Reinstate the appropriation of 5 000 000 EUA proposed by the Commission in the preliminary draft budget.

*Schedule*

Restore the schedule of the preliminary draft budget.

\* \* \*

Draft amendment No 165

tabled by Mr Ripamonti, on behalf of the Christian-Democratic Group

Section III — Commission

PAYMENTS

- Title 3 — Community policies in regard, particularly, to research technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 37 — Expenditure in the industrial and transport sectors
- Article 374 — Amend the heading of this article as follows: 'Technical rules in respect of industrial products and the safety of persons carried in private cars'
- Item 3741 — Reinstate the item proposed by the Commission in the preliminary draft budget: 'Harmonization of industrial laws'

(A) *Expenditure*

Reinstate the appropriation of 500 000 EUA proposed by the Commission in the preliminary draft budget.

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

*Schedule*

—

## REMARKS

Restore the remarks proposed by the Commission in the preliminary draft budget :  
Council Regulation of 17 December 1973 on industrial policy. Directives adopted for the removal of technical barriers to trade (about 150 directives).

This appropriation is to cover expenditure on basic technical studies to be conducted in connection with the directives for the removal of technical barriers to trade.

These studies should lead to the establishment of common standards; they concern

- the preparation of new directives;
- the modification of existing directives;
- inspection of the implementation of the directives.

## JUSTIFICATION

As pointed out in the remarks in the Commission's preliminary draft budget, this appropriation is to cover expenditure connected with an industrial policy programme contained in a Council resolution of 17 December 1973. The author of the amendment emphasizes that the Council has given no justification in support of its decision to delete this appropriation.

\* \* \*

Draft amendment No 166  
tabled by Mr Ripamonti, on behalf of the Christian Democratic Group

Section III — Commission

## PAYMENTS

- |             |   |
|-------------|---|
| Title 3     | — Social and Regional Funds   |
| Chapter 50  | — Social Fund — Expenditure provided for under Article 4 of the Council Decision of 1 February 1971 |
| Article 500 | — Aid to the agricultural and textiles sectors  |

(A) *Expenditure*

Increase the payment appropriation by 21 000 000 EUA (from 32 000 000 EUA to 53 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget).

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount.

## COMMITMENTS

Unchanged

*Schedule*

Restore the schedule proposed by the Commission in the preliminary draft budget. The commitment appropriation authorized for 1979 is 35 000 000 <sup>1</sup>.

<sup>1</sup> see Article 1 (3) of the Financial Regulation of 21 December 1977



The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	118 900 000	52 000 000	31 000 000	35 900 000	—
Appropriations for commitment remaining	—	—	—	—	—
Appropriations for commitment 1978	35 000 000	9 000 000	13 000 000	6 000 000	7 000 000
Appropriations for commitment 1979	35 000 000	—	9 000 000	3 100 000	22 900 000
Total	188 900 000	61 000 000	53 000 000	45 000 000	29 900 000

#### REMARKS

Unchanged

#### JUSTIFICATION

Aid to the agricultural and textile sectors is necessary in view of the serious crisis affecting them. Moreover, an increase in the appropriations under the Social Fund (in other words reinstatement of the amount proposed by the Commission) is in line with the decisions taken by the European Council in Bremen.

\* \* \*

Draft amendment No 167

tabled by Mr Ripamonti, on behalf of the Christian-Democratic Group

#### Section III — Commission

#### PAYMENTS

- Title 3 — Community policies in regard, particularly to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 30 — Expenditure in the social sector
- Article 302 — Tasks entrusted to the institution to promote exchanges of young workers

#### (A) Expenditure

Enter an appropriation of 650 000 EUA (Partial reinstatement of the appropriation proposed by the Commission in the preliminary draft budget)

#### (B) Compensation

Delete the appropriation of 650 000 EUA earmarked under Chapter 100 for Article 302 'Tasks entrusted to the institution to promote exchanges of young workers'

#### (C) Revenue

—

## COMMITMENTS

—

## REMARKS

Restore the remarks proposed by the Commission in the preliminary draft budget :

This appropriation is intended to cover measures resulting from :

- the first joint programme for promoting the exchange of young workers within the Community, adopted by the Council on 8 May 1964 (OJ 78 of 22 May 1964, p. 1226/64) (Article 50 of the EEC Treaty) :
- the second joint programme, forwarded by the Commission to the budgetary authority together with the preliminary draft budget for 1979. The second programme will gradually take the place of the first, enlarging and expanding it.

## JUSTIFICATION

The appropriation of 650 000 EUA was initially entered by the Council<sup>1</sup> under Chapter 100, which is not directly operational. The author of the amendment insists that the Commission should be able to get these measures under way at the beginning of the financial year.

\* \* \*

Draft amendment No 168

tabled by Mr Ripamonti on behalf of the Christian-Democratic Group

## Section III — Commission

## PAYMENTS

- |             |  |
|-------------|--|
| Title 3     | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 32  | — Expenditure under the energy policy  |
| Article 321 | — Prospecting for uranium in Community territory   |
| Item 3210   | — Prospecting in the uranium sector (reinstatement of the item contained in the preliminary draft budget)  |

(A) *Expenditure*

Increase the payment appropriation by 6 000 000 EUA (from 3 000 000 to 9 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

Increase the commitment appropriation by 15 000 000 EUA (from 5 000 000 to 20 000 000 EUA)

*Schedule*

Amend the schedule of payments as follows :

The commitment appropriation authorized for 1979 is 20 000 000 EUA.<sup>1</sup>

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1978

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	3 300 000	2 300 000	1 000 000		
Appropriations for commitment 1978	5 000 000	3 000 000	1 000 000	1 000 000	
Appropriations for commitment 1979	20 000 000	—	7 000 000	7 000 000	6 000 000
<b>Total</b>	<b>28 300 000</b>	<b>5 300 000</b>	<b>9 000 000</b>	<b>8 000 000</b>	<b>6 000 000</b>

#### REMARKS

Unchanged

#### JUSTIFICATION

The proposer and the Christian-Democratic Group, like the Committee on Energy which tabled a similar amendment, consider that it is vital for the Community to pursue a nuclear programme, particularly with regard to prospecting for uranium in Community territory.

\* \* \*

Draft amendment No 169

tabled by Mr Ripamonti on behalf of the Christian-Democratic Group

#### Section III — Commission

#### PAYMENTS

Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials

Chapter 32 — Expenditure under the energy policy

Article 321 — Prospecting for uranium in Community territory

Item 3212 — Aid to uranium storage  
(new)

#### (A) Expenditure

Change the heading of Article 321 to read : Operations in the uranium sector

Enter a new item 3212 : Aid to uranium storage

Make a token entry (reinstatement of the token entry shown in the preliminary draft budget)

#### (B) Compensation

—

#### (C) Revenue

—

#### COMMITMENTS

—

## REMARKS

Restore the remarks proposed by the Commission in the preliminary draft budget :

3212 New item

Euratom Treaty, Article 72, second paragraph

Council Resolution of 17 December 1974 (OJ C 153 9. 7. 1975)

Council Resolution of 13 February 1975 (OJ C 153 9. 7. 1975)

This is a Community operation under the energy supply policy, to build up stocks of nuclear fuels in order to reduce the Community's dependence on producer countries. It is considered that a stockpile of some 500-600 tonnes of uranium, corresponding approximately to the Community's requirements for 1/2 months in 1981, will provide a reasonable safety margin for the electricity producers of the Member States. In view of the stocks already held, it would enable undertakings to face up to temporary interruptions of supplies such as occurred recently (Canada). The stockpile would, if possible, be made up of uranium produced in the Community.

## JUSTIFICATION

As the proposer explains in two further amendments, a satisfactory uranium supply policy not only requires funds for prospecting but also calls for uranium storage measures.

\* \* \*

Draft amendment No 170

tabled by Mr Ripamonti on behalf of the Christian-Democratic Group

Section III — Commission

## PAYMENTS

- |             |  |
|-------------|--|
| Title 3     | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 32  | — Expenditure under the energy policy  |
| Article 324 | — Aids to demonstration projects under the Community energy programme  |
| Item 3241   | — Development programme for new sources of energy  |

(A) *Expenditure*

Enter a payment appropriation of 9 500 000 EUA (instead of a token entry) (reinstatement of the appropriation shown in the preliminary draft budget)

(B) *Compensation*

Delete the appropriation of 9 500 000 EUA under Chapter 100 — Provisional appropriations earmarked for Item 3241 — Development programme for new sources of energy

(C) *Revenue*

Unchanged

## COMMITMENTS

Enter a commitment appropriation of 16 000 000 EUA against Item 3241

Delete the commitment appropriation of 16 000 000 EUA in Chapter 100 — Provisional appropriations earmarked for Item 3241 — Development programme for new sources of energy

*Schedule*

Amend the schedule of payments as follows :

The commitment appropriation authorized for 1979 is 16 000 000 EUA<sup>1</sup>.

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Appropriations for commitment 1978	11 000 000	4 000 000	3 500 000	3 500 000	—
Appropriations for commitment 1979	16 000 000	—	6 000 000	5 000 000	5 000 000
Total	27 000 000	4 000 000	9 500 000	8 500 000	5 000 000

#### REMARKS

Amend the remarks as follows :

Delete the footnote 'This appropriation has been entered in Chapter 100'

#### JUSTIFICATION

There is no reason why those appropriations should not be entered on the line, since the Council adopted the relevant Community action programme in June 1978.

\* \* \*

Draft amendment No 171

tabled by Mr Ripamonti on behalf of the Christian-Democratic Group

#### Section III — Commission

#### PAYMENTS

Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials

Chapter 32 — Expenditure under the energy policy

Article 321 — Prospecting for uranium in Community territory

Item 3211 — Prospecting for uranium outside the European Community  
(new)

#### (A) Expenditure

Change the heading of Article 321 to read ; Operations in the uranium sector

Create a new item 3211 — Prospecting for uranium outside the European Community

Make a token entry (reinstatement of the token entry shown in the preliminary draft budget)

#### (B) Compensation

—

#### (C) Revenue

Unchanged

#### COMMITMENTS

—

## REMARKS

Restore the remarks proposed by the Commission in the preliminary draft budget :

3211 New Item

EEC Treaty — Article 235

The purpose is to promote the exploitation of uranium resources outside the Community, thereby ensuring supplies of uranium for Community users. In view of the energy objectives for 1985, Community financial support for uranium prospecting projects must be made available immediately in order to reduce the Community's dependence on producer countries (see Doc. COM (76) 20 of 16 January 1976 'Implementation of the energy policy guidelines set by the European Council at its meeting in Rome on 1 and 2 December 1975').

The associated costs of technical and financial assessments are also charged to this item.

## JUSTIFICATION

The proposer and the Christian-Democratic Group agree with the Committee on Energy and Research when it advocates the implementation of Community measures for uranium prospecting outside the European Community.

\* \* \*

Draft amendment No 172

tabled by Mr Ripamonti, on behalf of the Christian-Democratic Group

Section III — Commission

## PAYMENTS

- |             |  |
|-------------|--|
| Title 3     | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 33  | — Expenditure on research and investment   |
| Article 335 | — Indirect action — joint programmes   |
| Item 3351   | — Fusion and plasma physics (including the JET project)  |

(A) *Expenditure*

—

(B) *Compensation*

—

(C) *Revenue*

—

## COMMITMENTS

Enter a commitment appropriation of 50 000 000 EUA

*Schedule*

Amend the schedule of payments as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
1976 commitments	4 000 000	4 000 000	—	—	—
Approps. outstanding from 1976	64 376 773				
Approps. outstanding from 1977	17 527 000	—	5 600 000	28 000 000	56 332 973
1978 appropriations	8 029 200 <sup>1</sup>	—	—	p.m.	50 000 000
1979 appropriations	50 000 000	—	—	—	8 467 027
1980 appropriations	8 467 027	—	—	—	
<b>Total</b>	<b>152 400 000</b>	<b>4 000 000</b>	<b>5 600 000 <sup>2</sup></b>	<b>28 000 000 <sup>3</sup></b>	<b>114 800 000</b>

<sup>1</sup> Appropriations entered in Chapter 100<sup>2</sup> This amount covers the requirements for 1978. The appropriations actually available for the financial year amount to 35 551 000 EUA, of which 20 551 000, EUA are carried forward from 1977 (when they were entered under item 3394), and 15 000 000 EUA entered in Chapter 100.<sup>3</sup> This amount covers the requirements for 1979. The appropriations actually entered in the 1979 budget amount to 13 000 000 EUA ; the difference of 15 000 000 EUA can be covered by the appropriations opened in Chapter 100 (see footnote <sup>2</sup> above) in 1978 which it is planned to carry forward to the financial year 1979.

## JUSTIFICATION

No appropriation has been provided for 1979 ; in view of the importance of this project it is necessary, at the very least, to enter a commitment appropriation for 1979. This appropriation could be used in 1980.

\* \* \*

Draft Amendment No 173

tabled Mr Ripamonti on behalf of the Christian-Democratic Group

## Section III — Commission

## PAYMENTS

Title 5 — Social and Regional Funds

Chapter 50 — Social Fund — Expenditure provided for under Article 4 of the Council Decision of 1 February 1971

Article 510 — Measures to improve the employment situation in certain regions, economic sectors adapting to technical progress or groups of companies

(A) *Expenditure*

Increase the payment appropriations by 119 000 000 EUA (from 231 000 000 to 350 000 000 EUA) ( 17 000 000 EUA more than the figure proposed by the Commission in the preliminary draft budget)

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

Increase the commitment appropriation by 65 000 000 EUA (from 315 000 000 to 380 000 000 EUA)

*Schedule*

Amend the schedule of payments as follows :

The commitment appropriation authorized for 1979 is 380 000 000 EUA <sup>1</sup>

The likely schedule of payments against commitment is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	473 300 000	206 000 000	56 700 000	110 600 000	100 000 000
Appropriations for commitment remaining from 1977	—	—	—	—	—
Appropriations for commitment 1978	281 000 000	69 000 000	94 300 000	58 900 000	58 800 000
Appropriations for commitment 1979	380 000 000	—	105 000 000	125 000 000	150 000 000
Total	1 134 300 000	275 000 000	256 000 000	294 500 000	308 800 000

## REMARKS

Amend the remarks as follows :

Council Decision 71/66/EEC of 1 February 1971 on the reform of the European Social Fund (OJ L of 4. 2. 1971, p. 15), as amended by Council Decision 77/801/EEC of 20 December 1977 (OJ L 337 of 27. 12. 1977, p. 8) and in particular Article 5 (1), subparagraphs (a), (b) and (c) thereof.

Council Regulation (EEC) No 2396/71 of 8 November 1971 implementing the Council Decision of 1 February 1971 on the reform of the European Social Fund (OJ L 249 of 10. 11. 1971, p. 54), as amended by Council Regulation 1977, p. 1), and in particular Article 1 (1) and (3) and Article 3 (1) thereof,

Proposal for a Council Regulation (EEC) introducing new aid from the European Social Fund for young people and draft Council Decision amending Decision 75/459/EEC of 22 July 1975 on aid from the European Social Fund for persons affected by employment difficulties, as amended by Decision 77/802/EEC of 20 December 1977, submitted by the Commission to the Council on 10 April 1978 (OJ C 100 of 25. 4. 1978, p. 4).

## JUSTIFICATION

Neither the Commission nor the Council has made any appreciable increase over the 1978 appropriations although it is unacceptable that Community measures to improve the employment situation should fail to make any headway.

\* \* \*

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977



Draft amendment No 174  
tabled by Mr Ripamonti on behalf of the Christian-Democratic Group

### Section III — Commission

#### PAYMENTS

- Title 5 — Social and Regional Funds  
Chapter 50 — Social Fund — Expenditure provided for under Article 4 of the Council Decision of 1 February 1971  
Article 501 — Amend the heading of this Article as follows : Aid for vocational training and aid to promote employment

#### (A) *Expenditure*

Increase the payment appropriation by 70 000 000 EUA (from 145 000 000 to 215 000 000 EUA) (reinstatement of the overall appropriation shown against Article 501, Items 5010 and 5011, in the preliminary draft budget)

#### (B) *Compensation*

—

#### (C) *Revenue*

Increase revenue by the same amount

#### COMMITMENTS

Increase the commitment appropriation by 55 000 000 EUA (from 230 000 000 to 285 000 000 EUA) (reinstatement of the overall appropriation shown against Article 501, Items 5010 and 5011, in the preliminary draft budget)

#### *Schedule*

Amend the schedule as follows :

The commitment appropriation authorized for 1979 is 285 000 000 EUA.<sup>1</sup> The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments made before 1978 to be paid from new appropriations for payment	193 700 000	75 000 000	85 000 000	33 700 000	—
Appropriations for commitment remaining from 1977	—	—	—	—	—
Appropriations for commitment 1978	179 000 000	44 000 000	60 000 000	43 700 000	31 300 000
Appropriations for commitment 1979	285 000 000	—	70 000 000	97 600 176	117 400 000
<b>Total</b>	<b>657 700 000</b>	<b>119 000 000</b>	<b>215 000 000</b>	<b>175 000 176</b>	<b>148 700 000</b>

#### REMARKS

Amend the remarks as follows :

Council Decision 75/459/EEC of 22 July 1975 on intervention by the European Social Fund in favour of persons affected by employment difficulties (OJ L 199 of 30. 7. 1975, p. 36) Council

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977

Decision 77/802/EEC of 20 December 1977 amending certain decisions adopted pursuant to Article 4 of Decision 71/66/EEC on the reform of the European Social Fund (OJ L 337 27. 12. 1977) Proposal for a Council Regulation (EEC) amending Decision 75/459/EEC of 22 July 1975 on intervention by the European Social Fund in favour of persons affected by employment difficulties, as amended by Decision 77/802/EEC of 20. 12. 1977.

#### JUSTIFICATION

It is extremely difficult to understand why the Council, in a period of manifest crisis as far as the employment of young people is concerned, should have cut the appropriations proposed by the Commission in the preliminary draft budget, despite the decisions taken by the European Council meeting in Bremen. Furthermore, even the figure proposed is far from satisfactory when the scale of the problem is considered.

\* \* \*

Draft amendment No 175

tabled by Mr Ripamonti on behalf of the Christian-Democratic Group

Section III — Commission

#### PAYMENTS

- |             |  |
|-------------|--|
| Title 3     | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 32  | — Expenditure under the energy policy  |
| Article 324 | — Aids to demonstration projects under the Community energy programme  |
| Item 3240   | — Community energy saving programme  |

#### (A) *Expenditure*

Re-enter a payment appropriation of 7 000 000 EUA as proposed by the Commission in the preliminary draft budget.

#### (B) *Compensation*

Delete the appropriation of 7 000 000 EUA in Chapter 100 — provisional appropriations — earmarked for Item 3240

#### (C) *Revenue*

Unchanged

#### COMMITMENTS

- Enter a commitment appropriation of 16 000 000 EUA against Item 3240 (reinstatement of the appropriation shown in the preliminary draft budget)
- Delete the commitment appropriation of 16 000 000 EUA shown in Chapter 100

#### *Schedule*

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1979 is 16 000 000 EUA<sup>1</sup>

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977

The likely schedule of payments against commitments is as follows :

(in ECU)

Commitments		Payments			
		1978	1979	1980	1981
Appropriations for commitment 1978	4 000 000	2 000 000	1 000 000	1 000 000	—
Appropriations for commitment 1979	16 000 000	—	6 000 000	5 000 000	5 000 000
Total	20 000 000	2 000 000	7 000 000	6 000 000	5 000 000

#### REMARKS

Amend the remarks as follows :

Delete the footnote reading 'This appropriation is entered in Chapter 100'

#### JUSTIFICATION

There is no reason why those appropriations should not be entered on the line since the Council adopted the relevant Community programme in June 1978.

\* \* \*

Draft amendment No 176

tabled by Mr Aigner, on behalf of the Christian-Democratic Group

#### Section III — Commission

#### PAYMENTS

Title 2 — Buildings' equipment and miscellaneous administrative expenditure  
 Chapter 28 — Subsidies for balancing budgets  
 Article 282 — European Communities' Institute for Economic Analysis and Research

#### (A) Expenditure

Enter appropriations of 3 050 000 ECU (instead of the token entry)

#### (B) Compensation

—

#### (C) Revenue

Increase revenue by the same amount

#### COMMITMENTS

—

#### Schedule

#### REMARKS

See the proposal from the Commission to the Council (Doc. COM(75) 31 final of 10. 10. 1975). The appropriation is frozen. The Commission is requested to see to it that the Council takes a decision in good time on the creation of the Institute for Economic Research. Should no such

decision be taken, the Commission is asked to submit a corresponding proposal to Parliament with a request for the appropriations to be released. In this particular instance, the term 'in good time' means that the political wishes of the budgetary authority will be implemented in the course of the financial year.

### JUSTIFICATION

For some years there has been general agreement on the fact that the Community requires an independent agency to conduct medium and long-term economic research; this agency would have a broader fund of specialized knowledge at its disposal than Directorate-General II of the Commission.

The Commission submitted its proposal for the creation of this institute in October 1975. Parliament delivered its opinion in March 1976. Since then the Council has been unable to take a decision on the proposal, apparently because of the inflexible attitude of one delegation.

The Commission has partly given way to the first signs of resistance and entered a lower amount in Chapter 100 of its preliminary draft budget; it assumed that the Council would readily agree to a transfer of appropriations from 1978 (when 3 050 000 EUA were entered again under Chapter 100).

However, in its draft budget the Council has deleted all these appropriations; it explains in Volume 7 that it did not consider it necessary to enter appropriations for Article 282 in Chapter 100 since it had not yet taken a decision in the Commission's proposal.

The author of this amendment is of the opinion that the full amount (i.e., an appropriation sufficient for the first year) should be entered on the budget line to ensure that there are no further delays. This amendment might perhaps encourage the Council to take action, and would at all events show that Parliament has not entirely forgotten the Commission's proposal despite the time which has now elapsed.

\* \* \*

Draft Amendment No 177

tabled by Mr Bersani, on behalf of the Christian-Democratic Group

### Section III — Commission

#### PAYMENTS

- Title 9 — Cooperation with developing countries and other non-member states
- Chapter 94 — Specific measures for cooperation with developing countries
- Article 947 — Community participation in the International Fund for Agricultural Development (IFAD)

#### (A) *Expenditure*

Amend the title of Article 947 as follows: 'Community aid for agricultural development'

Delete the token entry

Create a new item 9472: 'Special measures to develop agricultural potential in the ACP countries'

Enter a payment appropriation of 1 000 000 EUA

#### (B) *Compensation*

—

#### (C) *Revenue*

Increase revenue by the same amount

#### Commitments

—

## REMARKS

Enter the following remark against item 9472 :

This appropriation is intended to promote certain demonstration projects in the rural areas of the ACP. Despite the efforts made up to now through individual projects in the various countries, the direction taken by agricultural development in general has been disturbing, particularly from the angle of food supplies.

\* \* \*

Draft Amendment No 182  
tabled by the Committee on Development and Cooperation

## Section III — Commission

## List of Posts

Increase the staff of Directorate-General VIII by the creation of the following posts :

- 1 A/2
- 3 A/5-4
- 9 A/7-6
- 6 B/3-2
- 12 B/5-4
- 15 C/3-2
- 3 A/3 temporary
- 7 A/5-4 Lemporary

## PAYMENTS

(A) *Expenditure*

Increase the payment appropriation by 664 800 EUA<sup>1</sup>

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount <sup>2</sup>

*Schedule*

—

## REMARKS

—

*Justification*

Over a number of years the responsibilities of the Commission's Development Directorate-General have grown and become more varied. This is partly explained by the implementation of new operations (non-associated developing countries, NGOs, etc.). Moreover, there is now considerable activity in connection with the implementation of the Lomé Convention and the Maghreb, Mashrek and Israel agreements.

As far as the Lomé Convention is concerned, the ACP-EEC Joint Committee has on a number of occasions deplored the delays in implementing some of its provisions as a result of inadequate staffing in the Commission Directorate-General concerned.

<sup>1</sup> Break down this payment appropriation as follows :

Chapter 11	— 560 000 EUA
Chapter 12	— 104 000 EUA

<sup>2</sup> This increase in revenue includes an increase in taxation on staff remuneration of 112 300 EUA.

In order to remedy this situation and bring its staffing level in line with the work to be performed, the Commission requested in its preliminary draft budget the creation of the above posts for the Development Directorate-General.

It would be inconsistent for the European Parliament to deplore the delays in the implementation of the various development aid policies whilst at the same time refusing to allocate to the Commission the staff essential for this purpose. The Committee on Development and Cooperation therefore requests the reinstatement in their entirety in the 1979 budget of the Commission's requests.

\* \* \*

#### Draft amendment No 183

tabled by Mr Spinelli, Mr Sandri, Mr Vitale, Mrs Squarcialupi and Mr Mascagni

#### Section III — Commission

##### PAYMENTS

- Title 3 — Community policies in regard, particularly, to research technology, industry, the social sector, the environment and the supply of energy and raw materials.
- Chapter 32 — Expenditure under the energy policy
- Article 323 — Operations in the coal sector
- Item 3232 — Aids for intra-Community trade in power-station coal

##### (A) *Expenditure*

- Delete Item 3232
- Delete the token entry

##### (B) *Compensation*

—

##### (C) *Revenue*

—

##### COMMITMENTS

—

#### *Schedule*

##### REMARKS

Delete the remarks

#### JUSTIFICATION

The increase requested by the Commission under energy policy in comparison with 1978 was 169 000 000 EUA, which included 140 000 000 EUA for the coal sector alone. More specifically, the Commission called for, on the basis of the communication to the Council of 23 February 1978, an appropriation of 100 000 000 EUA for non-refundable aid to intra-Community trade in power-station coal. In actual fact, however, spending on Community coal will be higher, since aids to the stockpiling of coal should be added.

Once again this year, the policy of aid for Community coal provides protection for an industrial sector in a state of crisis and, instead of being protected, it should be reconverted. This holds particularly true in that the price of Community coal is so much higher than the world price that if coal really accounted for a high proportion of our energy production, the cost of energy in the Community would be far too high.

For those reasons, the item should be deleted until such time as an energy policy is devised — including the coal sector — that is better geared to the market situation and Community requirements.

\* \* \*

Draft Amendment No 184  
tabled by the Committee on Development and Cooperation

### Section III — Commission

#### PAYMENTS

Title 9 — Cooperation with developing countries and other non-Member States  
Chapter 92 — Food aid  
Article 920 — Food aid in cereals  
Item 9201 — 1979 programme

#### (A) *Expenditure*

—

#### (B) *Compensation*

—

#### (C) *Revenue*

—

#### Commitments

Enter a commitment appropriation of 512 000 000 EUA.

#### *Schedule*

Enter the following schedule :

The commitment appropriation authorized for 1979 is 512 000 000 EUA<sup>1</sup>.

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Appropriations for commitment 1979	512 000 000		138 605 000	166 580 000	206 880 000

#### REMARKS

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977

## JUSTIFICATION

In its Resolution of 20 January 1978 on the 1978 Food Aid Programme submitted by the Commission, the European Parliament considered that Community food aid could only be effective if rules were laid down with an eye to a long-term development strategy or policy. It specifically called on the Council to enter into multiannual commitments so that food aid measures could be made part and parcel of the development so that food aid measures could be made part and parcel of the development programmes (aid to projects). From the budget point of view this means that commitment appropriations must be entered. The commitment appropriations must be entered. The commitment appropriation of 512 000 000 EUA covers the total payment appropriation for 1979, 1980 and 1981 required for the supply of 1 135 000 tonnes, 1 240 000 tonnes and 1 400 000 tonnes respectively which correspond to the three year estimates drawn up by the Commission on the basis of the food aid agreement (annex to international wheat agreement) which provides for the annual delivery of 1 650 000 tonnes of cereals by the Community and the Member States.

\* \* \*

Draft Amendment No 185  
tabled by the Committee on Development and Cooperation

## Section III — Commission

## PAYMENTS

Title 9	— Cooperation with the developing countries and non-member states
Chapter 92	— Food aid
Article 921	— Food aid in milk products
Item 9211	— 1979 skimmed milk powder programme

(A) *Expenditure*

—

(B) *Compensation*

—

(C) *Revenue*

—

## Commitments

Enter a commitment appropriation of 387 932 000 EUA

*Schedule*

Enter the following schedule :

The commitment appropriation authorized for 1979 is 387 932 000 EUA<sup>1</sup>

<sup>1</sup> See Art 1 (2) of the Financial Regulation of 21 December 1977



The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment					
Appropriations for commitment remaining					
Appropriations for commitment 1978					
Appropriations for commitment 1979	387 932 000		117 200 000	128 920 000	141 812 000
Total					

#### REMARKS

#### JUSTIFICATION

In its Resolution of 20 January 1978 on the 1978 Food Aid Programme submitted by the Commission, the European Parliament considered that Community food aid could only be effective if rules were laid down with an eye to a long-term development strategy or policy. It specifically called on the Council to enter into multi-annual commitments so that food aid measures could be made part and parcel of the development programmes (aid to projects).

This means that commitment appropriations must be entered in the budget.

The commitment appropriation of 387 932 000 EUA corresponds to the total payment appropriations for 1979, 1980 and 1981 required for the annual supply of 200 000 tonnes of skimmed milk powder, including 31 000 tonnes annually for India under the Flood II programme.

\* \* \*

Draft amendment No 186  
tabled by the Committee on Development and Cooperation

#### Section III — Commission

#### PAYMENTS

Title 9 — Cooperation with the developing countries and non-member states  
Chapter 92 — Food aid  
Article 921 — Food aid in milk products  
Item 9213 — 1979 butteroil programme

#### (A) Expenditure

—

#### (B) Compensation

—

#### (C) Revenue

—

## COMMITMENTS

Enter a commitment appropriation of 251 679 160 EUA

*Schedule*

Enter the following schedule :

The commitment appropriation authorized for 1979 is 251 679 160 EUA<sup>1</sup>

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments		
		1979	1980	1981
1979 appropriations	251 679 160	76 036 000	83 639 600	92 003 560

## REMARKS

## JUSTIFICATION

In its Resolution of 20 January 1978 on the 1978 Food Aid Programme submitted by the Commission, the European Parliament considered that Community food aid could **only** be effective if rules were laid down with an eye to a long-term development strategy or policy. It specifically called on the Council to enter into multi-annual commitments so that food aid **measures** could made part and parcel of the development programmes (aid to projects).

This means that commitment appropriations must be entered in the **budget**.

The commitment appropriation of 251 679 160 EUA corresponds to the total payment appropriations for 1979, 1980 and 1981 required for the annual supply of 55 000 tonnes of butteroil, including 12 700 tonnes annually for India under the Flood II programme.

\* \* \*

Draft amendment No 187

tabled by the Committee on Development and Cooperation

## Section III — Commission

## PAYMENTS

Title 9 — Cooperation with developing countries and other non-Member States  
 Chapter 92 — Food aid  
 Article 922 — Food aid in sugar  
 Item 9221 — 1979 programme

(A) *Expenditure*

—

(B) *Compensation*

—

(C) *Revenue*

—

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977

**COMMITMENTS**

Enter a commitment appropriation of 7 785 120 EUA.

*Schedule*

Enter the following schedule :

The commitment appropriation authorized for 1979 is 7 785 120 EUA<sup>1</sup>.

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment					
Appropriations for commitment remaining					
Appropriations for commitment 1978					
Appropriations for commitment 1979	7 785 120		2 352 000	2 587 000	2 845 920
Total					

**REMARKS****JUSTIFICATION**

In its Resolution of 20 January 1978 on the 1978 Food Aid Programme submitted by the Commission, the European Parliament considered that Community food aid could only be effective if rules were laid down with an eye to a long-term development strategy or policy. It specifically called on the Council to enter into multi-annual commitments so that food aid measures could be made part and parcel of the development programmes (aid to projects).

This means that commitment appropriations must be entered in the budget.

The commitment appropriation of 7 785 120 EUA corresponds to the total payment appropriations for 1979, 1980 and 1981 required for the annual supply of 10 000 tonnes of sugar, including 6 153 tonnes for UNRWA, pursuant to the agreement between the EEC and the Agency.

\* \* \*

Draft amendment No 188  
tabled by the Committee on Budgets

**Section III — Commission**

Titles 6 & 7 — European Agricultural Guidance and Guarantee Fund — Guarantee Section  
Chapter 62 — Milk and milk products  
Article 621 — Intervention in respect of skimmed milk  
Item 6217 — Public storage and special disposal measures  
Sub-item 62170 — Technical cost  
(new)

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977

Sub-item 62171 — Financial cost  
(new)

Sub-item 62172 — Gap between purchase and sale price  
(new)

(A) *Expenditure*

Create new sub-items :

Sub-item 62170 entitled 'Technical cost'

Sub-item 62171 entitled 'Financial cost'

Sub-item 62172 entitled 'Gap between purchase and sale price.'

Breakdown appropriations between them.

(B) *Compensation*

—

(C) *Revenue*

—

COMMITMENTS

—

*Schedule*

—

REMARKS

Enter the following remarks :

Sub-item 62170 This sub-item is destined to finance the necessary technical and non-financial costs arising directly from storage.

Sub-item 62171 This sub-item is destined to cover the payment of interest rates and other financial costs arising from storage.

Sub-item 62172 This sub-item is destined to cover any losses arising directly or indirectly from the difference between the purchase and sale price of products during storage. This cost to the Community budget can arise from three different elements :

(i) deterioration of stocks ;

(ii) fall in market price ;

(iii) supplementary measures to encourage the utilisation of surpluses (notably in Articles 6 and 12 of EEC Regulation 804/68 — beneficiaries of social assistance, etc.)

These remarks commit the Commission to set up, during the financial year, a system of accounting which will correspond with the new breakdown of appropriations for stocks.

JUSTIFICATION

For many years the European Parliament has expressed its concern at the growth of expenditure on storage resulting from the accumulation of vast surpluses through the workings of the Common Agricultural Policy.

Independently of modifications tabled to limit the size of expenditure, it is appropriate, and in conformity with Parliament's wishes, to enhance budgetary transparency by breaking down the individual budgetary lines into their appropriate elements :

— physical storage costs ;

— interest payments ;

— losses through storage.

It has emerged, after years of investigation, that the largest single element in storage costs has been due to losses, either through deterioration or through special measures necessary to use up stocks.

This increased budgetary transparency will, therefore, clearly show the major elements of expenditure and conforms with, therefore, clearly show the major elements of expenditure and conforms with the views of the Budgets Committee of the European Parliament that where large items of expenditure arise, they should be broken down to facilitate budgetary control.

The Committee on Budgets and the European Parliament have taken unambiguous positions on the need for such breakdowns in the context of storage of agricultural surpluses. In particular, the author of this amendment and Mr Richie Ryan, rapporteur for the European Parliament on a proposal from intervention by the EAGGF Guarantee Section, presented the following amendment to the resolution which was adopted by Parliament:

'Invites the Commission, in the interest of budgetary transparency, to present, as soon as possible, a breakdown of the budgetary lines under Titles VI and VII so as to show separately the expenditure arising from normal storage costs, from deterioration in storage and from interest charges.' (Doc. 78/78, paragraph 6 of resolution)

It is appropriate that, in view of the widespread and increasing concern about storage costs, and their actual destination, that such an improvement in the presentation will take place immediately. This budgetary amendment would, therefore, act as an instruction and an incitement to the Commission to establish a system of accounting in 1979 capable of providing this greater budgetary transparency. After the budgetary authority has agreed on the level of appropriations for storage it will be necessary to divide these appropriations according to the new budgetary nomenclature. This breakdown can, therefore, only be made at the time of the second reading.

This new nomenclature is not only aimed at increasing budgetary transparency (which is not just a formal element but one of substance, given that Parliament should be able to assess the relative importance of different policy instruments from which these appropriations result but also is vital in order to improve Parliamentary scrutiny and control of the implementation of expenditure.

For the moment, under the Financial Regulation, Parliament is only informed of the very numerous transfers during the financial year from Chapter to Chapter within the Guarantee Section of the EAGGF. Council decides on the basis of a Commission proposal. As regards transfers within Chapters, these are decided by the Commission on its own.

Under this system, Parliament may be confronted, at the end of a financial year, as regards the Guarantee Section of the EAGGF, with a budget which is very different from the one it approved, without there being a systematic informing of Parliament when these transfers are made. The solution to these problems does not reside exclusively in this amendment, but this amendment is, nonetheless, the first step in achieving greater budgetary transparency and control.

\* \* \*

Draft Amendment No 189  
tabled by the Committee on Budgets

### Section III — Commission

#### PAYMENTS

- Titles 6 & 7 — European Agricultural Guidance and Guarantee Fund — Guarantee Section
- Chapter 62 — Milk and milk products
- Article 622 — Intervention in respect of butter and cream
- Item 6221 — Public storage and special disposal measures for butter stocks
- Sub-item 62210 — Technical cost  
(new)
- Sub-item 62211 — Financial cost  
(new)
- Sub-item 62212 — Gap between purchase and sale price  
(new)

#### (A) *Expenditure*

- Create new sub-items:
- Sub-item 62210 entitled 'Technical cost'
- Sub-item 62211 entitled 'Financial cost'
- Sub-item 62212 entitled 'Gap between purchase and sale price'.
- Breakdown appropriations between them.

#### (B) *Compensation*

—

**(C) Revenue****COMMITMENTS***Schedule***REMARKS**

Enter the following remarks :

'Sub-item 62210 This sub-item is destined to finance the necessary technical and non-financial costs arising directly from storage.

Sub-item 62211 This sub-item is destined to cover the payment of interest rates and other financial costs arising from storage.

Sub-item 62212 This sub-item is destined to cover any losses arising directly or indirectly from the difference between the purchase and sale price of products during storage. This cost to the Community budget can arise from three different elements :

- (i) deterioration of stocks ;
- (ii) fall in market price ;
- (iii) supplementary measures to encourage the utilisation of surpluses (notably in Articles 6 and 12 of EEC Regulation 804/68 — beneficiaries of social assistance, etc.)'

These remarks commit the Commission to set up, during the financial year, a system of accounting which will correspond with the new breakdown of appropriations for stocks.

**JUSTIFICATION**

For many years the European Parliament has expressed its concern at the growth of expenditure on storage resulting from the accumulation of vast surpluses through the workings of the Common Agricultural Policy.

Independently of modifications tabled to limit the size of expenditure, it is appropriate, and in conformity with Parliament's wishes, to enhance budgetary transparency by breaking down the individual budgetary lines into their appropriate elements :

- physical storage costs ;
- interest payments ;
- losses through storage.

It has emerged, after years investigation, that the largest single element in storage costs has been due to losses, either through deterioration or through special measures necessary to use up stocks.

This increased budgetary transparency will, therefore, clearly show the major elements of expenditure and conforms with the views of the Budgets Committee of the European Parliament that where large items of expenditure arise, they should be broken down to facilitate budgetary control.

The Committee on Budgets and the European Parliament have taken unambiguous positions on the need for such breakdowns in the context of storage of agricultural surpluses. In particular, the author of this amendment and Mr Richie Ryan, rapporteur for the European Parliament on a proposal from the Commission laying down general rules for the financing of certain intervention by the EAGGF Guarantee Section, presented the following amendment to the resolution which was adopted by Parliament :

'Invites the Commission, in the interests of budgetary transparency, to present, as soon as possible, a breakdown of the budgetary lines under Titles VI and VII so as to show separately the expenditure arising from normal storage costs, from deterioration in storage and from interest charges.' (Doc. 78/78, paragraph 6 of resolution)

It is appropriate that, in view of the widespread and increasing concern about storage costs, and their actual destination, that such an improvement in the presentation will take place immediately. This budgetary amendment would, therefore, act as an instruction and an incitement to the Commission to establish a system of accounting in 1979 capable of providing this greater budgetary transparency.

After the budgetary authority has agreed on the level of appropriations for storage it will be necessary to divide these appropriations according to the new budgetary nomenclature. This breakdown can, therefore, only be made at the time of the second reading.

This new nomenclature is not only aimed at increasing budgetary transparency (which is not just a formal element but one of substance, given that Parliament should be able to assess the relative importance of different policy instruments from which these appropriations result) but also is vital in order to improve Parliamentary scrutiny and control of the implementation of expenditure.

For the moment, under the Financial Regulation, Parliament is only informed of the very numerous transfers during the financial year from Chapter to Chapter within the Guarantee Section of the EAGGF. Council decides on the basis of a Commission proposal. As regards transfers within Chapters, these are decided by the Commission on its own.

Under this system, Parliament may be confronted, at the end of a financial year, as regards the Guarantee Section of the EAGGF, with a budget which is very different from the one it approved, without there being a systematic informing of Parliament when these transfers are made. The solution to these problems does not reside exclusively in this amendment, but this amendment is, nonetheless, the first step in achieving greater budgetary transparency and control.

\* \* \*

Draft Amendment No 190  
tabled by the Committee on Budgets

### Section III — Commission

#### PAYMENTS

Titles 6 & 7 — European Agricultural Guidance and Guarantee Fund — Guarantee Section

Chapter 62 — Milk and milk products

Article 623 — Intervention in respect of other milk products

Item 6230 — Storage of cheese

Sub-item 62300 — Technical cost

(new)

Sub-item 62301 — Financial cost

(new)

Sub-item 62302 — Gap between purchase and sale price

(new)

#### (A) *Expenditure*

Create new sub-items :

Sub-item 62300 entitled 'Technical cost'

Sub-item 62301 entitled 'Financial cost'

Sub-item 62302 entitled 'Gap between purchase and sale price'.

Breakdown appropriations between them.

#### (B) *Compensation*

—

#### (C) *Revenue*

—

#### COMMITMENTS

—

#### *Schedule*

—

#### REMARKS

Enter the following remarks :

'Sub-item 62300 This sub-item is destined to finance the necessary technical and non-financial costs arising directly from storage.

Sub-item 62301 This sub-item is destined to cover the payment of interest rates and other financial costs arising from storage.

Sub-item 62302 This sub-item is destined to cover any losses arising directly or indirectly from the difference between the purchase and sale price of products during storage. This cost to the Community budget can arise from three different elements :

- (i) deterioration of stocks ;
- (ii) fall in market price ;
- (iii) supplementary measures to encourage the utilisation of surpluses (notably in Articles 6 and 12 of EEC Regulation 804/68 — beneficiaries of social assistance, etc.)

These remarks commit the Commission to set up during the financial year, a system of accounting which will correspond with the new breakdown of appropriations for stocks.

### JUSTIFICATION

For many years the European Parliament has expressed its concern the growth of expenditure on storage resulting from the accumulation of vast surpluses through the workings of the Common Agricultural Policy.

Independently of modifications tabled to limit the size of expenditure, it is appropriate, and in conformity with Parliament's wishes, to enhance budgetary transparency by breaking down the individual budgetary lines into their appropriate elements :

- physical storage costs ;
- interest payments ;
- losses through storage.

It has emerged, after years of investigation, that the largest single element in storage costs has been due to losses, either through deterioration or through special measures necessary to use up stocks. This increased budgetary transparency will, therefore, clearly show the major elements of expenditure and conforms with the views of the Budgets Committee of the European Parliament that where large items of expenditure arise, they should be broken down to facilitate budgetary control.

The Committee on Budgets and the European Parliament have taken unambiguous positions on the need for such breakdowns in the context of storage of agricultural surpluses. In particular, the author of this amendment and Mr Richie Ryan, rapporteur for the European Parliament on a proposal from the Commission laying down general rules for the financing of certain intervention by the EAGGF Guarantee Section, presented the following amendment to the resolution which was adopted by Parliament :

'Invites the Commission, in the interests of budgetary transparency, to present, as soon as possible, a breakdown of the budgetary lines under Titles VI and VII so as to show separately the expenditure arising from normal storage costs, from deterioration in storage and from interest charges.' (Doc. 78/78, paragraph 6 of resolution)

It is appropriate that, in view of the widespread and increasing concern about storage costs, and their actual destination, that such an improvement in the presentation will take place immediately. This budgetary amendment would, therefore, act as an instruction and an incitement to the Commission to establish a system of accounting in 1979 capable of providing this great budgetary transparency.

After the budgetary authority has agreed on the level of appropriations for storage it will be necessary to divide these appropriations according to the new budgetary nomenclature. This breakdown can, therefore, only be made at the time of the second reading.

This new nomenclature is not only aimed at increasing budgetary transparency (which is not just a formal element but one of substance, given that Parliament should be able to assess the relative importance of different policy instruments from which these appropriations result) but also is vital in order to improve Parliamentary scrutiny and control of the implementation of expenditure.

For the moment, under the Financial Regulation, Parliament is only informed of the very numerous transfers during the financial year from Chapter to Chapter within the Guarantee Section of the EAGGF. Council decides on the basis of a Commission proposal. As regards transfers within Chapters, these are decided by the Commission on its own.

Under this system, Parliament may be confronted, at the end of a financial year, as regards the Guarantee Section of the EAGGF, with a budget which is very different from the one it approved, without there being a systematic informing of Parliament when these transfers are made. The solution to these problems does not reside exclusively in this amendment but this amendment is, nonetheless, the first step in achieving greater budgetary transparency and control.



Draft amendment No 191  
tabled the Committee on Budgets

### Section III — Commission

#### PAYMENTS

Titles 6 & 7 — European Agricultural Guidance and Guarantee Fund — Guarantee Section  
Chapter 64 — Sugar  
Article 641 — Intervention in respect of sugar  
Item 6412 — Reimbursement of storage costs  
Sub-item 64120 — Technical cost  
(new)  
Sub-item 64121 — Financial cost  
(new)  
Sub-item 64122 — Gap between purchase and sale price  
(new)

#### (A) *Expenditure*

Create new sub-items :  
Sub-item 64120 entitled 'Technical cost'  
Sub-item 64121 entitled 'Financial cost'  
Sub-item 64122 entitled 'Gap between purchase and sale price'.  
Breakdown appropriations between them.

#### (B) *Compensation*

—

#### (C) *Revenue*

—

#### COMMITMENTS

—

#### *Schedule*

—

#### REMARKS

Enter the following remarks :

'Sub-item 64120 This sub-item is destined to finance the necessary technical and non-financial costs arising directly from storage.

Sub-item 64121 This sub-item is destined to cover the payment of interest rates and other financial costs arising directly from storage.

Sub-item 64122 This sub-item is destined to cover any losses arising directly or indirectly from the difference between the purchase and sale price of products during storage. This cost to the Community budget can arise from three different elements :

(i) deterioration of stocks ;

(ii) fall in market price ;

(iii) supplementary measures to encourage the utilisation of surpluses.

These remarks commit the Commission to set up during the financial year, a system of accounting which will correspond with the new breakdown of appropriations for stocks.'

#### JUSTIFICATION

For many years the European Parliament has expressed its concern at the growth of expenditure on storage resulting from the accumulation of vast surpluses through the workings of the Common Agricultural Policy.

Independently of modifications tabled to limit the size of expenditure, it is appropriate, and in conformity with Parliament's wishes, to enhance budgetary transparency by breaking down the individual budgetary lines into their appropriate elements:

- physical storage costs;
- interest payments;
- losses through storage.

It has emerged, after years of investigation, that the largest single element in storage costs has been due to losses, either through deterioration or through measures necessary to use up stocks.

This increased budgetary transparency will, therefore, clearly show the major elements of expenditure and conforms with the views of the Budgets Committee of the European Parliament that where large items of expenditure arise, they should be broken down to facilitate budgetary control.

The Committee on Budgets and the European Parliament have taken unambiguous positions on the need for such breakdowns in the context of storage of agricultural surpluses. In particular, the author of this amendment and Mr Richie Ryan, rapporteur for the European Parliament on a proposal from the Commission laying down general rules for the financing of certain intervention by the EAGGF Guarantee Section, presented the following amendments to the resolution which was adopted by Parliament:

'Invites the Commission, in the interests of budgetary transparency lines under Titles VI and VII so as to show separately the expenditure arising from normal storage costs, from deterioration in storage and from interest charges.' (Doc. 78/78, paragraph 6 of resolution)

It is appropriate that, in view of the widespread and increasing concern about storage costs, and their actual destination, that such an improvement in the presentation will take place immediately. This budgetary amendment would therefore, act as an instruction and an incitement to the Commission to establish a system of accounting in 1979 capable of providing this greater budgetary transparency.

After the budgetary authority has agreed on the level of appropriations for storage it will be necessary to divide these appropriations according to the new budgetary nomenclature. This breakdown can, therefore, only be made at the time of the second reading.

This new nomenclature is not only aimed at increasing budgetary transparency (which is not just a formal element but one of substance, given that Parliament should be able to assess the relative importance of different policy instruments from which these appropriations result) but also is vital in order to improve Parliamentary scrutiny and control of the implementation of expenditure.

For the moment, under the Financial Regulation, Parliament is only informed of the very numerous transfers during the financial year from Chapter to Chapter within the Guarantee Section of the EAGGF. Council decides on the basis of a Commission proposal. As regards transfers within Chapters, these are decided by the Commission on its own.

Under this system, Parliament may be confronted, at the end of a financial year, as regard the Guarantee Section of the EAGGF, with a budget which is very different from the one it approved, without there being a systematic informing of Parliament when these transfers are made. The solution to these problems does not reside exclusively in this amendment, but this amendment is, nonetheless, the first step in achieving greater budgetary transparency and control.

\* \* \*

Draft amendment No 296  
tabled by the Committee on Budgets

### Section III — Commission

#### PAYMENTS

- Titles 6 & 7 — European Agricultural Guidance and Guarantee Fund — Guarantee Section
- Chapter 65 — Beef and veal
- Article 651 — Intervention in respect of the storage of beef and veal
- Item 6511 — Public storage
- Sub-item 65110 — Technical cost  
(new)
- Sub-item 65111 — Financial cost  
(new)
- Sub-item 65112 — Gap between purchase and sale price  
(new)

*(A) Expenditure*

Create new sub-items :

Sub-item 65110 entitled 'Technical cost'

Sub-item 65111 entitled 'Financial cost'

Sub-item 65112 entitled 'Gap between purchase and sale price'.

Breakdown appropriations between them.

*(B) Compensation*

—

*(C) Revenue*

—

## COMMITMENTS

—

*Schedule*

—

Enter the following remarks :

'Sub-item 65110 This sub-item is destined to finance the necessary technical and non-financial costs arising directly from storage.

Sub-item 65111 This sub-item is destined to cover the payment of interest rates and other financial costs arising from storage.

Sub-item 65112 This sub-item is destined to cover any losses arising directly or indirectly from the difference between the purchase and sale price of products during storage. This cost to the Community budget can arise from three different elements :

(i) deterioration of stocks ;

(ii) fall in market price ;

(iii) supplementary measures to encourage the utilisation of surpluses.

These remarks commit the Commission to set up, during the financial year a system of accounting which will correspond with the new breakdown of appropriations for stocks.

## JUSTIFICATION

For many years the European Parliament has expressed its concern at the growth of expenditure on storage resulting from the accumulation of vast surpluses through the workings of the Common Agricultural Policy.

Independently of modifications tabled to limit the size of expenditure, it is appropriate, and in conformity with Parliament's wishes, to exchange budgetary transparency by breaking down the individual budgetary lines into their appropriate elements :

— physical storage costs ;

— interest payments ;

— losses through storage.

It has emerged, after years of investigation, that the largest single element in storage costs has been due to losses, either through deterioration or through special measures necessary to use up stocks.

This increased budgetary transparency will, therefore, clearly show the major elements of expenditure and conforms with the views of the Budgets Committee of the European Parliament that where large items of expenditure arise, they should be broken down to facilitate budgetary control.

The Committee on Budgets and the European Parliament have taken unambiguous positions on the need for such breakdowns in the context of storage of agricultural surpluses. In particular, the author of this amendment and Mr Richie Ryan, rapporteur for the European Parliament on a proposal from the Commission laying down general rules for the financing of certain intervention by the EAGGF Guarantee Section, presented the following amendments to the resolution which was adopted by Parliament :

'Invites the Commission, in the interests of budgetary transparency, to present, as soon as possible, a breakdown of the budgetary lines under Titles VI and VII so as to show separately the expenditure arising from normal storage costs, from deterioration in storage and from interest charges.' (Doc. 78/78, paragraph 6 of resolution)

It is appropriate that, in view of the widespread and increasing concern about storage costs, and their actual destination, that such an improvement in the presentation will take place immediately. This budgetary amendment would, therefore, act as an instruction and an incitement to the Commission to establish a system of accounting in 1979 capable of providing this greater budgetary transparency.

After the budgetary authority has agreed on the level of appropriations for storage it will be necessary to divide these appropriations according to the new budgetary nomenclature. This breakdown can, therefore, only be made at the time of the second reading.

This new nomenclature is not only aimed at increasing budgetary transparency (which is not just a formal element but one of substance, given that Parliament should be able to assess the relative importance of different policy instruments from which these appropriations result) but also is vital in order to improve Parliamentary scrutiny and control of the implementation of expenditure.

For the moment, under the Financial Regulation, Parliament is only informed of the very numerous transfers during the financial year from Chapter to Chapter within the Guarantee Section of the EAGGF. Council decides on the basis of a Commission proposal. As regards transfers within Chapters, these are decided by the Commission on its own.

Under this system, Parliament may be confronted, at the end of a financial year, as regards the Guarantee Section of the EAGGF, with a budget which is very different from the one it approved, without there being a systematic informing of Parliament when these transfers are made. The solution to these problems does not reside exclusively in this amendment, but this amendment is, nonetheless, the first step in achieving greater budgetary transparency and control.

\* \* \*

Draft amendment No 193  
tabled by the Committee on Budgets

### Section III — Commission

#### PAYMENTS

- Titles 6 & 7 — European Agricultural Guidance and Guarantee Fund — Guarantee Section
- Chapter 70 — Tobacco
- Article 701 — Intervention in respect of tobacco
- Item 7011 — Storage
- Sub-item 70110 — Technical cost  
(new)
- Sub-item 70111 — Financial cost  
(new)
- Sub-item 70112 — Gap between purchase and sale price

#### (A) *Expenditure*

- Create new sub-items :
- Sub-item 70110 entitled 'Technical cost'
- Sub-item 70111 entitled 'Financial cost'
- Sub-item 70112 entitled 'Gap between purchase and sale price'.

Breakdown appropriations between them.

#### (B) *Compensation*

—

#### (C) *Revenue*

—

#### COMMITMENTS

—

*Schedule***REMARKS**

Enter the following remarks :

'Sub-item 70110 This sub-item is destined to finance the necessary technical and non-financial costs arising directly from storage.

Sub-item 70111 This sub-item is destined to cover the payment of interest rates and other financial costs arising from storage.

Sub-item 70112 This sub-item is destined to cover any losses arising directly or indirectly from the difference between the purchase and sale price of products during storage. This cost to the Community budget can arise from three different elements :

(i) deterioration of stocks ;

(ii) fall in market price ;

(iii) supplementary measures to encourage the utilisation of surpluses.'

These remarks commit the Commission to set up, during the financial year, a system of accounting which will correspond with the new breakdown of appropriations for stocks.

**JUSTIFICATION**

For many years the European Parliament has expressed its concern at growth of expenditure on storage resulting from the accumulation of vast surpluses through the workings of the Common Agricultural Policy.

Independently of modifications tabled to limit the size of expenditure, it is appropriate, and in conformity with Parliament's wishes, to enhance budgetary transparency by breaking down the individual budgetary lines in their appropriate elements :

- physical storage costs ;
- interest payments ;
- losses through storage.

It has emerged, after years of investigation, that the largest single element in storage costs has been due to losses, either through deterioration or through special measures necessary to use up stocks.

This increased budgetary transparency will, therefore, clearly show the major elements of expenditure and conforms with the views of the Budgets Committee of the European Parliament that where large items of expenditure arise, they should be broken down to facilitate budgetary control.

The Committee on Budgets and the European Parliament have taken unambiguous positions on the need for such breakdowns in the context of storage of agricultural surpluses. In particular, the author of this amendment and Mr Richie Ryan, rapporteur for the European Parliament on a proposal from the Commission laying down general rules for the financing of certain intervention by the EAGGF Guarantee Section, presented the following amendment to the resolution which was adopted by Parliament :

'Invites the Commission, in the interests of budgetary transparency, to present, as soon as possible, a breakdown of the budgetary lines under Titles VI and VII as so to show separately the expenditure arising from normal storage costs, from deterioration in storage and from interest charges.' (Doc. 78/78, paragraph 6 of resolution)

It is appropriate that, in view of the widespread and increasing concern about storage costs, and their actual destination, that such an improvement in therefore, act as an instruction and an incitement to the Commission to establish of system of accounting in 1979 capable of provision this budgetary transparency.

After the budgetary authority has agreed on the level of appropriations for storage it will be necessary to divide these appropriations according to the new budgetary nomenclature. This breakdown can, therefore, only be made at the time of the second reading.

This new nomenclature is not only aimed at increasing budgetary transparency (which is not just a formal element but one of substance, given that Parliament should be able to assess the relative importance of different policy instruments that instruments from which these appropriations result) but also is vital in order to improve Parliamentary scrutiny and control of the implementation of expenditure.

For the moment, under the Financial Regulation, Parliament is only informed of the very numerous transfers during the financial year from Chapter to Chapter within the Guarantee Section of the EAGGF. Council decides on the basis of a Commission proposal. As regards transfers within Chapters, these are decided by the Commission on its own.

Under this system, Parliament may be confronted, at the end of a financial year, as regards the Guarantee Section of the EAGGF, with a budget systematic informing of Parliament when these transfers are made. The solution to these problems does not reside exclusively in this amendment, but this amendment is, nonetheless, the first step in achieving greater budgetary transparency and control.

\* \* \*

Draft amendment No 194  
tabled by Mr Bangemann on behalf of the Committee on Budgets

### Section III — Commission

#### *Revenue*

Title 5 — Other own resources  
(new)  
Chapter 51 — Financial contribution by milk producers  
(new)  
Enter revenue of 30 600 000 EUA.

#### *Compensation*

Delete Article 628 under Expenditure.

#### REMARKS

This Article is entered pursuant to Regulation (EEC) No 1079/77 on financial contributions by milk producers.

The revenue in application of this regulation does not come under the category of general revenue, but is earmarked for financing the measures under Items 6291 to 6299.

#### JUSTIFICATION

It is difficult to see why negative entries should be made under expenditure when the sums involved in fact comprise specifically when the sums involved in fact comprise specifically earmarked revenue which cannot be classified as general revenue.

A separate title on the revenue side should therefore be created.

\* \* \*

Draft amendment no 195  
tabled by Mr Bangemann on behalf of the Committee on Budgets

### Section III — Commission

#### PAYMENTS

Title 2 — Buildings, equipment and miscellaneous administrative expenditure  
Chapter 22 — Movable property and associated expenditure  
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)  
Item 2240 — Operation of the Computer Centre

#### (A) *Expenditure*

Unchanged

**(B) Compensation**

Unchanged

**(C) Revenue**

Unchanged

**COMMITMENTS**

—

*Schedule of Payments*

—

**REMARKS**

Modify the remarks as follows :

The amount of revenue which may be re-employed is estimated at 380 000 EUA, including 375 000 EUA from the Safir operation.

**JUSTIFICATION**

This year, the Commission intends to introduce a system for the automatic assignment of conference interpreters (SAFIR).

This system will be administered by the Computer Centre and funded from the appropriations entered in Article 224.

Quite a high proportion ( $\pm 45\%$ ) of those interpreters is made available to other institutions. The cost of SAFIR will be charged to those institutions proportionally to the services they receive. The amount reimbursed by those institutions will be re-used under the times concerned. Pursuant to Article 22 (2b) and Paragraph 5 of the Financial Regulation, this must be covered by a comment in the remarks column.

\* \* \*

Draft amendment No 196

tabled by Mr Bangemann on behalf of the Committee on Budgets

**Section III — Commission****PAYMENTS**

- Title 2 — Buildings, equipment and miscellaneous administrative expenditure
- Chapter 22 — Movable property and associated expenditure
- 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)
- Item 2243 — Development of data processing applications

**(A) Expenditure**

Unchanged

**(B) Compensation**

Unchanged

**(C) Revenue**

Unchanged

## COMMITMENTS

—

*Schedule of Payments*

—

## REMARKS

Modify the remarks as follows :

The amount of revenue which may be re-employed is estimated at 160 000 EUA from the SAFIR operation.

## JUSTIFICATION

This year, the Commission intends to introduce a system for the automatic assignment of conference interpreters (SAFIR).

This system will be administered by the Computer Centre and funded from the appropriations entered in Article 224.

Quite a high proportion ( $\pm 45\%$ ) of those interpreters is made available to other institutions. The cost of SAFIR will be charged to those institutions proportionally to the services they receive. The amount reimbursed by those institutions will be re-used under the items concerned. Pursuant to Article 22 (2b) and Paragraph 5 of the Financial Regulation, this must be covered by a comment in the remarks column.

\* \* \*

Draft amendment No 197

tabled by Mr Bangemann on behalf of the Committee on Budgets

Section III — Commission

## PAYMENTS

- Title 2 — Buildings, equipment and miscellaneous expenditure
- Chapter 29 — Subsidies and financial contributions
- Article 293 — Subsidies in respect of certain activities of non-governmental organizations pursuing humanitarian aims
- (new)
- Item 2931 — Subsidies for non-governmental organizations promoting human rights
- (new)

(A) *Expenditure*

Create a new Article 293 — 'Subsidies in respect of certain activities of non-governmental organizations pursuing humanitarian aims'

Create a new Item 2931 — 'Subsidies for non-governmental organizations promoting human rights'

Enter a payment appropriation of 200 000 EUA

(B) *Compensation*

Delete Article 293 and the relevant appropriation

(C) *Revenue*

—

## COMMITMENTS

—



*Schedule***REMARKS**

Enter the following new remarks against Item 2931 :

The purpose of this appropriation is to enable the Commission to take the following measures in the course of the financial year :

- Aid to non-governmental organizations pursuing humanitarian aims and promoting human rights

**JUSTIFICATION**

This change in nomenclature is designed to provide a satisfactory budgetary structure for Community action in pursuit of humanitarian aims and the defence of human rights. The Commission is invited to consider in what way funds could be provided for a European fund for the defence of human rights.

\* \* \*

Draft amendment No 198

tabled by Mr Bangemann on behalf of the Committee on Budgets

**Section III — Commission****PAYMENTS**

- |                 |   |
|-----------------|---|
| Title 2         | — Buildings, equipment and miscellaneous administrative expenditure                           |
| Chapter 29      | — Subsidies and financial contributions   |
| Article 293     | —   |
| Item 2932 (new) | — Subsidies for non-governmental organizations seeking a solution to the North-South conflict |

**(A) Expenditure**

Create a new Item 2932 — 'Subsidies for non-governmental organizations seeking a solution to the North-South conflict'

Enter an appropriation of 100 000 EUA

**(B) Compensation**

Delete Article 946 and the relevant appropriation

**(C) Revenue**

—

**COMMITMENTS**

—

*Schedule*

—

**REMARKS**

Enter the following new remarks :

This appropriation will be used by the Commission to finance the following measures :

Subsidies for non-governmental organizations seeking a solution to the North-South conflict

## JUSTIFICATION

This change in nomenclature is designed to delete the reference — unorthodox from a budgetary point of view — to a specific organization.

\* \* \*

Draft amendment No 199  
tabled by Mr Bangemann on behalf of the Committee on Budgets

## Section III — Commission

## PAYMENTS

- Title 2 — Buildings, equipment and miscellaneous administrative expenditure
- Chapter 29 — Subsidies and financial contributions
- Article 298 — EEC contribution to administrative expenditure connected with international agreements
- Item 2986 — Community participation in international convention on the environment

(A) *Expenditure*

Increase the payment appropriation by 20 000 EUA (from 53 000 to 73 000 EUA)

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

—

*Schedule*

—

## REMARKS

Enter the following new remarks :

This appropriation will be used by the Commission to finance the following measures :

— the Community's share in financing the following international conventions on the environment :

The Paris Convention for the prevention of marine pollution, from landbased sources, signed by the Community on 26 June 1975 ;

The Barcelona Convention for the protection of the Mediterranean against pollution, signed by the Community on 13 September 1976 ;

The Convention for the protection of the Rhine against chemical pollution, signed by the Community on 3 December 1976.

## JUSTIFICATION

The EEC is a contracting party to the Convention for the protection of the Rhine against chemical pollution. Pending the entry into force of the supplementary agreement to the Berne Convention, signed in Bonn on 3 December 1976, the Commission is taking part in the work of the International Commission on an unofficial basis. The appropriations earmarked at present for such participation by the Commission in the secretariat of the ICPRP are quite inadequate to enable the latter to perform its work in a satisfactory manner. The proposed increase should allow the ICPRP to conduct a publicity campaign designed to inform the public about its functions and objectives.

\* \* \*

Draft amendment No 200  
tabled by Mr Bangemann on behalf of the Committee on Budgets

### Section III — Commission

#### PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 32 — Expenditure under the energy policy
- Article 321 — Operations in the uranium sector  
(New)
- Item 3210 — Prospecting in the uranium sector  
(new)

#### (A) *Expenditure*

- Modify the heading of Article 321 as follows:  
'Operations in the uranium sector'.
- Create a new Item 3210:  
'Prospecting in the uranium sector'.
- Enter an appropriation of 9 000 000 EUA (reinstatement of the appropriation shown in the preliminary draft budget)

#### (B) *Compensation*

Delete the appropriation in Article 321 (3 000 000 EUA)

#### (C) *Revenue*

Increase revenue by 6 000 000 EUA.

#### COMMITMENTS

Increase the commitment appropriation by 15 000 000 EUA.  
(from 5 000 000 to 20 000 000 EUA).  
(reinstatement of the appropriation shown in the preliminary draft budget)

#### *Schedule*

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1979 is 20 000 000 EUA. The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	3 300 000	2 300 000	1 000 000	—	—
Appropriations for 1978	5 000 000	3 000 000	1 000 000	1 000 000	—
Appropriations for 1979	20 000 000	—	7 000 000	7 000 000	6 000 000
<b>Total</b>	<b>28 300 000</b>	<b>5 300 000</b>	<b>9 000 000</b>	<b>8 000 000</b>	<b>6 000 000</b>

#### REMARKS

Apart from the reference to the commitment appropriations and the schedule of payments, the remarks remain unchanged.

## JUSTIFICATION

An intensive prospecting programme is essential if the Community is to reduce its dependence on hydrocarbon imports. It is known that there are some uranium deposits within the Community territory. More thorough prospecting operations, such as would be financed under this project, could lead to the location of major deposits. This project is particularly important in the light of the difficulties recently encountered in connection with uranium supplies from certain third countries. Since the Council deleted Item 3211, Item 3210 became Article 321. The creation of Item 3210 entails the restoration of the nomenclature as originally shown in the preliminary draft.

\* \* \*

Draft amendment No 201  
tabled by Mr Bangemann on behalf of the Committee on Budgets

## Section III — Commission

## PAYMENTS

- |                 |  |
|-----------------|--|
| Title 3         | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 32      | — Expenditure under the energy policy  |
| Article 321     | — Prospecting for uranium in Community territory   |
| Item 3211 (new) | — Prospecting for uranium outside the European Community   |

(A) *Expenditure*

- Modify the heading of Article 321 as follows :  
‘Operations in the uranium sector’.
- Create a new Item 3211 :  
‘Prospecting for uranium outside the European Community’.
- Make a token entry (reinstatement of the token entry shown in the preliminary draft budget).

(B) *Compensation*

—

(C) *Revenue*

Unchanged

## COMMITMENTS

—

## REMARKS

Restre the following remarks :

3211 New Item

EEC Treaty — Article 235.

The purpose is to promote the exploitation of uranium resources outside the Community, thereby ensuring supplies of uranium for Community users. In view of the energy objectives for 1985, Community financial support for uranium prospecting projects must be made available immediately in order to reduce the Community's dependence on producer countries (see Doc. COM(76) 20 of 16 January 1976 ‘Implementation of the energy policy guidelines set by the European Council at its meeting in Rome on 1 and 2 December 1975’). The associated costs of technical and financial assessments are also charged to this Item.

## JUSTIFICATION

In recent years the Community has experienced difficulties in securing an adequate supply of uranium. More intensive prospecting for uranium outside the Community should lead to an increase

in known uranium deposits and in diversification of sources of supply. This would in turn improve the Community's security of uranium supplies.

It is therefore desirable to reinstate the budget line and token entry shown in the preliminary draft.

\* \* \*

Draft amendment No 202

tabled by Mr Bangemann on behalf of the Committee on Budgets

### Section III — Commission

#### PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 32 — Expenditure under the energy policy
- Article 321 — Prospecting for uranium in Community territory
- Item 3212 — Aid to uranium storage
- (new)

#### (A) *Expenditure*

- Create a new Article 321 :  
'Operations in the uranium sector'.
- Create a new Item 3212 :  
'Aid to uranium storage'.
- Make a token entry (reinstatement of the token entry shown in the preliminary draft budget).

#### (B) *Compensation*

—

#### (C) *Revenue*

Unchanged

#### COMMITMENTS

—

#### REMARKS

Restore the following remarks :

3212 New Item

Euratom Treaty, Article 72, second paragraph.

Council Resolution of 17 December 1974 (OJ No C 153 of 9 July 1975).

Council Resolution of 13 February 1975 (OJ No C 153 of 9 July 1975).

This is a Community operation under the energy supply policy, to build up stocks of nuclear fuels in order to reduce the Community's dependence on producer countries. It is considered that stockpile of some 500 to 600 tonnes of uranium, corresponding approximately to the Community's requirements for 1/2 months in 1981, will provide a reasonable safety margin for the electricity producers of the Member States. In view of the stocks already held, it would enable undertakings to face up to temporary interruptions of supplies such as occurred recently (Canada). The stockpile would, if possible, be made up of uranium produced in the Community.

#### JUSTIFICATION

Maintenance of appropriate stocks of uranium could enable the Community's nuclear power stations to sustain production even in the event of temporary disruption of supply. This measure would assist the establishment of such stocks.

\* \* \*

## Draft amendment No 203

tabled by Mr Bangemann on behalf of the Committee on Budgets

## Section III — Commission

## PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 32 — Expenditure under the energy policy
- Article 324 — Aids to demonstration projects under the Community energy programme
- Item 3240 — Community energy-saving programme

(A) *Expenditure*

Enter a payment appropriation of 7 000 000 EUA (instead of a token entry) (reinstatement of the appropriation shown in the preliminary draft budget).

(B) *Compensation*

Delete the appropriation of 7 000 000 EUA under Chapter 100.

(C) *Revenue*

Unchanged

## COMMITMENTS

Enter a commitment appropriation of 16 000 000 EUA (Delete the commitment appropriation in the same amount under Chapter 100),

The commitment appropriation authorized for 1979 is 16 000 000 EUA. The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
1978 appropriations	4 000 000	2 000 000	1 000 000	1 000 000	—
1979 appropriations	16 000 000	—	6 000 000	5 000 000	5 000 000
Total	20 000 000	2 000 000	7 000 000	6 000 000	5 000 000

## REMARKS

Modify the remarks as follows :

This appropriation will be used by the Commission to finance the following measures :

- financial support for the implementation of Community demonstration projects as part of the Community programme on energy saving (Doc. COM (77) 39 final). These projects will relate in particular to the following : heat pumps ; heat recovery ; energy storage, reducing energy wastage in industry ; low-energy housing.

These appropriations will be used by the Commission under the conditions laid down in Articles 1 to 5, paragraphs 1 and 6 to 8 of the Regulation (EEC) No 1303/78 of the Council of 12 June 1978 (OJ L 158 of 16 June 1978, p. 6)

- technical and financial assessments necessary for these projects
- organization of symposia to improve utilization of the results obtained.

## JUSTIFICATION

The transfer by the Council of the entire appropriation shown in the preliminary draft to Chapter 100 seems unjustified in the light of the decisions of the European Council. A decision of principle has been taken by the Council. The appropriation can be used directly by the Commission.

\* \* \*

## Draft amendment No 204

tabled by Mr Bangemann on behalf of the Committee on Budgets

## Section III — Commission

## PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 32 — Expenditure under the energy policy
- Article 324 — Aids to demonstration projects under the Community energy programme
- Item 3241 — Development programme for new sources of energy

(A) *Expenditure*

Enter a payment appropriation of 9 500 000 EUA (reinstatement of the appropriation shown in the preliminary draft budget).

(B) *Compensation*

Delete the appropriation of 9 500 000 EUA under Chapter 100.

(C) *Revenue*

Unchanged

## COMMITMENTS

Enter a commitment appropriation of 16 000 000 EUA (Delete the commitment appropriation in the same amount under Chapter 100).

The commitment appropriation authorized for 1979 is 16 000 000 EUA. The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
1978 appropriations	11 000 000	4 000 000	3 500 000	3 500 000	—
1979 appropriations	16 000 000	—	6 000 000	5 000 000	5 000 000
Total	27 000 000	4 000 000	9 500 000	8 500 000	5 000 000

## REMARKS

Modify the remarks as follows :

This appropriation will be used by the Commission to finance the following measures :

- financial support for the the implementation of projects aimed at the exploitation of alternative energy sources, in particular in the following sectors : exploitation of geothermal resources ; liquefaction of solid fuels ; solar energy.

These appropriations will be used by the Commission under the conditions laid down in Articles 1, 2, 4 to 6, paragraphs 4 and 7 to 9 of the Regulation (EEC) No 1302/78 of the Council of 12 June 1978 (OJ L 158 of 16. 6. 1978, see 3).

- associated costs of technical and financial assessments occasioned by these operations.

## JUSTIFICATION

The transfer by the Council of the entire appropriation shown in the preliminary draft to Chapter 100 seems unjustified in the light of the decisions of the European Council. A decision of principle has been taken by the Council. The appropriation can be used directly by the Commission.

Draft Amendment No 205  
tabled by Mr Bangemann on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 32 — Expenditure under the energy policy
- Article 325 (new) — Energy savings from the modernization of existing buildings

(A) *Expenditure*

- Create a new Article 325 :  
‘Energy savings from the modernization of existing buildings’.
- Make a token entry (Reinstatement of the token entry in the preliminary draft budget).

(B) *Compensation*

—

(C) *Revenue*

Unchanged

COMMITMENTS

—

*Schedule*

REMARKS

Restore the following remarks :

Proposals for Directives now under discussion by the Council (Doc. COM (77) 186 final) based on Article 235 of the EEC Treaty.

This Article is intended to cover expenditure relating to Community financial aid for effective implementation of measures aimed at reducing the amount of energy used for space heating, concentrating on the modernization of existing (non-industrial) buildings.

JUSTIFICATION

The results of the European Council led us to expect a Community contribution to this kind of modernization project. A modest appropriation can provide considerable stimulus to investment that will make the public more aware of the need to save energy. Since Community directives cannot be implemented in the Member States before the end of 1979, a token entry (reinstatement of the preliminary draft) seems adequate.

\* \* \*

Draft amendment No 206  
tabled by Mr Bangemann on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 35 — Protection of man and his environment
- Article 354 — Community environmental measures
- Item 3543 — Measures required to implement the Directives on the environment



*(A) Expenditure*

Increase the payment appropriation by 400 000 EUA (instead of a token entry) (reinstatement of the appropriation shown in the preliminary draft budget)

*(B) Compensation*

—

*(C) Revenue*

Increase revenue by the same amount

## COMMITMENTS

—

*Schedule*

—

## REMARKS

Enter the following new remarks :

This appropriation will be used by the Commission to finance the following measures :

Public and private outside bodies and qualified experts are required for the implementation of Directives 75/440/EEC, 76/160/EEC, 76/464/EEC, 78/176/EEC and 78/319/EEC to assist the Commission in its task of ensuring and monitoring the sound management of these Directives.

## JUSTIFICATION

The Commission is responsible for ensuring the implementation and sound management of the Directives for the protection of the environment. The appropriation proposed by the Commission and deleted by the Council is needed to allow the Commission to call on these outside bodies and experts for help in performing these functions.

\* \* \*

## Draft amendment No 207

tabled by Mr Bangemann on behalf of the Committee on Budgets

## Section III — Commission

- |             |  |
|-------------|--|
| Title 3     | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 35  | — Protection of man and his environment  |
| Article 354 | — Community environmental measures   |
| Item 3544   | — Permanent inventory of sources of information on the environment   |

*(A) Expenditure*

Increase the payment appropriation by 100 000 EUA (from 50 000 to 150 000 EUA)

*(B) Compensation*

—

*(C) Revenue*

Increase revenue by the same amount

## COMMITMENTS

—

*Schedule***REMARKS**

Enter the following new remarks :

This appropriation will be used by the Commission to finance the following measures :

- Establishment and constant updating of an inventory of sources of information on the environment in the Community (see Council Decision No 76/161/EEC of 8 December 1975, OJ L 31 of 5. 2. 1976)
- Establishment of a structured documentation service on the environment and natural resources.

**JUSTIFICATION**

Before an overall Community policy on the environment can be worked out it will be essential to establish a Community structure to handle the documentation and information tasks in this sector. This information and documentation work could be used as a basis for planning political measures to prevent degradation of the Community's natural resources as well as measures to improve their management.

\* \* \*

Draft amendment No 208

tabled by Mr Bangemann on behalf of the Committee on Budgets

Section III — Commission

**PAYMENTS**

- |                 |  |
|-----------------|--|
| Title 3         | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 35      | — Protection of man and his environment  |
| Article 354     | — Community environmental measures   |
| Item 3545 (new) | — Community programmes on the environment having an effect on employment   |

**(A) Expenditure**

- Create a new Item 3545 : 'Community programmes on the environment having an effect on employment'
- Enter a payment appropriation of 10 000 000 EUA

**(B) Compensation**

—

**(C) Revenue**

Increase revenue by the same amount

**COMMITMENTS**

—

*Schedule*

—

**REMARKS**

Enter the following remarks :

**New Item**

This appropriation will be used by the Commission to finance the following measures :

The Commission will draw up a Community programme on the environment having an effect on employment. This programme will embody :

- General recommendations concerning the administrative procedures for the implementation of the national programmes ;
- A general description of the individual projects proposed. This description should be amplified by the governments in accordance with the particular circumstances of each country.

The projects will be drawn up on the basis of environment policy criteria, administrative criteria and their capacity to provide employment for a large workforce.

Community finance, coordinated with national measures, will consist in providing financial incentives to the implementation of projects meeting the above criteria.

**JUSTIFICATION**

A programme of this kind provides an original solution to the difficult problems arising from the Community's disastrous unemployment situation.

\* \* \*

Draft amendment No 209

tabled by Mr Bangemann on behalf of the Committee on Budgets

**Section III — Commission****PAYMENTS**

- |             |  |
|-------------|--|
| Title 3     | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 35  | — Protection of man and his environment  |
| Article 355 | — Consumer protection and information  |
| Item 3550   | — Consumer protection studies  |

**(A) Expenditure**

Increase the payment appropriation by 50 000 EUA (from 300 000 to 350 000 EUA)

**(B) Compensation**

—

**(C) Revenue**

Increase revenue by the same amount

**COMMITMENTS**

—

*Schedule*

—

**REMARKS**

Modify the remarks as follows :

This appropriation will be used by the Commission to finance the following measures :

Studies arising out of priority action topics referred to in the preliminary programme for a consumer protection and information policy (Council Resolution of 14 April 1975, OJ C 92 of 25. 4. 1975, p. 1);

1. Protection of consumer health and safety with regard to products ;
2. Protection of the consumers' economic interests ;
3. The problem of advice, help and redress ;
4. Consumer information and education ;
5. Consumer consultation and representation.

**JUSTIFICATION**

The proposed increase, which goes beyond the appropriation shown in the preliminary draft, should permit the Commission to step up its activities in connection with the European and intra-Community aspects of consumer protection.

\* \* \*

Draft amendment No 210

tabled by Mr Bangemann on behalf of the Committee on Budgets

Section III — Commission

**PAYMENTS**

- |             |  |
|-------------|--|
| Title 3     | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 35  | — Protection of man and his environment  |
| Article 355 | — Consumer protection and information  |
| Item 3552   | — Consumer protection and information measures   |

**(A) Expenditure**

Increase the payment appropriation by 100 000 EUA (from 110 000 to 210 000 EUA)

**(B) Compensation**

—

**(C) Revenue**

Increase revenue by the same amount

**COMMITMENTS**

—

*Schedule*

—

**REMARKS**

Modify the remarks as follows :

This appropriation will be used by the Commission to finance the following measures :

- Pilot studies in consumer education, to promote the production and dissemination of teaching materials in the Member States, to assist non-governmental institutions and organizations, to further consumer protection and information and to undertake specific public awareness

- campaigns (academic personnel and instructors and officials of consumer organizations). See : Council Resolution of 24 April 1975 adopting a preliminary programme for a consumer protection and information policy, and in particular points 42, 43, 44 and 45 thereof ;
- Dissemination of a brochure for European consumers informing them of the characteristics and rules of the intra-Community market.

### JUSTIFICATION

The proposed increase, which goes beyond the appropriation shown in the preliminary draft, should permit the Commission to step up its activities in connection with the European and intra-Community aspects of consumer protection and information.

\* \* \*

Draft amendment No 211  
tabled by Mr Bangemann on behalf of the Committee on budgets

### Section III — Commission

#### PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 37 — Expenditure in the industrial and transport sectors
- Article 375 — Community industrial reorganization and redevelopment operations
- Item 3750 — Measures on behalf of certain industrial sectors in crisis

#### (A) *Expenditure*

Enter payment appropriation of 8 000 000 EUA

#### (A) *Compensation*

—

#### (C) *Revenue*

Increase revenue by 8 000 000 EUA

#### COMMITMENTS

Enter appropriations of 30 000 000 EUA (Reinstatement of the appropriation shown in the preliminary draft budget)

#### *Schedule*

The provisional schedule of payments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Appropriations 1978	20 000 000 <sup>(1)</sup>	17 000 000 <sup>(1)</sup>	2 000 000	1 000 000	—
Appropriations 1979	30 000 000	—	6 000 000	20 000 000	4 000 000
<b>Total</b>	<b>50 000 000</b>	<b>17 000 000</b>	<b>8 000 000</b>	<b>21 000 000</b>	<b>4 000 000</b>

<sup>(1)</sup> of which 15 000 000 EUA in non-differentiated appropriations from the former Item 3751.

## REMARKS

Former Items 3750 and 3751

As part of the sectoral policies laid down at Community level, this appropriation is intended to stimulate reorganization and redeployment measures in certain crisis-hit industrial sectors and also to assist investments in the undertakings likely to create alternative employment.

(Text from preliminary draft budget)

## JUSTIFICATION

Generous and energetic action by the Community is needed in the reorganization and redeployment measures in the crisis-hit industrial sectors.

It is regrettable that because of the absence of a regulation the Commission was unable to pay out the appropriations for the current financial year. In line with the rapporteur's principle that only those appropriations should be put forward which can actually be paid out, this amendment will have to be withdrawn if it becomes clear that a Council decision cannot be expected by the end of the year.

In any case there should be provision for payment appropriations of only 6 000 000 EUA instead of the 20 000 000 EUA in the preliminary draft budget.

\* \* \*

Draft amendment No 212

tabled by Mr Bangemann on behalf of the Committee on Budgets

Section III — Commission

## PAYMENTS

- Title 3 — Community policies in regard particularly to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 37 — Expenditure in the industrial and transport sectors
- Article 377 — Investigations relating to projects for the development of items of equipment used for both civil and military purposes
- (new)

(A) *Expenditure*

Enter payment appropriations of EUA 20 000 000

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by EUA 20 000 000

## COMMITMENTS

Enter commitment appropriations of EUA 50 000 000.

A schedule of payments should be drawn up. The commitment appropriation authorized for 1979 is EUA 50 000 000.

*Schedule*

The likely schedule of payments is as follows :

(in' EUA)

Commitments		Payments		
		1979	1980	1981
1979 :	50 000 000	20 000 000	20 000 000	10 000 000

## REMARKS

The funds entered against this Article are designed to allow the Commission, pursuant to Parliament's Resolution of 14 June 1978 (OJ C 163), to carry out studies and investigations with the purpose of developing a common industrial policy through projects which serve both military and civil purposes.

## JUSTIFICATION

This request incorporates in the 1979 budget the Resolution adopted by Parliament on 14 June 1978 on the basis of the Klepsch Report.

\* \* \*

Draft amendment No 213  
tabled by Mr Bangemann on behalf of the Committee of Budgets

## Section III — Commission

## PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 37 — Expenditure in the industrial and transport sectors
- Article 378 — Financial operations in transport infrastructure projects
- Item 3780 — Studies preliminary to the financial measures

(A) *Expenditure*

Enter an appropriation of 1 000 000 EUA (reinstatement of the appropriation shown in the preliminary draft budget).

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

—

## REMARKS

Enter the following remarks:

This appropriation will be used by the Commission to finance the following measures:

Specific studies concerning in particular:

- compilation of the results of the COST 33 project (passenger traffic forecasts);
  - comparison between infrastructure capacity and transport demand;
  - infrastructure requirements resulting from the accession of the new Member States;
  - the specific infrastructure problems in transit corridors and the assessment of the various alternative arrangements;
  - examination of certain methodological points for planning and financing at Community level.
- See the communication from the Commission to the Council of 30 June 1976 on action in the field of transport infrastructure (Doc. COM(76) 336 final).

## JUSTIFICATION

This appropriation is needed to finance studies preliminary to the projects referred to under Item 3781, to bring these to the stage where they can be implemented.

\* \* \*

Draft amendment No 214

tabled by Mr Bangemann on behalf of the Committee on Budgets

Section III — Commission

#### PAYMENTS

- |             |  |
|-------------|--|
| Title 3     | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 39  | — Other expenditure on specific projects undertaken by the Institution   |
| Article 392 | — Educational measures   |
| Item 3920   | — Implementation of the education programme  |

#### (A) *expenditure*

Increase the payment appropriation by 515 000 EUA (from 1 500 000 to 2 015 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

#### (B) *Compensation*

—

#### (C) *Revenue*

Increase revenue by the same amount.

#### COMMITMENTS

—

#### REMARKS

Modify the remarks as follows

This appropriation will be used by the Commission to finance the following measures :

- implementation of the action programme in the field of education (OJ C 38 of 19. 2. 1976, p. 1), and more particularly the action programme for migrant workers and members of their family (OJ C 34 of 14. 2. 1976, p. 2) and in particular the following : better facilities for the education and training of nationals and the children of nationals of other Member States of the Communities and of non-member countries,

promotion of closer relations between educational systems in Europe, compilation of up-to-date documentation and statistics on education, cooperation in the field of higher education, teaching of foreign languages, equal opportunity for free access to all forms of education.

- Information and consultation costs incurred in the implementation of the abovementioned projects, including related miscellaneous or secretarial services.

See Council Resolution of 21 January 1974 concerning a social action programme for the period 1974-76 with priority for the problems of training and educating the children of migrant workers (OJ C 13, 12. 2. 1974, p. 1).

Resolution of the Ministers of Education, meeting within the Council, of 6 June 1974 on cooperation in the field of education (OJ C 98, 20. 8. 1974, p. 2).

Resolution of the Council and of the Ministers of Education, meeting within the Council, of 9 February 1976 comprising an action programme in the field of education (OJ C 38, 19. 2. 1976, p. 1), and, more particularly, Council Resolution of 9 February 1976 on an action programme for migrant workers and members of their families (OJ C 34, 14. 2. 1976, p. 2).



Draft amendment No 215  
tabled by Mr Bangemann on behalf of the Committee on Budgets

### Section III — Commission

#### PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 39 — Other expenditure on specific projects undertaken by the Institution
- Article 393 — Cultural measures and events
- Item 3930 — Expenditure on cultural projects

#### (A) *Expenditure*

Increase the payment appropriation by 40 000 EUA (from 200 000 to 240 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget).

#### (B) *Compensation*

—

#### (C) *Revenue*

Increase revenue by the same amount.

#### COMMITMENTS

—

#### REMARKS

Modify the remarks as follows :

This appropriation will be used by the Commission to finance the following measures :  
priority action defined by the European Parliament for

- (a) protection of the architectural heritage, by granting scholarships and subsidies,
- (b) promotion of cultural exchanges,

See resolutions of the European Parliament of 13 May 1974 (OJ C 62, 30. 5. 1974) and 8 March 1976 (OJ C 79, 5. 4. 1976)

- implementation of a pilot experiment, the results of which should lead to cooperation between the various cultural institutes of the Member States.

#### JUSTIFICATION

The Commission's estimate should be used as a basis. The (slight) cut back decided on by the Council has not been justified.

\* \* \*

Draft amendment No 216  
tabled by Mr Bsnemann on behalf of the Committee on Budgets

### Section III — Commission

#### PAYMENTS

- Title 5 — Social and Regional Funds
- Chapter 55 — European Regional Development Fund
  - Community measures in support of national regional policies
- Article 550 — Community measures in support of national regional policies

(A) *Expenditure*

Increase payment appropriations by 198 000 000 EUA (from 320 000 000 ~~EUA~~ to 518 000 000 EUA)

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by 198 000 000 EUA

## COMMITMENTS

Increase commitment appropriations by 318 000 000 EUA (from 620 000 000 EUA to 1 000 000 000 EUA)

Amend schedule of payments as follows :

The appropriation for commitment for 1979 amounts to 1 000 000 000 EUA <sup>1</sup>

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	333 000 000	275 000 000		42 000 000	16 000 000
Appropriations available from 1977	15 000 000	5 000 000	5 000 000	3 000 000	2 000 000
1978 Appropriations	581 000 000	245 000 000	163 000 000	116 000 000	57 000 000
1979 Appropriations	1 000 000 000		350 000 000	350 000 000	300 000 000
Total	1 929 000 000	525 000 000	518 000 000	511 000 000	375 000 000

## REMARKS

Amend remarks as follows : The general objective is to correct the major regional imbalances in the Community by means of contributions to the financing of investments — individually costing at least 50 000 EUA — in industrial, artisan or services activities that are economically sound and that qualify for State regional aids, provided that at least 10 jobs are created or safeguarded.

See Regulation (EEC) No 724/75 of the Council of 18 March 1975 establishing a European Regional Development Fund (OJ L 73, 21. 3. 1975, p. 1)

Proposal for a Council Regulation amending the above Regulation (OJ C 161 of 9. 7. 1977)

Council Decision 75/186/EEC of 18 March 1975 to apply Regulation (EEC) No 724/75 establishing a European Regional Development Fund to the French overseas departments (OJ L 73 of 21. 3. 1975, p. 49).

## JUSTIFICATION

See justification to the preliminary draft amendment tabled by the Committee on Regional Policy, Regional Planning and Transport in which the appropriations are the same (PE 54.761/Am.1).

\* \* \*

<sup>1</sup> This remark is binding

Draft amendment No 217

tabled by Mr Bangemann on behalf of the Committee on Budgets

### Section III — Commission

#### PAYMENTS

- Title 5 — Social and Regional Funds  
 Chapter 56 — European Regional Development Fund  
                   Specific Community measures (replaces Article 551 of Chapter 55)  
 (new)  
 Article 560 — Specific Community measures  
 (new)

#### (A) *Expenditure*

Add a new Article 560 'Specific Community measures'  
 Enter payment appropriations of 35 000 000 EUA

#### (B) *Compensation*

Delete Article 551 (token entry)

#### (C) *Revenue*

Increase revenue by 35 000 000 EUA

#### COMMITMENTS

Enter commitment appropriations of 100 000 000 EUA

Amend schedule of payments as follows:

The commitment appropriation authorized for 1979 is 100 000 000 EUA<sup>1</sup>

(in EUA)

Commitments		Payments		
		1979	1980	1981
1979	100 000 000	35 000 000	35 000 000	30 000 000

#### REMARKS

Enter the following new remarks (from Chapter 56 of the preliminary draft budget):

##### New Article

This concerns the participation of the European Regional policy in the financing of specific Community regional development measures which are wholly or partly different from the measures covered by Chapter 55, and which are:

- either linked to other Community policies or measures, the aim being to enable the regional dimension of such policies or measures to be taken more fully into account, or any harmful impact on the regions to be tempered; or
- in exceptional cases, intended to deal with the structural consequences of particularly serious events in certain regions or areas, to replace jobs lost and to create the necessary infrastructure.

See proposal for a Council Regulation amending Regulation (EEC) No 724/75 of the Council of 18 March 1975 establishing a European Regional Development Fund (OJ No L 73, 21 March 1975, p. 1).

#### JUSTIFICATION

See the preliminary draft amendment tabled by the Committee on Regional Policy, Regional Planning and Transport in which the appropriations are the same (PE 54.761/AM.2).

\* \* \*

<sup>1</sup> This remark is binding

Draft amendment No 218  
tabled by Mr Bangemann on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

- Title 5 — Social and Regional fund
- Chapter 59 — Aid to disaster victims in the Community
- Article 590 — Aid to disaster victims in the Community

(A) *Expenditure*

Increase the payment appropriation by 5 000 000 EUA (from 5 000 000 to 10 000 000 EUA)  
(reinstatement of the appropriation shown in the preliminary draft budget)

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

*Schedule*

REMARKS

Modify the remarks as follows :

This appropriation will be used by the Commission to finance the following measures :

- Emergency assistance to disaster victims in the Community.

JUSTIFICATION

The Council has not justified the cut-back in appropriations by comparison with the preliminary draft.

\* \* \*

Draft amendment No 219  
tabled by Mr Bangemann on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

- Title 8 — European Agricultural Guidance Fund — Guidance Section — and fisheries policy
- Chapter 80 — Projects for the improvement of agricultural structures provided for under Article 13 of Regulation No 17/64/EEC
- Article 800 — Projects for the improvement of agricultural structures provided for under Article 13 of Regulation No 17/64/EEC

(A) *Expenditure*

- Increase the payment appropriation by 40 000 000 EUA (from 40 000 000 to 80 000 000 EUA)

(B) *Compensation*

—

(C) *Revenue*

— Increase revenue accordingly

## COMMITMENTS

Increase the commitment appropriation by 120 000 000 EUA (replace the token entry by 120 000 000 EUA)

*Schedule*

Modify the schedule as follows :

The commitment appropriation authorized for 1979 amounts to 120 000 000 EUA<sup>1</sup>. The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	150 696 674	26 000 000	40 000 000	40 000 000	44 695 624
Appropriations outstanding from 1977	—	—	—	—	—
1978 appropriations	token entry	token entry	token entry	token entry	token entry
1979 appropriations	120 000 000	—	40 000 000	40 000 000	40 000 000
<b>Total</b>	<b>270 695 624</b>	<b>26 000 000</b>	<b>80 000 000</b>	<b>80 000 000</b>	<b>84 695 624</b>

## REMARKS

Modify remarks as follows :

'Expenditure to be incurred in 1979 under this article arises from the application of Regulation No 17/64/EEC and Article 6 (4) of Regulation (EEC) No 729/70. Pursuant to Regulation (EEC) No 729/70 such part of the annual amount of 325 m EUA as is not used for common measures and special measures is to be used for the EAGGF financing, as to 25 % of eligible expenditure actually incurred, of projects for the improvement of agricultural structures.

Experience has, however, shown that :

- limiting the allocation to the agricultural structures policy to 325 m EUA has been unrealistic ;
- financing of individual projects has met a genuine need.

The commitment appropriation entered, and the corresponding payment appropriations, are intended for the financing of individual projects selected by the Commission as likely to achieve the object defined by Regulations 17/64 and 729/70.

## JUSTIFICATION

The complete disappearance of individual projects, as envisaged by Regulation 729/70, would be very damaging to the Community's agricultural structures policy. The amount requested is far higher than the appropriations available.

Each of the institutions has stated that it is in principle in favour of maintaining this method of financing.

It would appear more orthodox from a budgetary point of view to make provision in the budget rather than a regulation for the funds intended for the maintenance of this financing.

\* \* \*

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977

## Draft amendment No 220

tabled by Mr Bangemann on behalf of the Committee on Budgets

## Section III — Commission

## PAYMENTS

- Title 8 — European Agricultural Guidance and Guarantee Fund — Guidance Section — and fisheries policy
- Chapter 82 — Common measures concerning the marketing and the processing of agricultural products
- Article 821 — Marketing and processing of agricultural products
- Item 8210 — Marketing and processing of agricultural products (general measure)

(A) *Expenditure*

- Increase the payment appropriation by 20 000 000 EUA (from 12 000 000 to 32 000 000 EUA)

(B) *Compensation*

—

(C) *Revenue*

- Increase revenue accordingly

## COMMITMENTS

Increase the commitment appropriation by 60 000 000 EUA (from 80 000 000 to 140 000 000 EUA)

*Schedule*

Modify the schedule as follows :

The commitment appropriation for 1979 amounts to 140 000 000 EUA.<sup>1</sup>

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	—	—	—	—	—
Appropriations outstanding from 1977	—	—	—	—	—
1978 appropriations	80 000 000	4 000 000	8 000 000	12 000 000	56 000 000
1979 appropriations	140 000 000	—	24 000 000	28 000 000	88 000 000
Total	220 000 000	4 000 000	32 000 000	40 000 000	144 000 000

## REMARKS

unchanged

## JUSTIFICATION

This measure is intended to replace the aids granted to individual projects under Regulation No. 17/64.

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977

The method of calculation used by the Commission and the Council to assess the commitment appropriations for 1979 is not justified because the appropriation proposed is far lower than the total requested. The appropriation proposed by the rapporteur will also allow the Commission to make some kind of selection projects.

\* \* \*

Draft amendment No 221  
tabled by Mr Bangemann on behalf of the Committee on Budgets

Section III — Commission

#### PAYMENTS

Title 8 — European Agricultural Guidance and Guarantee Fund — Guidance Section — and fisheries policy  
Chapter 84 — Common measures concerning agricultural infrastructures  
Article 841 — Improvement of public services in certain less-favoured areas

##### (A) *Expenditure*

Increase the payment appropriation by 15 000 000 EUA (from 15 000 000 to 30 000 000 EUA)

##### (B) *Compensation*

—

##### (C) *Revenue*

Increase revenue accordingly

#### COMMITMENTS

Increase the commitment appropriation by 45 000 000 EUA

##### *Schedule*

Modify the schedule as follows :

The commitment appropriation for 1979 amounts to 70 000 000 EUA<sup>1</sup>.

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments		
		1979	1980	1981
1979	70 000 000	30 000 000	25 000 000	15 000 000

#### REMARKS

unchanged

#### JUSTIFICATION

The method of calculation used by the Commission and the Council to assess these appropriations consists in projecting the present situation and disregards the fact that Parliament has included the improvement of agricultural structures among the priorities for the 1979 budget.

\* \* \*

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977

Draft amendment No 222  
tabled by Mr Bangemann on behalf of the Committee on Budgets

### Section III — Commission

#### PAYMENTS

Title 9 — Cooperation with developing countries and other non-Member States  
Chapter 93 — Financial and technical cooperation with non-associated developing countries  
Article 930 — Financial cooperation with non-associated developing countries

##### (A) *Expenditure*

Increase the payment appropriation by 10 620 000 EUA (from 45 000 000 EUA to 55 620 000 EUA)

(Reinstatement of the appropriation shown in the preliminary draft budget)

##### (B) *Compensation*

—

##### (C) *Revenue*

Increase revenue by the same amount

#### COMMITMENTS

Increase the commitment appropriation by 50 000 000 EUA (from 83 620 000 EUA to 133 620 000 EUA)

(Reinstatement of the appropriation shown in the preliminary draft budget)

#### *Schedule of Payments*

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
1978 Appropriation	80 796 000	10 796 000 *	7 000 000	21 000 000	42 000 000
1979 Appropriation	133 620 000	—	48 620 000	25 000 000	60 000 000
Total		10 796 000	55 620 000	46 000 000	102 000 000

\* Re-entering of part of the appropriations committed in 1976 but not paid out as of 31 December 1977.

#### REMARKS

Modify the remarks as follows :

This appropriation will be used by the Commission to finance the following measures :

- Agricultural and food development schemes in non-associated developing countries, in particular the poorest countries in Latin America and Asia
- Subsidiarily, in certain specific cases, operations to promote regional cooperation may also be considered.

See Council Resolution of 16 July 1975 on financial and technical aid to non-associated developing countries ; Commission communication to the Council on Community financial and technical aid to non-associated developing countries 1976-80 (Doc. COM (75) 95 final of 5. 3. 1975)

4 180 000 EUA results from the re-entering of part of the appropriation committed in 1976 but not paid out as at 31 December 1977, and 19 440 000 EUA results from the re-entering of part of the appropriation committed in 1977 but not paid out as at 31 December 1978.

The appropriation for commitment authorized for 1979 is 133 620 000 EUA (see Article 1 (3) of the Financial Regulation of 21 December 1977).



## JUSTIFICATION

The appropriation proposed by the Commission in the preliminary draft budget is in line with the guidelines laid down by Parliament for aid to non-associated developing countries. The amount should therefore be reinstated, since the method of calculation submitted by the Commission justifies an increase on this scale on the basis of experience gained during the two previous financial years.

In addition, the Council provides no justification for the cuts it has made. Aid to the non-associated developing countries should be a corollary to the 'Lomé Policy'.

\* \* \*

Draft amendment No 223  
tabled by Mr Bangemann on behalf of the Committee on Budgets

## Section III — Commission

## PAYMENTS

- Title 9 — Cooperation with developing countries and other non-Member States  
Chapter 93 — Financial and technical cooperation with non-associated developing countries  
Article 931 — Promotion of trade between the Community and non-associated developing countries

(A) *Expenditure*

Increase the payment appropriation by 300 000 EUA (from 4 200 000 EUA to 4 500 000 EUA)  
(Reinstatement of the appropriation shown in the preliminary draft budget)

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

Increase the commitment appropriation by 300 000 EUA (from 5 200 000 EUA to 5 500 000 EUA)  
(Reinstatement of the appropriation shown in the preliminary draft budget)

*Schedule of Payments*

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
1978 Appropriations	5 000 000	4 000 000	1 000 000	—	—
1979 Appropriations	5 500 000	—	3 500 000	1 000 000	1 000 000
Total		4 000 000	4 500 000	1 000 000	1 000 000

## REMARKS

Modify the remarks as follows :

This appropriation will be used by the Commission to finance the following measures :

— A wide range of operations to

1. Facilitate the marketing of products from the developing countries on the Community market
2. Encourage the developing countries to extend their production of exportable goods

See Council Resolution of 30 April 1974 on promotion of exports from non-associated developing countries : Commission communication to the Council on Community financial and technical aid to non-associated developing countries 1976-80 (Doc. COM(75) 95 final of 5 March 1975)

The appropriation for commitment authorized for 1979 is 5 500 000 EUA (see Article 1 (3) of the Financial Regulation of 21 December 1977)

#### JUSTIFICATION

The appropriation proposed by the Commission in the preliminary draft budget should be reinstated. The Commission fully explains why those appropriations should increase to a reasonable extent. Furthermore the rate of spending of appropriations entered against this item in 1978, though somewhat slow at the outset, speeded up later in the financial year.

The Council provides no justification for making those cuts.

\* \* \*

Draft amendment No 224

tabled by Mr Bangemann on behalf of the Committee on Budgets

#### Section III — Commission

#### PAYMENTS

- Title 9 — Cooperation with developing countries and non-member states
- Chapter 94 — Specific measures for cooperation with the developing countries
- Article 945 — Community contribution towards schemes concerning developing countries carried out by non-governmental organizations (NGOS)

#### (A) *Expenditure*

Increase the payment appropriation by 3 000 000 EUA (from 6 000 000 to 9 000 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget)

#### (B) *Compensation*

—

#### (C) *Revenue*

Increase revenue by the same amount

#### COMMITMENTS

Increase the commitment appropriation by 3 000 000 EUA (from 12 000 000 to 15 000 000 EUA)

#### *Schedule*

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
1978 appropriation :	12 000 000	6 000 000	3 000 000	3 000 000	—
1979 appropriation :	12 000 000	—	6 000 000	6 000 000	3 000 000
<b>Total</b>		6 000 000	9 000 000	9 000 000	3 000 000

**REMARKS**

Modify the remarks as follows :

This appropriation will be used by the Commission to finance the following measures :

- Financing, jointly with the NGOs, of microprojects to benefit the poorest sections of the population in developing countries, whether associated or not, and implementation of such joint financing.
- A subsidy of 50 000 EUA for the committee set up for liaison between the NGOs and the Commission and amongst the NGOs themselves.
- Financing to an amount of approximately 200 000 EUA of public information campaigns on development carried out by the NGOs in the Member States of the Community

See : Commission Communication to the Council of 6 October 1975 (COM(75) 504 final)

The commitment appropriation authorized for 1979 is 15 000 000 EUA.<sup>1</sup>

**JUSTIFICATION**

Through the work of its Committee on Development and its Control Subcommittee, Parliament has been able to satisfy itself as to the effectiveness of this form of development aid and the guarantees it offers in general from the standpoint of financial management. It is therefore desirable that the appropriations allocated to it should be increased. This measure should, however, be accompanied by an increase in the Commission's staff in this sector.

\* \* \*

Draft amendment No 225

tabled by Mr Bangemann on behalf of the Committee on Budgets

**Section III — Commission****PAYMENTS**

- Title 9 — Cooperation with developing countries and non-Member States
- Chapter 94 — Specific measures for cooperation with the developing countries
- Article 948 — Evaluation of the results of Community aid

**(A) Expenditure**

Enter a payment appropriation of 500 000 EUA (instead of a token entry) (reinstatement of the appropriation shown in the preliminary draft budget)

**(B) Compensation**

—

**(C) Revenue**

Increase revenue by the same amount

**COMMITMENTS**

—

*Schedule*

—

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977.

**REMARKS**

Modify the remarks as follows :

New Article :

This appropriation will be used by the Commission to finance the following measures :

Evaluation of Community aid : remuneration and travel and accommodation costs of experts, the carrying out of investigations and preparation of reports, and the cost of seminars for representatives of the developing countries and the Community.

**JUSTIFICATION**

An evaluation of this kind is urgently needed. It would allow a more coherent development aid policy to be worked out. A detailed justification of the appropriation proposed by the Commission in the preliminary draft was given in its explanatory memorandum. In its draft budget the Council does not justify the cut it has made.

\* \* \*

Draft Amendment No 226

tabled by Mr Bangemann on behalf of the Committee on Budgets

Section III — Commission

**PAYMENTS**

Title 9	— Cooperation with developing countries and non-member states
Chapter 95	— Exceptional measures to assist developing countries and non-member countries
Article 950	— Community aid to disaster victims in developing and non-member countries

**(A) Expenditure**

Increase the payment appropriation by 2 000 000 EUA (from 1 000 000 to 3 000 000 EUA)  
reinstatement of the appropriation shown in the preliminary draft budget)

**(B) Compensation**

—

**(C) Revenue**

Increase revenue by the same amount

**COMMITMENTS**

—

*Schedule*

—

**REMARKS**

Modify the remarks as follows :

This appropriation will be used by the Commission to finance the following measures :

— Emergency assistance to disaster victims (purchase and delivery to site of the most urgently needed supplies, etc.).

**JUSTIFICATION**

The Council has not justified the cut-back in appropriations by comparison with the preliminary draft.

\* \* \*

Draft amendment No 227  
 tabled by Mr Bangemann on behalf of the Committee on Budgets

### Section III — Commission

#### PAYMENTS

- Title 9 — Cooperation with developing countries and non-member states
- Chapter 96 — Cooperation with non-member countries
- Article 969 — Running expenses of Commission delegations in the southern Mediterranean countries linked to the EEC by cooperation agreements

(new)

#### (A) *Expenditure*

- Create a new Article 969: 'Running expenses of Commission delegations in the southern Mediterranean countries linked to the EEC by cooperation agreements'
- Enter a payment appropriation of 2 590 900 EUA

#### (B) *Compensation*

- Delete Item 9431 and the appropriation of 1 037 100 EUA shown against it
- Delete the appropriation of 1 553 800 EUA entered under Chapter 100 for Item 9431 (point 36 of the remarks against Chapter 100)

#### (C) *Revenue*

—

#### COMMITMENTS

—

#### *Schedule*

—

#### REMARKS

Enter the following new remarks:

This appropriation will be used by the Commission to finance the following measures:

- Running of the Commission delegations in the Maghreb, Mashreq and Israel. These appropriations will be utilized by the Commission through the intermediary of the ECA or the administrative body which replaces it.

#### JUSTIFICATION

By entering this appropriation the budgetary authority authorizes the Commission to establish and maintain delegations that will enable it to administer the cooperation agreements with the countries concerned more effectively.

\* \* \*

Draft Amendment No 228  
tabled by Mr Bangemann on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

- Title 9 — Cooperation with developing countries and other non-Member States  
Chapter 97 — Measures preparatory to enlargement of the Community  
(new)  
Article 970 — Special provisions for applicant countries to the European Community  
(new)

(A) *Expenditure*

- Add a new Chapter 97 'Measures preparatory to enlargement of the Community'
- Add a new Article 970 'Special provisions for applicant countries to the European Community'
- Enter a token entry

(B) *Compensation*

—

(C) *Revenue*

Unchanged

COMMITMENTS

—

REMARKS

The appropriations are for specific expenditure by the Commission for investment in infrastructure and investment by private industry in the 3 applicant countries.

50 % of the appropriations should be in the form of interest subsidies for loans by the European Investment Bank.

JUSTIFICATION

The special reserve to be created in Chapter 101 for expenditure relating to enlargement requires a structural provision in Chapter 96 to cover applicant countries, since the budgetary nomenclature does not include such provision for one applicant country and the budgetary lines of the Financial Protocols cannot be used for the other two.

\* \* \*

Draft Amendment No 229  
tabled by Mr Bangemann on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

- Title 10 — Other expenditure  
Chapter 100 — Provisional appropriations

(A) *Expenditure*

Increase payment appropriations by 10 000 000 EUA (from 114 722 800 to 124 722 800 EUA)

**(B) Compensation**

—

**(C) Revenue**

Increase revenue by 10 000 000 EUA

**COMMITMENTS**

Increase the commitment appropriations shown in brackets by 45 000 000 EUA (from 190 471 000 to 235 471 000 EUA)

**REMARKS**

Add the following :

Overall operational reserve

— appropriations for payment 10 000 000 EUA

— appropriations for commitment (45 000 000 EUA) to cover :

(a) Chapter 32 : Expenditure under the energy policy

(b) Chapter 37 : Expenditure in the industrial and transport sectors

(c) Article 384 : Assumption by the Community of certain financial obligations pursuant to agreements on fishing rights in non-Community waters

**JUSTIFICATION**

The intention is to reinstate the overall operational reserve from the preliminary draft with the exception of the appropriations for Chapter 96 (new expenditure relating to enlargement). For this reason the full appropriations of the preliminary draft (15 000 000 EUA in payment appropriations and 50 000 000 EUA in commitment appropriations) have not been reinstated. A separate special reserve should be created for enlargement (see amendment to Chapter 101).

(Technical note : Article 384 in (c) corresponds to Chapter 89 of the draft)

\* \* \*

Draft Amendment No 230  
tabled by the Committee on Budgets

**Section III — Commission****PAYMENTS**

- |             |  |
|-------------|--|
| Title 3     | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 30  | — Expenditure in the social sector   |
| Article 330 | — Community measures to improve workers living conditions  |
| Item 3031   | — Contribution to pilot projects on better housing for migrant workers   |

**(A) Expenditure**

Increase the payment appropriation by 65 000 EUA (from 300 000 to 365 000 EUA)  
(reinstatement of the appropriation shown in the preliminary draft budget)

**(B) Compensation**

—

**(C) Revenue**

Increase revenue by the same amount

## COMMITMENTS

Unchanged

*Schedule*

Amend the schedule as follows :

The commitment appropriation authorized for 1979 is 600 000 EUA.<sup>1</sup>

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	—	—	—	—	—
Appropriations carried over from 1977	—	—	—	—	—
Appropriations for 1978	560 000	170 000	185 000	205 000	—
Appropriations for 1979	600 000	—	180 000	200 000	220 000
Total	1 160 000	170 000	365 000	405 000	220 000

## REMARKS

Modify the remarks as follows :

This appropriation will be used by the Commission to finance the following measures :

— contribution to the financing of works to modernize hostels or family housing for migrant workers.

These measures will be taken in accordance with the Council Resolution of 9 February 1976 on an action programme for migrant workers and members of their families (OJ C 34, 14. 7. 76, para. 2).

## JUSTIFICATION

These measures are connected with the implementation of one of the most important objectives laid down in the Treaty : to promote improved working conditions and an improved standard of living for workers in the Community and in particular for migrant workers.

The appropriations for these measures are regularly entered in the Community budget as a result of initiatives taken by the European Parliament. The appropriations entered in 1978 for these measures are being used as expected.

In its preliminary draft budget the Commission provided a detailed justification for its proposal to increase the commitment appropriations by 7 % and the payment appropriations by 115 %. The Council does not give any justification for the reductions it has made.

The undersigned considers it not only desirable but also vital to reinstate the appropriation proposed by the Commission so as to show public opinion that the Community is aware of human and social problems.

\* \* \*

<sup>1</sup>See Article 1 (3) of the Financial Regulation of 21 December 1977



Draft amendment No 231  
tabled by the Committee on Budgets

### Section III — Commission

#### PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials  
Chapter 30 — Expenditure in the social sector  
Article 303 — Community measures to improve workers' living conditions  
Item 3030 — Contribution to pilot projects on better housing for handicapped workers

#### (A) *Expenditure*

Increase the payment appropriation by 85 000 EUA (from 380 000 to 465 000 EUA)  
(reinstatement of the appropriation shown in the preliminary draft budget)

#### (B) *Compensation*

—

#### (C) *Revenue*

Increase revenue by the same amount

#### COMMITMENTS

Unchanged

#### *Schedule*

*Amend* the schedule of payments as follows :

The commitment appropriation authorized for 1979 is 600 000 EUA.<sup>1</sup>

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	125 000	75 000	50 000	—	—
Appropriations carried over from 1977	—	—	—	—	—
Appropriations for 1978	560 000	125 000	235 000	200 000	—
Appropriations for 1979	600 000	—	180 000	200 000	220 000
<b>TOTAL</b>	<b>1 285 000</b>	<b>200 000</b>	<b>465 000</b>	<b>400 000</b>	<b>220 000</b>

#### REMARKS

Modify the remarks as follows :

This appropriation will be used by the Commission to finance the following measures :

- the construction at national level of housing specially designed for handicapped workers ;
- the provision of information on this housing to the authorities and bodies concerned in other Member States.

These measures will be taken with a view to implementing the objective laid down in Article 117 of the EEC Treaty.

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977

## JUSTIFICATION

These measures are connected with the implementation of one of the most important objectives laid down in the Treaty: to promote improved working conditions and an improved standard of living for workers in the Community.

The appropriations for these measures are regularly entered in the Community budget as a result of initiatives taken by the European Parliament. The appropriations entered in 1978 for these measures are being used as expected.

In its preliminary draft budget the Commission provided a detailed justification for its proposal to increase the commitment appropriations by 7 % and the payment appropriations by 133 %. The Council does not give any justification for the reductions it has made.

The undersigned considers it not only desirable but also vital to reinstate the appropriation proposed by the Commission so as to show public opinion that the Community is aware of human and social problems.

\* \* \*

Draft amendment No 232  
tabled by the Committee on Budgets

## Section III — Commission

## PAYMENTS

- |             |  |
|-------------|--|
| Title 3     | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 32  | — Expenditure under the energy policy  |
| Article 320 | — Projects in the hydrocarbons sector  |
| Item 3200   | — Community technological development projects   |

(A) *Expenditure*

Increase the payment appropriation by 4 000 000 EUA (from 27 000 000 to 31 000 000 EUA)  
(reinstatement of the appropriation shown in the preliminary draft budget)

(B) *Compensation*

—

(C) *Revenue*

Increase the revenue by the same amount

## COMMITMENTS

Unchanged

*Schedule*

Amend the schedule of payments as follows:

The commitment appropriation authorized for 1979 is 20 000 000 EUA<sup>1</sup>.

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	23 000 000	15 000 000	4 000 000	4 000 000	—
Appropriations carried over from 1977	31 000 000	—	11 000 000	20 000 000	—
Appropriations for 1978	35 000 000	15 000 000	10 000 000	10 000 000	—
Appropriations for 1979	20 000 000	—	6 000 000	7 000 000	7 000 000
<b>TOTAL</b>	<b>109 000 000</b>	<b>30 000 000</b>	<b>31 000 000</b>	<b>41 000 000</b>	<b>7 000 000</b>

#### REMARKS

Unchanged

#### JUSTIFICATION

In connection with the establishment of a common energy policy, the Community introduced measures aimed at promoting technological development activities directly connected with prospection, exploitation, storage and transport in the hydrocarbons sector.

During the previous financial year the appropriations were used as expected. The Commission proposes that these measures should continue at a steady rate and that commitment appropriations should be reduced by 42 % and payment appropriations left unchanged.

The author feels that the Commission's proposals represent a basic minimum which should be reinstated, since the Council has not given any justification for its reductions.

\* \* \*

#### Draft amendment No 233

tabled by Mr Ripamonti, on behalf of the Committee on Budgets Section V — Court of auditors

List of posts — adjust the establishment plan by the following 38 new posts and the conversions shown below :

- (a) 2 A 3, 3 A 4, 7 A 5, 3 A 6, 6 A 7, 1 B 1, 3 B 2, 2 B 3, 2 C 1, 5 C 2, 3 C 3, 1 D 1 ;
- (b) convert one permanent C 1 into one permanent B S 3 ;
- (c) convert three temporary C 1 into three temporary B S 3.

These posts are frozen. They will be released in two stages at the end of the first two quarters of 1979, in the light of the establishment and performance of the Court's auditing activities, which are to be organized in sixteen sectors.

#### (A) Expenditure

Increase the payment appropriation by 1 135 157 EUA (from 7 049 290 to 8 184 447 EUA) in accordance with the breakdown shown below :

#### (B) Compensation

—

#### (C) Revenue

Increase revenue by 883 800 EUA

The overall increase is to be broken down as follows :

Item 1100 — Basic salaries + 500 465 (from 5 168 110 to 5 668 575)

This amendment does not include the increase in appropriations shown in the breakdown against Item 1100 in respect of acceleration of recruitment, in view of the fact that these posts are frozen. The difference between the sum initially earmarked by the Court of Auditors for this heading and that allowed by the Council (164,300 = initial 300 000 — Council's 135 700) now appears under Item 1110 'Auxiliary staff' 5 532 875 EUA.

Item 1101 —	Family allowances	+	59 840 (from 466 480 to 526 320)
Item 1102 —	Expatriation allowances (including Art. 97 of ECSC Staff Regulations)	+	113 990 (from 888 910 to 1 002 900)
Item 1103 —	Temporary fixed allowances	+	16 310 (from 39 150 to 55 460)
Item 1110 —	Auxiliary staff	+	164 300 (from 110 000 to 274 300)
Item 1130 —	Insurance against sickness	+	19 940 (from 155 500 to 175 440)
Item 1131 —	Insurance against accidents and occupational diseases	+	4 460 (from 34 720 to 39 180)
Item 1141 —	Annual leave travel expenses	+	34 022 (from 61 520 to 95 542)
Item 1221 —	Staff	+	128 000 (from 117 900 to 245 900)
Item 2210 —	New purchases	+	93 830 (from 117 000 to 210 830)

#### REMARKS

Modify the remarks against the above items accordingly.

#### JUSTIFICATION

As is pointed out in the report submitted by Mr Ripamonti to the Committee on Budgets, the latter considers it necessary to allow the Court to pursue its activities in accordance with the programme it has drawn up, which is to be organized in sixteen sectors :

- EAGGF Guidance Section, Regional Fund, documentation service and legal service ;
- ECSC, Social Fund, budget and accounting division ;
- EAGGF Guarantee Section and programming division ;
- Research and investment expenditure, extra-budgetary expenditure and directorate for working methods and professional training ;
- Own resources, annual reports of activities and opinions ;
- EDF, food aid, and relations with the Community institutions ;
- Expenditure on staff of the institutions, energy sector, administration and personnel sector ;
- Administrative expenditure, Statistical Office, information offices, European Bank and relations with national audit bodies ;
- External bodies, European Schools, EURATOM agency, secretariat of the Court and Brussels liaison office.

These 38 posts would be additional to the 35 allowed by the Council in the draft budget, which means that 73 out of the 86 posts requested would be approved, with the result also that all the 57 posts requested for auditing work proper would be reinstated.

#### Financial Implications

##### Breakdown by Item

##### Expenditure

— Chapter 11	— Article 110	— Item 1100	5 668 575 EUA
		Item 1101	526 320 EUA
		Item 1102	1 002 900 EUA
		Item 1103	55 460 EUA
		Item 1110	274 300 EUA
	Article 113	— Item 1130	175 440 EUA
		Item 1131	39 180 EUA
	Article 114	— Item 1141	95 542 EUA
Chapter 12	— Article 122	— Item 1221	245 900 EUA
Chapter 22	— Article 221	— Item 2210	210 830 EUA
Revenue	— Chapter 40	207 512	1 556 137 EUA
	— Chapter 41	43 845	373 720 EUA
	Total :	251 357	1 949 857 EUA

\* \* \*

Draft amendment No 234

tabled by Mr Ripamonti, on behalf of the Committee on Budgets

## Section II — Council

### Annex I: Economic and social committee

#### ESTABLISHMENT PLAN

Add to the establishment plan of the secretariat of the Economic and Social Committee one A 4 post (career bracket A5/4)

#### PAYMENTS

##### (A) *Expenditure*

Increase the payment appropriation by 39 400 EUA broken down as shown in the attached financial statement.

##### (B) *Compensation*

—

##### (C) *Revenue*

Increase revenue by 33 820 EUA.

#### COMMITMENTS

—

#### *Schedule*

—

#### REMARKS

—

#### JUSTIFICATION

The Economic and Social Committee agrees to include in its establishment plan a post for an official of the former Audit Board.

#### *Financial Statement*

Post: 1 A 4

##### *Expenditure*

			<i>EUA</i>		
Title 1	Chapter 11	Item 1100	23 000		
		Item 1101	1 800		
		Item 1102	3 700		
		Item 1130	700		
		Item 1131	300		
		Item 1141	240		
		Article 119	1 350		
				<hr/>	
Total Chap. 11				31 090	
Chapter 12	Item 1211	310			
	Item 1221	2 600			
	Item 1231	2 300			
	Article 124	3 100			
				<hr/>	
Total Chap. 12				8 310	
				<hr/>	
Total Chap. 11 & 12					39 400

Revenue		
Chapter 40	4 030	
Chapter 41	1 550	
	<hr/>	
Total		5 580

Draft amendment No 235  
tabled by Mr Bangemann, on behalf of the Committee on Budgets

### Section III — Commission

#### PAYMENTS

Title 1	— Expenditure relating to persons working with the Institution
Chapter 15 (new)	— Organization of internal training courses and vocational training of staff
Article 153 (new)	— O & M consultancy fees and measures in Commission departments

#### (A) *Expenditure*

- Add a new Article 153 'O & M consultancy fees and measures in Commission departments'
- Enter payment appropriations of 250 000 EUA (Reinstatement of the appropriation shown in the preliminary draft budget)

#### (B) *Compensation*

Decrease the appropriation shown in Article 151 by 181 500 EUA

#### (C) *Revenue*

Increase revenue by 68 500 EUA

#### COMMITMENTS

—

#### REMARKS

These appropriations will be used to enable the Commission to finance the following measure :

- use of O & M consultants following management studies within the Commission.

This appropriation has been frozen. It will be released by the budgetary authority after the Commission has submitted an action programme.

#### JUSTIFICATION

The variety of responsibilities within the Commission and its complex management structure is a hindrance to the work of all the institutions. A clear and simple schedule showing the areas of responsibility of the Commissioners is urgently needed. The form of the administrative structure must be brought into line with the budgetary nomenclature. These appropriations will enable steady reorganization to be undertaken and a report then submitted to Parliament.

Draft amendment No 236  
tabled by the Committee on Budgets

Section III — Commission

PAYMENTS

Title 2 — Buildings, equipment and miscellaneous administrative expenditure  
Chapter 21 — Rental of buildings and associated expenditure  
Article 210 — Rent  
Item 2100 — Rent

(A) *Expenditure*

Increase expenditure by 279 800 EUA

(B) *Compensation*

Delete the provisional appropriations of 279 800 EUA entered under Chapter 100 for rent in Bangkok and Vienna.

(C) *Revenue*

—

REMARKS

Modify the last paragraph of the remarks as follows :

'An appropriation of 279 800 EUA is intended for the new offices of the Commission. This appropriation is frozen. The Commission is asked to provide the European Parliament with information as to the desirability of such offices'.

JUSTIFICATION

In its preliminary draft budget (Volume VII) the Commission states that the sum of 279 800 EUA is intended for the opening of new external offices, but without indicating which offices.

In the draft budget the Council has entered this appropriation in Chapter 100, stating that it is intended for new offices in Bangkok and Vienna.

In view of the fact that the question of the location of the Community's external offices is becoming increasingly difficult, it is recommended that the budgetary authority should assign priorities to the various possible locations for its external offices.

The author of this draft amendment considers that the advisability of setting up these offices must first be discussed with Parliament, and it is possible that such discussions will lead to the conclusion that offices in cities other than those envisaged are more necessary. It is also the purpose of this amendment to establish the principle that the Commission has to decide where it will set up offices and not the Council.

\* \* \*

Draft amendment No. 237  
tabled by Mr Bangemann, on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

Title 2 — Buildings, equipment and miscellaneous administrative expenditure  
Chapter 28 — Subsidies for balancing budgets  
Article 288 — European University Institute (Florence)

(A) *Expenditure*

Enter a payment appropriation of 260 000 EUA (instead of a token entry)

**(B) Compensation**

Decrease the appropriations under Item 2940 'Research grants and study grants' by 200 000 EUA (from 257 000 to 57 000 EUA).

**(C) Revenue**

Increase revenue by 60 000 EUA.

**COMMITMENTS**

Increase the commitment appropriations by 400 000 EUA (from 200 000 EUA to 600 000 EUA) (Compensation of 200 000 EUA from Item 2940)

*Schedule*

Draw up a schedule.

The commitment appropriation authorized for 1979 is 600 000 EUA. The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment					
1978 appropriations					
1979 appropriations	600 000	—	260 000	200 000	140 000
Total	600 000	—	260 000	200 000	140 000

**REMARKS**

Modify the remarks as follows :

This appropriation will be used by the Commission to finance the following measures :

- subsidies for a 'research fund' administered by a Fund Council to be created ;
- research programmes linked with Community policies.

**JUSTIFICATION**

Over and above the inter-governmental financing which it receives, the University Institute urgently needs additional funds from the Community budget. The appropriations for research grants are insufficient for this purpose. The appropriations under Item 2940, earmarked for the University Institute, have therefore been decreased by 200 000 EUA. The remarks against that item must be modified accordingly.

A sum of 600 000 EUA over three years is required for the research programmes. In the initial year 10 % of this sum, i.e. 60 000 EUA, will be sufficient, and this should be added to the 200 000 EUA approved by the Council .

\* \* \*



Draft amendment No 238  
tabled by the Committee on Budgets

### Section III — Commission

#### PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials  
Chapter 30 — Expenditure in the social sector  
Article 306 — Pilot research projects on action to combat poverty

#### (A) *Expenditure*

Unchanged

#### (B) *Compensation*

—

#### (C) *Revenue*

Unchanged

#### COMMITMENTS

Increase the commitment appropriation by 4 000 000 EUA (from 5 750 000 to 9 750 000 EUA)

#### *Schedule*

Amend the schedule of payments as follows :

The commitment appropriation for 1979 is 9 750 000 EUA. The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	2 373 000	1 853 000	520 000	—	—
Appropriations carried over from 1977	541 000	100 000	441 000	—	—
Appropriations for commitment 1978	5 000 000	951 000	3 039 000	1 010 000	—
Appropriations for commitment 1979	9 750 000	—	—	5 513 000	4 237 000
Total	17 664 000	2 904 000	4 000 000	6 523 000	4 237 000

#### REMARKS

Modify the remarks as follows :

This appropriation will be used by the Commission to finance the following measures :

— Community participation in the implementation of pilot projects on action to combat poverty. See in particular Council Decisions Nos 75/458/EEC of 22 July 1975 (OJ L 199 of 30. 7. 1975) and 77/779/EEC of 12 December 1977 (OJ L 322 of 17. 12. 1977).

#### JUSTIFICATION

The preamble to the Treaty of Rome and the Articles relating to Social Policy affirm that an essential objective of the Community is the constant improvement of the living and working standards of its

citizens. The Programme of Pilot Schemes and Studies to combat poverty, set up in accordance with the Social Action Programme, has the function of examining the causes of poverty and methods to eliminate it — thus in effect working towards bringing about improvements in the living standards of the most underprivileged in our society. The European Parliament must mark its political will to continue this action by providing the necessary financial resources in the future for the development of this Programme.

\* \* \*

Draft amendment No. 239

tabled Mr Bangemann on behalf of the Committee on Budgets

### Section III — Commission

#### PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 33 — Expenditure on research and investment
- Article 333 — Joint Research Centre — other activities
- Item 3333 — Measures for physical protection at JRC establishments

#### (A) *Expenditure*

Increase the payment appropriation by 3 292 200 EUA (from 2 000 000 EUA to 5 292 000 EUA)

#### (B) *Compensation*

Delete the appropriation of 1 292 200 EUA in Chapter 100 — 'Provisional appropriations' earmarked for Item 3333 'Measures for the physical protection of JRC establishments'.

#### (C) *Revenue*

Increase revenue by 2 000 000 EUA

#### COMMITMENTS

Increase the commitment appropriation by 4 212 000 EUA (from 2 000 000 EUA to 6 212 000 EUA) and delete the commitment appropriation of 2 212 000 EUA entered in Chapter 100.

#### *Schedule of Payments*

Modify the schedule of payments as follows:

The commitment appropriation authorised for 1979 is 6 212 000 EUA.<sup>1</sup> The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment		—	—	—	—
Appropriations outstanding from 1977		—	—	—	—
1978 Appropriations	5 500 000	4 455 000	1 045 000	—	—
1979 Appropriations	6 212 000	—	4 247 200	1 964 800	—
<b>Total</b>	<b>11 712 000</b>	<b>4 455 000</b>	<b>5 292 000</b>	<b>1 964 000</b>	<b>—</b>

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977

## REMARKS

Modify remarks as follows :

'These appropriations will be used to enable the Commission to finance the following measures :

— arrangements and activities to improve protection and surveillance at JRC establishments and some of their installations, especially :

1. Investments, including in particular :

- erection, reinforcement or realignment of fences ;
- tree felling in peripheral areas and laying of patrol paths — in some cases, lighting of sites ;
- reinforcement or construction of access facilities and installation of requisite remote control system ;
- installation of electronic detection, inspection, monitoring and alarm networks and the requisite premises ;

2. Cost of patrolling or guarding the abovementioned installations ;

3. Cost of maintenance, including routine maintenance of all protected facilities and areas, especially electronic networks.

The illustrative breakdown of appropriations over these expenditure groups is derived from the 'table of equivalence' set out in Annex 2 to this Section III ('Commission') of the budget. These measures are in keeping with the recommendations drawn up by the International Atomic Energy Agency concerning the protection of nuclear materials (Doc. INFCIRC/225). They are not covered by the JRC's multi-annual research programme'.

## JUSTIFICATION

Measures for physical protection at JRC establishments are absolutely vital.

The table of equivalence should be modified as follows :

Item	Heading	Sub-items						
		1	2	3	4	5	9	Total
3333	Measures for physical protection at JRC establishments	C		2 117 000	4 095 000			6 212 000
		P		1 855 700	3 436 500			5 392 500

C = Commitments

P = Payments

\* \* \*

Draft amendment No 240

tabled by Mr Bangemann on behalf of the Committee on Budgets

Section III — Commission

## PAYMENTS

Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials

Chapter 33 — Expenditure on research and investment

Article 333 — Joint Research Centre — other activities

Item 3334 — Modernization of the infrastructure of the JRC  
(new)

(A) *Expenditure*

Create a new Item 3334 'Modernization of the infrastructure of the JRC'

Enter a payment appropriation of 3 000 000 EUA

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

Enter a commitment appropriation of 3 000 000 EUA.

*Schedule*

The Commitment appropriations authorized for 1979 amount to 3 000 000 EUA. The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments		
		1979	1980	1981
Appropriations for 1979	3 000 000	3 000 000		

## REMARKS

Enter the following new remarks :

These appropriations will be used to enable the Commission to finance the following measures :

- modernization of the JRC infrastructure, including in particular : road works, repair and modernization of existing buildings ; repair of gas and water pipes ;
- construction of administrative and other buildings.

These measures are not covered by the JRC's multi-annual research programme'.

## JUSTIFICATION

The condition of the buildings, technical facilities, water pipes and administrative buildings is such that repairs and modernization are essential.

*Table of Equivalence*

The table of equivalence of the new Item 3334 is as follows :

Item	Heading	Sub-items						
		1	2	3	4	5	9	Total
3334	Modernization of the infrastructure of the JRC	C		1 000 000	2 000 000			3 000 000
		P		1 000 000	2 000 000			3 000 000

C = commitment appropriations

P = payment appropriations

\* \* \*

Draft amendment No 241  
tabled by Mr Bangemann on behalf of the Committee on Budgets

### Section III — Commission

#### PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 33 — Expenditure on research and investment
- Article 333 — Joint Research Centre — other activities
- Item 3335 — Collaboration with industry, universities and others  
(new)

#### (A) *Expenditure*

Create a new Item 3335 'Collaboration with industry, universities and others'  
Enter a payment appropriation of 2 000 000 EUA

#### (B) *Compensation*

—

#### (C) *Revenue*

Increase revenue by the same amount

#### COMMITMENTS

Enter a commitment appropriation of 2 000 000 EUA

#### *Schedule*

The commitment appropriations authorized for 1979 amount to 2 000 000 EUA. The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments		
		1979	1980	1981
Appropriations for 1979	2 000 000	2 000 000		

#### REMARKS

Enter the following new remarks :

'These appropriations will be used to enable the Commission to finance the following measures :

- costs involved in the appointment of visiting scientists ;
- research contracts (in particular for items 3300, 3301 and 3302)

These are activities enabling the Commission :

- to acquire the specialist knowledge needed in the preparation, for example, of future programmes or for solving specific problems to assist the other departments of the Commission in new fields ;
- to establish scientific or technical contacts with industries, universities, research institutions and others'.

#### JUSTIFICATION

Parliament considers it desirable for the JRC to be able to assist the other departments of the Commission in specific fields to give the research carried out by the Centre a more practical purpose. Collaboration with other organizations is essential for the purpose of these contracts.

Table of ~~equivalence~~

Item	Heading	Sub-items						
		1	2	3	4	5	9	Total
3335	Collaboration with industry, universities and others	C —	200 000	—	—	1 800 000	—	2 000 000
		P —	200 000	—	—	1 800 000	—	2 000 000

C = commitment appropriations

P = payment appropriations

\* \* \*

Draft amendment No 242

tabled by Mr Bangemann, on behalf of the Committee on Budgets

## Section III — Commission

## PAYMENTS

- Title 3 — Community policies in regard, particularly, to research technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 39 — Other expenditure on specific projects undertaken by the Institution
- Article 392 — Educational measures
- Item 3922 — Expenditure on residential adult education centres (new)

(A) *Expenditure*

Create a new Item 3922: 'Expenditure on residential adult education centres'

Enter a payment appropriation of 350 000 EUA

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

—

## REMARKS

## New Item

Enter the following remarks:

These appropriations will be used to enable the Commission to finance the following measures:

- pilot projects in the field of resident adult education;
- financial support for the activities of Europe Houses, adult education centres, initiative groups, and other institutions in the field of adult residential education.

These measures will be adopted in the context of a programme to be submitted to the budgetary authority by the Commission during the first half of 1979. This programme will be based on the action programme in the field of education (OJ C 38, 19. 2. 1976, p. 1) and the European Parliament's resolution of 16 June 1978 (OJ C 163, 10. 7. 1978, p. 72).

## JUSTIFICATION

The European Parliament has repeatedly put forward proposals in the field of residential adult education as an element of the European Community's education policy (See most recently the Kellett-Bowman report (PE 49 547) and the Waltmans, Früh and Albers motion for a resolution (Doc. 281/77)).

As regards general education, the Commission's action programme of 9 February 1976 must be supplemented so as to include residential adult education centres. It is proposed that particular encouragement be given to encounter opportunities involving teachers from more than one Member State. Furthermore, group initiatives should be promoted in those regions of the Community where residential adult education centres do not yet exist.

\* \* \*

Draft amendment No 243

tabled by Mr Bangemann, on behalf of the Committee on Budgets

## Section III — Commission

## PAYMENTS

- |                    |   |
|--------------------|---|
| Title 3            | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials. |
| Chapter 39         | — Other expenditure on specific projects undertaken by the Institution  |
| Article 392        | — Educational measures  |
| Item 3923<br>(new) | — Expenditure on the promotion of language teaching   |

(A) *Expenditure*

Create a new Item 3923: 'Expenditure on the promotion of language teaching'

Enter a payment appropriation of 1 000 000 EUA

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

—

## REMARKS

## New Item

This appropriation will be used for expenditure by the Commission to promote language teaching in the Community. Under the Education Action Programme at Community Level (COM(78) 222 final of 22 June 1978) a Community plan is to be drawn up to provide improved opportunities for the learning of foreign languages from an early age in primary school, through the different stages of education to higher and adult education.

The measures are to be concentrated in the following sectors:

- Initial training of foreign language teachers
- Continuing training of foreign language teachers
- Early foreign language teaching
- Teaching foreign languages to less able pupils
- Teaching of modern languages for the 16-25 age group in full-time education
- Teaching of languages to adults for vocational purposes
- Encouragement of schools teaching through the medium of more than one language
- Information and documentation services in language teaching

See Council Resolution of 9 February 1976 (OJ C 38 of 19. 2. 1976).

## JUSTIFICATION

A better mutual understanding among the peoples of the Community and awareness of their right to freedom of movement and establishment depends largely on their ability to converse in a Community language other than their mother tongue.

Taken together with the draft amendments to Items 3934 and 3935, this represents a first attempt at the establishment of a Community education budget.

The rapporteur's proposals may be summarized as follows (without Items 3930 and 3931):

— Item 3932 'Residential adult education centres'	100 000 EUA
— Item 3933 'Language teaching'	1 000 000 EUA
— Item 3934 'Exchange of pupils'	2 000 000 EUA
— Item 3935 'Exchange of teachers'	2 000 000 EUA
	<hr/>
total	5 100 000 EUA for 1979

In its Action Programme the Commission proposed the following financing schedule:

1980	6 400 000 EUA
1981	7 900 000 EUA
1982	8 200 000 EUA
1983	7 400 000 EUA

The rapporteur proposes that the programme should be launched already in 1979 with 5 100 000 EUA instead of in 1980 with 6 400 000 EUA.

\* \* \*

## Draft amendment No 244

tabled by Mr Bangemann on behalf of the Committee on Budgets

## Section III — Commission

## PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 39 — Other expenditure on specific projects undertaken by the Institution
- Article 392 — Educational measures
- Item 3924 — Expenditure on pupil exchanges
- (new)

(A) *Expenditure*

Create a new Item 3924: 'Expenditure on pupil exchange'

Enter a payment appropriation of 2 000 000 EUA

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

—



## REMARKS

Enter the following new remarks :

## New Item

The appropriation will be used for financing by the Commission of the following measures :

- Community participation in the expenditure resulting from :
  - (a) study visits to other Member States (groups of pupils receiving general education and pupils undergoing vocational training in the 11-16 year age group)
  - (b) holiday arrangements for pupils from general schools in more than one country (16-19 year age group)
  - (c) management of information and guidance activities between the existing services in the Member States.

## JUSTIFICATION

In cooperation with the Committee on Education, the Commission obtained reports in 1977 from the Ministries of Education in the Community countries. In October 1977, the Commission arranged a working conference in Venice attended by national and regional experts on school exchanges. The appropriation entered here should enable the Commission to take practical action on the basis of its previous theoretical work.

The Commission should take steps to alleviate the imbalance in school exchanges as between the Member States. For example, in 1977 one Member State arranged 2 390 pupil exchanges with two other countries, but only 13 with the other six Member States. Geographical disadvantages should also be attenuated.

The Commission has submitted a four-year plan for pupil exchanges representing a total expenditure of 5 400 000 EUA (2 200 000 EUA for the base year 1980).

It is proposed that the base year should be advanced to 1979 and the Commission's appropriation reduced by 200 000 EUA.

\* \* \*

## Draft amendment No 245

tabled by Mr Bangemann on behalf of the Committee on Budgets

## Section III — Commission

## PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 39 — Other expenditure on specific projects undertaken by the Institution
- Article 392 — Educational measures
- Item 3925 — Expenditure on the exchange of teaching staff
- (new)

(A) *Expenditure*

- Create a new Item 3925: 'Expenditure on the exchange of teaching staff'
- Enter a payment appropriation of 2 000 000 EUA

(B) *Compensation*

—

(C) *Revenue*

- Increase revenue by the same amount

## COMMITMENTS

—

**REMARKS**

Enter the following new remarks :

**New Item**

The appropriation will be used for financing by the Commission of the following measures :

— Community participation in the financing of the exchange of :

- (a) foreign language assistants
- (b) foreign language teaching staff and
- (c) other teaching staff.

**JUSTIFICATION**

The Commission is planning the following expenditure under a four-year programme :

- Exchange of foreign language assistants 9 700 000 EUA  
(Base year 1980 : 2 150 000 EUA)
- Exchange of teaching staff 4 600 000 EUA  
(Base year 1980 : 1 150 000 EUA)

It is again proposed in this instance that the base year should be advanced to 1979, and that 2 000 000 EUA should be entered for the first year instead of 3 300 000 EUA.

\* \* \*

Draft amendment No 246

tabled by Mr Bangemann, on behalf of the Committee on Budgets

**Section III — Commission****PAYMENTS**

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 39 — Other expenditure on specific projects undertaken by the Institution
- Article 395 — Specific measures to improve knowledge of the Japanese markets

**(A) Expenditure**

Increase the payment appropriation by 1 070 000 EUA (from 1 500 000 to 2 570 000 EUA) (reinstatement of the appropriation shown in the preliminary draft budget, accompanied by the integration of Items 3950 and 3951).

**(B) Compensation**

—

**(C) Revenue**

Increase revenue by 1 070 000 EUA

**COMMITMENTS**

—

**REMARKS**

Modify the remarks as follows :

**New Article**

This appropriation will be used to cover expenditure by the Commission on

- financial support for specific measures undertaken by the European Chambers of Trade in Tokyo, such as the organization of direct contacts between the industrialists concerned and measures to attract Japanese purchasers,

- the implementation of a programme to improve access to the Japanese markets by granting scholarships to young executives of industrial and commercial firms from the Community based in Japan.

#### JUSTIFICATION

The appropriation originally entered by the Commission is justified by the importance of trade relations with Japan. The integration of Items 3950 and 3951 proposed by the Council is clearer.

\* \* \*

Draft amendment No 247  
tabled by the Committee on budgets

#### Section III — Commission

#### PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 30 — Expenditure in the social sector
- Article 301 — Tasks entrusted to the Commission in the field of vocational training
- Item 3010 — European Centre for the Development of Vocational Training
  - (a) Expenditure on rent and administration
  - (b) Staff expenditure
  - (c) Operational expenditure

Total for Item 3010 = 3 200 000 EUA.

#### (A) *Expenditure*

—

#### (B) *Compensation*

—

#### (C) *Revenue*

—

#### REMARKS

Unchanged

#### JUSTIFICATION

The purpose of this amendment is to make auditing easier by subdividing this item. The Commission is asked to communicate the necessary sub-divisions before the budgetary procedure is concluded.

\* \* \*

Draft amendment No 248  
tabled by the Committee on Budgets

Section III — Commission

#### PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 35 — Protection of man and his environment
- Article 359 — Grant towards the operation of the European Foundation for the Improvement of Living and Working Conditions
- Item 3590 — Expenditure on rent and administration
- Item 3591 — Staff expenditure
- Item 3592 — Operation expenditure
- Total for Item 359 = 2 590 000 EUA.

(A) *Expenditure*

—

(B) *Compensation*

—

(C) *Revenue*

—

#### REMARKS

Unchanged

#### JUSTIFICATION

The purpose of this amendment is to make auditing easier by sub-dividing this item.  
The Commission is asked to communicate the necessary sub-divisions before the budgetary procedure is concluded.

\* \* \*

Draft amendment No 249  
tabled by the Committee on Budgets

Section III — Commission

Title 8 — European Guidance and Guarantee Fund — Guidance Section and fisheries policy

Amend the heading of Title 8 to read: 'European Agricultural Guidance and Guarantee Fund — Guidance Section'

#### JUSTIFICATION

The Committee on Budgets and the the Committee on Agriculture have tabled amendments creating a new Chapter 38, covering appropriations for the 'Common policy on the sea'. One of the effects of these amendments is to simplify the nomenclature of Title 8, the heading of which should be amended accordingly.

\* \* \*

Draft amendment No 250  
tabled by the Committee on Budgets

### Section III — Commission

#### PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 31 — Expenditure in the agricultural sector
- Article 318 — Aid to the Joint-Trade Table Wine Organization  
(new)

#### (A) *Expenditure*

Create a new Article 318 : 'Aid to the Joint-Trade Table Wine Organization'

Enter a payment appropriation of 170 000 EUA (instead of a token entry) (Reinstatement of the appropriation shown under Item 8351 in the preliminary draft budget)

#### (B) *Compensation*

Delete Item 8351

#### (C) *Revenue*

Increase revenue by the same amount

#### COMMITMENTS

—

#### *Schedule*

—

#### REMARKS

##### New Item

Enter the following remarks :

Expenditure against this Item in 1979 arises from a proposal for a Council Regulation establishing a European Joint-Trade Table Wine Organization (COM(78) 55 final, 13 February 1978).

This is part of a series of measures to improve the organization of the wine sector. The aim of a European Joint-Trade Organization is to create a single forum for growers, traders, table wine producers and the Community institutions. It will participate in the preparation of decisions adopted under the common agricultural policy and in the establishment of an information network affording better transparency of the market in table wines.

To this end, a system of degressive aid towards operating costs is introduced, together with aid for research and for the organization of an annual competition for quality wines.

#### JUSTIFICATION

The Committee on Budgets considers that assistance to joint-trade table wine organizations is one way of eliminating the economic and social difficulties in the wine-growing sector and of giving the trade a greater say in the decisions affecting it. It takes the view that these measures constitute a Community participation rather than an operation under the agricultural structures policy, and should not therefore be charged to the EAGGF, Guidance Section.

\* \* \*

## Draft amendment No 251

tabled by Mr Bangemann on behalf of the Committee on Budgets

## Section III — Commission

## REVENUE

Title 10 — ~~Other~~ expenditure

Chapter 102 — Special reserve for expenditure in connection with the establishment of a primary energy reserve

(new)

(A) *Expenditure*

- Enter a new Chapter 102 'Special reserve for expenditure in connection with the establishment of a primary energy reserve'.
- Enter payment appropriations of 100 000 000 EUA.

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount.

## COMMITMENTS

—

## REMARKS

The appropriations are provisional and can only be used when they have been previously transferred to Chapter 32 in accordance with the Financial Regulation.

## JUSTIFICATION

It is a declared aim of the Community to achieve greater independence in respect of imported energy.

The Commission proposals

- Item 3230 'Use of power in coal stations'
  - Item 3231 'Aids for coal stocks'
  - Item 3232 'Aids for intra-Community trade in power station coal'
- are too closely confined to the coal sector.

The establishment of a primary energy reserve, on the other hand, covers all primary energy sources and is therefore more suitable for achieving the Community objectives.

There is no question for the moment of entering appropriations in a budgetary line, since the Commission proposals have to be reformulated following the summit conferences at Bremen and Bonn.

An appropriation should therefore only be entered in Title 10.

\* \* \*

## Draft amendment No 252

tabled by the Committee on Budgets

## Section III — Commission

## PAYMENTS

Title 9 — Cooperation with developing countries and other non-Member States

Chapter 92 — Food aid

Article 920 — Food aid in cereals

Item 9201 — 1979 programme

**(A) Expenditure**

Increase the payment appropriation by 48 488 000 EUA (from 96 117 000 to 138 605 000 EUA)  
— (reinstatement of the appropriation shown in the preliminary draft budget)

**(B) Compensation**

—

**(C) Revenue**

Increase revenue by the same amount

**COMMITMENTS**

Enter a commitment appropriation of 512 000 000 EUA

*Schedule*

Enter the following schedule :

The commitment appropriation authorised for 1979 is 512 000 000 EUA <sup>1</sup>

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Appropriations for commitment 1979	512 000 000		138 605 000	166 580 000	206 880 000

**REMARKS**

—

**JUSTIFICATION**

In its resolution of 20 January 1978 on the 1978 Food Aid Programme submitted by the Commission, the European Parliament considered that Community food aid could only be effective if rules were laid down with an eye to a long-term development strategy or policy. It specifically called on the Council to enter into multi-annual commitments so that food aid measures could be made part and parcel of the development programmes (aid to projects). This means that commitment appropriations must be entered in the budget. The commitment appropriation of 512 000 000 EUA covers the total payment appropriations for 1979, 1980 and 1981 required for the supply of 1 135 000 tonnes, 1 240 000 tonnes and 1 400 000 tonnes respectively, which correspond to the 3-year estimates drawn up by the Commission on the basis of the food aid agreement (annex to international wheat agreement) which provides for the annual delivery of 1 650 000 tonnes of cereals by the Community and the Member States.

\* \* \*

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977

Draft amendment No 253  
tabled by the Committee on Budgets

### Section III — Commission

#### PAYMENTS

Title 2	— Buildings, equipment and miscellaneous administrative expenditure
Chapter 27	— Expenditure on publishing and information
Article 272	— Expenditure on the dissemination of information and on participation in public events
Item 2720	— Expenditure on the dissemination of information, popularization and participation in public events

#### (A) *Expenditure*

Unchanged

#### (B) *Compensation*

Unchanged

#### (C) *Revenue*

Unchanged

#### COMMITMENTS

—

#### *Schedule*

—

#### REMARKS

Modify the remarks as follows :

This appropriation will be used by the Commission to finance the following measures :

— informing the public, by all appropriate technical means, of the aims and activities of the European Communities.

Particular stress will be laid on the aims and activities of the ESF.

The amount of revenue which may be re-used is estimated at 50 000 EUA.

#### JUSTIFICATION

The Committee on Budgets took the view that particular stress should be laid on the aims and activities of the Social Fund as part of the task of informing public opinion. It nevertheless felt that this action should not be divorced from the Commission's information policy taken as a whole.

\* \* \*



Draft amendment No 254

tabled by Mr Bangemann on behalf of the Committees on Budgets

### Section III — Commission

Enter the following text at the end of Section III :

Legislative decisions of the budgetary authority

In the case of the budget lines listed below, the text of the remarks begins as follows :

'This appropriation will be used by the Commission to finance the following measures' ;

1170	2242	2661	3103	3620
1171	2243	267	3141	3621
1172	2244	2710	315	3622
1173	2250	2711	316	363
1210	2251	2719	3200	3702
1302	2252	2720	3201	3710
141	2253	2721	3210	3740
142	2254	2722	3211	3741
144	230	2729	3212	3750
149	2310	273	3240	3751
150	2311	281	3241	376
1520	2320	288	325	3780
153	233	289	328	3781
202	234	290	3331	379
2100	2350	291	3332	387
211	2351	292	3333	390
212	2352	2931	3334	391
213	2353	2932	3335	3920
214	2354	2940	3370	3921
215	2391	2941	3372	3922
219	2392	2942	3380	3923
2200	241	2986	3381	3924
2201	250	295	3388	3925
2202	251	296	Chap. 34	3930
2203	254	299	350	3931
2210	2550	3011	3520	395
2211	2551	302	3521	930
2212	2552	3030	353	931
2213	256	3031	3540	932
2220	260	304	3541	941
2221	262	3050	3542	942
2222	263	3051	3545	944
2223	264	306	3550	945
2230	2650	3070	3551	946 A
2231	2651	3071	3552	948
2232	2652	308	355	950
2233	2653	3101	360	
2240	2660	3102	361	

### JUSTIFICATION

The wording given above has been used by the rapporteur for the draft amendments tabled by the Committee on Budgets. It must however be extended to the budget lines not affected by these amendments of the Committee on Budgets, but in the case of which the appropriations can be used by the Commission without prior intervention by the Council.

The purpose of this wording is to indicate to the Commission the appropriations for whose implementation the budgetary authority does not require the prior adoption of a decision by way of a regulation.

## Draft amendment No 255

tabled by Mr Bangemann on behalf of the Committee on Budgets

## Section III — Commission

## ESTABLISHMENT PLAN

Amend the establishment plan as follows:

- 18 established posts in Grade A :  
4 A 4, 5 A 5, 4 A 6, 5 A 7
- 40 temporary posts in Grade A :  
10 A 3, 12 A 4, 13 A 5, 2 A 6, 3 A 7
- 1 established post in Grade B 1 :
- 17 temporary posts in Grade B :  
3 B 1, 3 B 2, 2 B 3, 7 B 4, 2 B 5
- 7 established posts in Grade C :  
1 C 2, 2 C 3, 2 C 4, 2 C 5
- 24 temporary posts in Grade C :  
3 C 1, 5 C 2, 15 C 3, 1 C 5
- 
- 26 established posts
- 81 temporary posts

(A) *Expenditure*

Increase expenditure by 1 765 000 EUA.

(B) *Compensation*

Reduce the appropriation in Article 943 (EEC subsidy for the operation of the European Association for Cooperation) by 699 000 EUA (headquarters personnel). The European Development Fund appropriation will be reduced by 1 066 000 EUA ('experts' and delegates), but it is not yet possible to complete this compensation since the EDF has not yet been included in the budget.

(C) *Revenue*

Unchanged.

## REMARKS

Unchanged

## JUSTIFICATION

The European Parliament has repeatedly asked for staff of the European Association for Cooperation (EAC) to be included in the Commission's establishment.

This inclusion will not be affected by any decision on the future legal status of the Association. The change in legal status is in no way prejudiced since all the parties concerned expect the Association to be incorporated under public law.

The Commissioner responsible has informed Parliament that it is the Commission's intention to include the personnel concerned in its own establishment plan. This amendment is a first stage of that operation :

## (a) Headquarters staff of the Association :

11 A, 17 B, 24 C,

broken down as follows :

1 A 3	3 B 1	3 C 1
2 A 4	3 B 2	5 C 2
3 A 5	2 B 3	15 C 3
2 A 6	7 B 4	1 C 5
3 A 7	2 B 5	
<hr/>	<hr/>	<hr/>
11 A	17 B	24 C

It is therefore necessary to create 52 temporary posts.

## (b) Heads of delegations :

Of the 42 Heads of delegations, 13 can already be incorporated into the structure of the Commission on the basis of existing posts. It will therefore be necessary to create a further 29 temporary A 3 and A 5/4 posts, broken down as follows :

9 A 3  
10 A 4  
10 A 5  

---

29 A

## (c) the 'experts' :

18 A grade, 1 B grade and 7 C grade staff are already employed as 'experts' in DG VIII. 26 established posts must be provided for them, broken down as follows :

4 A 4	1 B	1 C 2
5 A 5		2 C 3
4 A 6		2 C 4
5 A 7		2 C 5
<hr/> 18 A	<hr/> 1 B	<hr/> 7 C

The total appropriation breaks down as follows :

*Expenditure*

Item 1100	1 271 000 EUA
Item 1101	122 000 EUA
Item 1102	160 000 EUA
Item 1103	11 000 EUA
Item 1130	37 000 EUA
Item 1131	7 000 EUA
Item 1141	26 000 EUA

Interim total	1 634 000 EUA
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Item 1211	6 000 EUA
Article 124	125 000 EUA

Interim total	131 000 EUA
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Overall total	1 765 000 EUA
---------------	---------------

*Revenue*

Chapter 400	235 000 EUA
Chapter 410	85 000 EUA

Overall total	320 000 EUA
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Balance	1 445 000 EUA
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\* \* \*

## Draft amendment No 256

tabled by Mr Bangemann, on behalf of the Committee on Budgets

## Section III — Commission

*Establishment Plan*

## (a) Creation of 26 permanent posts in Category A :

1 A 3, 4 A 4, 6 A 5, 7 A 6, 8 A 7

## 19 permanent posts in Category B :

3 B 2, 5 B 3, 5 B 4, 6 B 5

## 43 permanent posts in Category C :

6 C 1, 7 C 2, 9 C 3, 10 C 4, 11 C 5

## 10 permanent posts in Category D :

5 D 2, 5 D 3

Total	98 permanent posts
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(b) Conversion of posts	+ 8 A 3
	— 8 A 4
	—15 A 4
	—15 A 5
	+15 B 1
	—15 B 2
	+60 C 1
	—60 C 2
Total	98

*Expenditure*

Increase expenditure by 1 167 000 EUA

*Revenue*

Increase revenue by the same amount

## REMARKS

Unchanged

## JUSTIFICATION

The above new posts and conversions are required to consolidate existing administrative structures. The A 3 post is intended for an official who belonged to the former Board of Auditors.

## (a) New Posts

Those posts are vitally required for the expansion of existing administrative sectors.  
The breakdown is as follows :

Former Board of Auditors	1 A			
Customs Union	4 A	2 B	25 C	
EAGGF	8 A	7 B		10 D
EAGGF-Control	6 A	5 B	2 C	
Computer centre	7 A	5 B	16 C	
	26 A	19 B	43 C	10 D

= 98 permanent posts

## (b) Conversion of posts

434 Grade A 5 officials are eligible for promotion to A 4

454 Grade B 2 officials are eligible for promotion to B 1

606 Grade C 2 officials are eligible for promotion to C 1

In order to allow for the promotion of at least 5 % of the officials in Categories A and B and at least 10 % of those in Category C, 98 post conversions should be approved.

Promotion should be linked to the requirement of prior further training measures.

\* \* \*

At the meeting of the Committee of Budgets on 16/17 October 1978 the following additions were made in DG VI (EAGGF-Control) to the rapporteur's proposals :

2 A, 2 B, 2 C.

This partly caters for the proposals made in draft amendment Doc. 296/151 tabled by the C-D Group.

\* \* \*

The breakdown of the overall appropriation is as follows :

<i>Expenditure</i>	
Item 1100	735 000 EUA
Item 1101	71 000 EUA
Item 1102	94 000 EUA
Item 1103	14 000 EUA
Item 1130	22 000 EUA
Item 1131	4 000 EUA
Item 1141	25 000 EUA
Part Total	965 000 EUA
Item 1211	12 000 EUA
124	190 000 EUA
Part Total	202 000 EUA
Total	1 167 000 EUA
<i>Revenue</i>	
Chapter 400	147 000 EUA
Chapter 410	49 000 EUA
Total	196 000 EUA
Balance	971 000 EUA

\* \* \*

Draft amendment No 257  
tabled by Mr Bangemann, on behalf of the Committee on Budgets

### Section III — Commission

#### Establishment plan

Creation of 8 permanent posts in Category A :

1 A 3, 2 A 4, 2 A 5, 1 A 6, 2 A 7

20 permanent posts in Category B :

2 B 1, 2 B 2, 3 B 3, 6 B 4, 7 B 5

3 permanent posts in Category C :

Total 31 permanent posts

#### (A) *Expenditure*

Increase expenditure by 372 000 EUA

#### (B) *Compensation*

—

#### (C) *Revenue*

Increase revenue by the same amount

#### REMARKS

Unchanged

## JUSTIFICATION

Those additional posts are for EURATOM security surveillance. Under the agreement between the Community and the International Atomic Energy Organization of 21 April 1977, the Commission was made responsible for the security surveillance of nuclear material both in storage and in transport. Specialist staff are required for those special duties and they cannot be obtained by transfer within the Commission

Last year, the recruitment of 8 Grade A officials, 25 Grade B officials and 10 Grade C officials was approved pursuant to draft amendment Doc. 270/247 (first instalment). The necessary second instalment was promised to the Commission under the 1979 budget. This promise is covered by the present draft amendment.

The breakdown of the overall appropriation is as follows :

<i>Expenditure</i>	<i>EUA</i>
Item 1100	232 000
Item 1101	22 000
Item 1102	29 000
Item 1103	1 000
Item 1130	6 000
Item 1131	1 000
Item 1141	7 000
<b>Part Total</b>	<b>298 000</b>
Item 1211	3 000
124	71 000
<b>Part Total</b>	<b>74 000</b>
<b>Total</b>	<b>372 000</b>
<i>Revenue</i>	
Chapter 400	46 000
Chapter 410	15 000
<b>Total</b>	<b>61 000</b>
<b>Balance</b>	<b>311 000</b>

\* \* \*

Draft amendment No 258  
tabled by Mr Bangemann, on behalf of the Committee on Budgets

## Section III — Commission

## Establishment Plan

Creation of 52 permanent posts in Category A :

3 A 2, 1 A 3, 9 A 4, 12 A 5, 12 A 6, 15 A 7

46 permanent posts in Category B :

3 B 1, 7 B 2, 9 B 3, 13 B 4, 14 B 5

37 permanent posts in Category C :

3 C 1, 11 C 2, 11 C 3, 6 C 4, 6 C 5

**Total 135 permanent posts**

*Expenditure*

**Increase expenditure by 1 632 000 EUA**

*Revenue**Increase revenue by the same amount*

## REMARKS

Unchanged

## JUSTIFICATION

The above permanent posts are intended to cover new actions by the Commission.

	A	B	C
1. Posts requested by the Commission (Preliminary draft)	123	129	126
2. Posts approved by the Council for new actions (Draft)	26	26	25
3. Difference	97	103	101
4. Requests for posts justified by new actions (Bangemann draft report)	52	96	37

The author of this draft amendment is of the opinion that new posts must be approved for new actions. Following a close scrutiny of requirements and on the basis of the justification provided by the Commission in accordance with Article 12 of the Financial Regulation (Doc. IX/1181/78) he proposes the following allocation of the posts to be approved (the page numbers refer to the Commission's justification):

	A	B	C	
Unemployment among young people and women	2	2	2	DG V, Dir. B 4, C 1 (p. 15)
Regional fund	4	4	2	DG XVI (p. 18-22)
Energy, particularly new energy sources, adjustments	3	2	2	DG XVIII (p. 3) see Bangemann report
Fisheries	2	2	2	DG XIV (p. 65)
Agricultural structures	2	2	2	F-3, F-4 (p. 61) As a consequence of the letter of amendment
Protection of the sea environment	2	1	1	see Bangemann report
Environmental protection, general	2	1	1	(p. 43-48)
Health policy	1 A 3		1	see Bangemann report
Transport	2			Transport infrastructures see Bangemann Report
Education	2	2	1	see Bangemann report
Supply agency	2	0	1	(p. 38)
Enlargement	2 + 1 A 2	1	2	(p. 26) see also Bangemann report
Non-associated countries	5 + 1 A 2	8	7	DG VIII (p. 33/34)
2				
Maghreb, Mashreq, Israel	5	8	6	DG VIII (p. 32/33)
Non-govt. organizations	2	2	2	DG VIII (p. 34)
VAT, own resources	3	4	2	DG XIX (p. 69)
Budget DG XIX	+ 1 A 2	2		
Financial control	4	4	1	DG XX
Direct elections	4	3	2	General secretariat (p. 75)
Total	52	46	37	

At the meeting of the Committee on Budgets on 16/17 October 1978 the following two additions were made to the rapporteur's proposals:

- (a) For DG VIII development (5 A 4 — 7, 11 B, 12 C)  
(Part of the draft amendment Doc. 296/182 tabled by the Committee on Development)
- (b) For DG XX financial control (2 A, 2 B)  
(Part of the draft amendment Doc. 296/150 tabled by the C-D Group)

The breakdown of the overall appropriation is as follows:

<i>Expenditure</i>	<i>EUA</i>
Item 1100	1 012 000
Item 1101	98 000
Item 1102	129 000
Item 1103	12 500
Item 1130	30 000
Item 1131	6 000
Item 1141	34 000
Item 1144	1 500
<b>Part Total</b>	<b>1 323 000</b>
Item 1211	17 000
124	292 000
<b>Part Total</b>	<b>309 000</b>
<b>Total</b>	<b>1 632 000</b>
<i>Revenue</i>	
Chapter 400	202 000
Chapter 410	68 000
<b>Total</b>	<b>270 000</b>
<b>Balance</b>	<b>1 362 000</b>

\* \* \*

Draft amendment No 259  
tabled by the Committee on Budgets

### Section III — Commission

#### PAYMENTS

- Title 9 — Cooperation with the developing countries and non-member states
- Chapter 92 — Food aid
- Article 921 — Food aid in milk products
- Item 9211 — 1979 skimmed milk powder programme

#### (A) *Expenditure*

Increase the payment appropriation by 29 260 000 EUA (from 87 940 000 to 117 200 000 EUA)  
(Reinstatement of the appropriation shown in the preliminary draft budget)

#### (B) *Compensation*

—

#### (C) *Revenue*

Increase revenue by the same amount



**COMMITMENTS**

Enter a commitment appropriation of 387 932 000 EUA

*Schedule*

Enter the following schedule :

The commitment appropriation authorized for 1979 is 387 932 000 EUA.<sup>1</sup>

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Appropriations for commitment 1979	387 932 000		117 200 000	128 920 000	141 812 000

**REMARKS**

—

**JUSTIFICATION**

In its resolution of 20 January 1978 on the 1978 Food Aid Programme submitted by the Commission, the European Parliament considered that Community food aid could only be effective if rules were laid down with an eye to a long-term development strategy or policy. It specifically called on the Council to enter into multi-annual commitments so that food aid measures could be made part and parcel of the development programmes (aid to projects).

This means that commitment appropriations must be entered in the budget.

The commitment appropriation of 387 932 000 EUA corresponds to the total payment appropriations for 1979, 1980 and 1981 required for the annual supply of 200 000 tonnes of skimmed milk powder, including 31 000 tonnes annual for India under the Flood II programme.

\* \* \*

Draft amendment No 260  
tabled by the Committee on Budgets

**Section III — Commission****PAYMENTS**

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector the environment and the supply of energy and raw materials
- Chapter 37 — Expenditure in the industrial and transport sectors
- Article 371 — Operations in the aerospace sector
- Item 3710 — Technological research

**(A) Expenditure**

Enter an appropriation of 7 000 000 EUA (instead of a token entry) (Reinstatement of the appropriation shown in the preliminary draft budget)

**(B) Compensation**

—

<sup>1</sup> See Article 1 (3) of the Financial Regulation, 21. 12. 1977

**(C) Revenue**

Increase revenue by the same amount.

**COMMITMENTS**

Enter a commitment appropriation of 5 000 000 EUA (instead of a token entry) (Reinstatement of the appropriation shown in the preliminary draft budget)

*Schedule*

Restore the schedule shown in the preliminary draft budget :

The commitment appropriation authorized for 1979 is 5 000 000 EUA.<sup>1</sup>

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Appropriations for commitment remaining from 1977	8 000 000 <sup>1</sup>	8 000 000 <sup>1</sup>			
Appropriations for commitment 1978	15 000 000 <sup>2</sup>	1 000 000 <sup>2</sup>	5 000 000	5 000 000	4 000 000
Appropriations for commitment 1979	5 000 000	—	2 000 000	1 700 000	1 300 000
<b>Total</b>	<b>28 000 000</b>	<b>9 000 000</b>	<b>7 000 000</b>	<b>6 700 000</b>	<b>5 300 000</b>

<sup>1</sup> Non-differentiated appropriations subject to an application for a non-automatic carry-over

<sup>2</sup> Appropriation entered in Chapter 100

**REMARKS**

Modify the remarks as follows :

This appropriation will be used by the Commission to finance the following measures :

- technological research projects relating to :
  - (a) increasing the structural life of air frames, lightening the structure and reducing maintenance costs by optimizing the use of component materials ;
  - (b) helicopters : fuel economy through aero-dynamic improvement of the rotor and fuselage, the reduction of nuisance by lowering the external noise level, improvement of safety by means of measures concerning the structures of the aircraft, enlargement of operational possibilities by reducing the noise level and internal vibrations by extending the IFR operations and the study of high-speed VTOL aircraft ;
- technological development studies concerning
  - (a) infrastructures, including in particular a cryogenic transonic wind tunnel for high Reynolds numbers ;
  - (b) aero-dynamic equipment.

The Commission will implement this appropriation by reference to the general lines of the action programme for the European aeronautical sector (Doc. COM(75) 475, 3. 10. 1975) and the proposal for an initial series of aeronautical research projects (Doc. COM(77) 362 final, 9. 8. 1977).

**JUSTIFICATION**

The Committee on Budgets notes that Parliament has included aid to the aerospace industry among the priorities for the 1979 budget. It also notes that it has not been possible to launch this operation since 1975 in the absence of Council decisions. It has therefore decided to propose to Parliament that these appropriations be entered in the 1979 budget in such a manner that they can be implemented even in the event of further delays by the Council.

\* \* \*

<sup>1</sup> See Article 1 (3) of the Financial Regulation, 21.12.1977

Draft amendment No 261  
tabled by the Committee on Budgets

### Section III — Commission

#### PAYMENTS

Title 9 — Cooperation with the developing countries and non-member states  
Chapter 92 — Food aid  
Article 921 — Food aid in milk products  
Item 9213 — 1979 butteroil programme

#### (A) *Expenditure*

Increase the payment appropriation by 13 786 000 EUA (from 62 250 000 to 76 036 000 EUA)  
(Reinstatement of appropriation shown in the preliminary draft budget)

#### (B) *Compensation*

#### (C) *Revenue*

Increase revenue by the same amount

#### COMMITMENTS

Enter a commitment appropriation of 251 679 160 EUA

#### Schedule

Enter the following schedule :

The commitment appropriation authorized for 1979 is 251 679 160 EUA.<sup>1</sup>

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Appropriations for commitments 1979	251 679 160		76 036 000	83 639 600	92 003 560

#### REMARKS

#### JUSTIFICATION

In its resolution of 20 January 1978 on the 1978 Food Aid Programme submitted by the Commission, the European Parliament considered that Community food aid could only be effective if rules were laid down with an eye to a long-term development strategy or policy. It specifically called on the Council to enter into multi-annual commitments so that food aid measures could be made part and parcel of the development programmes (aid to projects).

This means that commitment appropriations must be entered in the budget.

The commitment appropriation of 251 679 160 EUA corresponds to the total payment appropriations for 1979, 1980 and 1981 required for the annual supply of 55 000 tonnes of butteroil, including 12 700 tonnes annually for India under the Flood II programme.

\* \* \*

<sup>1</sup> See Article 1 (3) of the Financial Regulation, 21. 12. 1977

Draft amendment No 262  
tabled by Mr Bangemann on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials  
Chapter 39 — Other expenditure on specific projects undertaken by the Institution  
Article 396 — Subsidy for the operation of the European Foundation

(A) *Expenditure*

Enter the following footnote after the appropriation of 500 000 EUA :  
An appropriation of 4 500 000 EUA is also entered in Chapter 100.

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by 4 500 000 EUA

COMMITMENTS

—

REMARKS

Enter the following remarks :

This appropriation should enable the European Foundation to be financed from the budget of the Commission. A payment appropriation of 4 500 000 EUA has been entered in Chapter 100.

JUSTIFICATION

No reason was given for the reduction in appropriations by the Council and it must therefore be withdrawn. No remarks were included in the draft budget.

The European Foundation should begin work as soon as possible. The European Parliament insists that the Foundation should be financed by the Community. Experience of the financing of other institutes on an international basis does not encourage us to continue this method of financing which can scarcely be described as European.

\* \* \*

Draft amendment No 263  
tabled by Mr Bangemann on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

- Title 9 — Cooperation with developing countries and other non-Member States  
Chapter 94 — Specific measures for cooperation with developing countries  
Article 946a — Energy cooperation with non-oil-producing developing countries

(A) *Expenditure*

Create the following new Article 946a : 'Energy cooperation with non-oil-producing developing countries'

Enter a payment appropriation of 3 000 000 EUA

**(B) Compensation**

—

**(C) Revenue**

Increase revenue by the same amount.

**COMMITMENTS**

Enter a commitment appropriation of 15 000 000 EUA

**Schedule**

Enter the following schedule :

The commitment appropriation authorized for 1979 is 15 000 000 EUA<sup>1</sup>.

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment					
Appropriations for commitment remaining					
Appropriations for commitment 1978					
Appropriations for commitment 1979	15 000 000		3 000 000	7 000 000	5 000 000
<b>Total</b>	<b>15 000 000</b>		<b>3 000 000</b>	<b>7 000 000</b>	<b>5 000 000</b>

**REMARKS**

Enter the following remarks

This appropriation will be used by the Commission to finance the following measures :

- The formulation of a cooperation project with the developing countries for the development of their energy sources, centred on the development of potential resources, the training of scientific and technical staff and increased investment of Community origin. The project will include :
  1. an assessment of energy resources ;
  2. the establishment of five-year energy cooperation programmes ;
- Pre-feasibility studies
- An initial assessment of the requirements and potential resources of certain developing countries ;
- The pilot schemes deemed necessary.

**JUSTIFICATION**

The intention here is to implement one of the decisions taken by the European Council meeting in Bremen.

\* \* \*

<sup>1</sup> Article 1 (3) of the Financial Regulation, 21. 12. 1977

Draft amendment No 264  
tabled by the Committee on Budgets

Section III — Commission

PAYMENTS

Title 9 — Cooperation with developing countries and other non-Member States  
Chapter 92 — Food aid  
Article 922 — Food aid in sugar  
Item 9221 — 1979 programme

(A) *Expenditure*

Increase the payment appropriation by 904 000 ECU (from 1 448 000 to 2 352 000 ECU)  
(reinstatement of the appropriation shown in the preliminary draft budget)

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

Enter a commitment appropriation of 7 785 120 ECU

REMARKS

—

JUSTIFICATION

In its Resolution of 20 January 1978 on the 1978 Food Aid Programme submitted by the Commission, the European Parliament considered that Community food aid could only be effective if rules were laid down with an eye to a long-term development strategy or policy. It specifically called on the Council to enter into multi-annual commitments so that food aid measures could be made part and parcel of the development programmes (aid to projects).

This means that commitment appropriations must be entered in the budget.

The commitment appropriation of 7 785 120 ECU corresponds to the total payment appropriations for 1979, 1980 and 1981 required for the annual supply of 10 000 tonnes of sugar, including 6 153 tonnes for UNRWA, pursuant to the agreement between the EEC and the Agency.

\* \* \*

Draft amendment No 265  
tabled by Mr Bangemann on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

Title 5 — Social and Regional Funds  
Chapter 50 — Social Fund — expenditure provided for under Article 4 of the Council decision of 1 February 1971  
Article 501 — Measures for Young People  
Item 5010 — Measures in the field of vocational training  
(new)

**(A) Expenditure**

Enter a new Item 5010 entitled 'Measures in the field of vocational training'

Enter payment appropriations of 201 000 000 EUA (reinstatement of the appropriation shown in the preliminary draft budget).

**(B) Compensation**

Delete Article 501 with payment appropriations of 145 000 000 EUA

**(C) Revenue**

Increase revenue by 56 000 000 EUA

**COMMITMENTS**

Enter commitment appropriations of EUA 230 000 000 (delete the appropriation of 230 000 000 EUA from Article 501)

*Schedule*

The commitment appropriation authorized for 1979 is 230 000 000 EUA<sup>1</sup>

The likely schedule of payments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	193 700 000	75 000 000	84 000 000	34 700 000	—
Appropriations carried over from 1977	—	—	—	—	—
Appropriations 1978	179 000 000	44 000 000	60 000 000	43 700 000	31 300 000
Appropriations 1979	230 000 000	—	57 000 000	80 000 000	92 400 000
<b>Total</b>	<b>602 700 000</b>	<b>119 000 000</b>	<b>201 000 000</b>	<b>159 000 000</b>	<b>123 700 000</b>

**REMARKS**

Council Decision 75/459/EEC of 22 July 1975 on intervention by the European Social Fund in favour of persons affected by employment difficulties (OJ L 199, 30. 7. 1975, p. 36).

Council Decision 77/802/EEC of 20 December 1977 amending certain decisions adopted pursuant to Article 4 of Decision 71/66/EEC on the reform of the European Social Fund (OJ L 337, 27. 12. 1977, p. 10).

**JUSTIFICATION**

Measures in the field of vocational training for young people must be given priority as confirmed by the European Council meeting in Bremen.

The Commission cannot be absolved from political responsibility for stepping up the rate of spending under the ESF.

The cut made by the Council in the balance of commitments entered into in 1978 from EUA 84 000 000 to 28 000 000 cannot therefore be accepted.

Item 5010 should therefore be restored in accordance with the nomenclature of the preliminary draft since a new Item 5011 (see draft amendment) must be created. The provisional creation of an Article 530 — 'new measures to assist young people proposed by the Commission' — for Items 5011, 5101 and 5111 is not approved.

\* \* \*

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977.

Draft amendment No 266  
tabled by Mr Bangemann on behalf of the Committee on Budgets

### Section III — Commission

#### PAYMENTS

- Title 5 — Social and Regional Funds  
Chapter 50 — Social Fund — expenditure provided for under Article 4 of the Council decision of 1 February 1971  
Article 501 — Measures for Young People  
Item 5011 — Measures to promote employment  
(A) *Expenditure*

Enter a new Item 5011 entitled 'Measures to promote employment'  
Enter payment appropriations of 14 000 000 EUA

(B) *Compensation*

Reduce the appropriation in Chapter 100 by 8 000 000 EUA  
(point 25 in remarks)

(C) *Revenue*

Increase revenue by 6 000 000 EUA

#### COMMITMENTS

Enter commitment appropriations of 55 000 000 EUA (reinstatement of the appropriation shown in the preliminary draft budget)

(reduce the commitment appropriation in point 25 of the remarks in Chapter 100 by 20 000 000 EUA)

The commitment appropriation authorized for 1979 is 55 000 000 EUA<sup>1</sup>

The likely schedule of payments against commitments is as follows:

(in EUA)

Commitments		Payments		
		1979	1980	1981
1979:	55 000 000	14 000 000	16 000 000	25 000 000

#### REMARKS

Proposal for a Council Regulation introducing a new European Social Fund aid in favour of young persons and Proposal for a Council Decision amending Decision 75/459/EEC of 22 July 1975 on action by the European Social Fund for persons affected by employment difficulties, as amended by Decision 77/802/EEC of 20 December 1977, submitted by the Commission to the Council on 10 April 1978 (OJ C 100, 25. 4. 1978, p. 4)

#### JUSTIFICATION

Measures in the field of vocational training for young people must be given priority as confirmed by the European Council meeting in Bremen. The Commission cannot be absolved from political responsibility for stepping up the rate of spending under the ESF.

The entry of initial appropriations following Bremen is justified. The partial cut made by the Council (see Article 530) cannot be accepted.

Item 5010 should therefore be restored in accordance with the nomenclature of the preliminary draft since a provisional Item 5011 (see draft amendment) must be created. The provisional creation of an Article 530 — 'new measures to assist young people proposed by the Commission' — for Items 5011, 5101 and 5111 is not approved.

\* \* \*

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977.



Draft amendment No 267  
tabled by Mr Bangemann on behalf of the Committee on Budgets

### Section III — Commission

#### PAYMENTS

- Title 5 — Social and Regional Funds  
Chapter 51 — Social Fund — expenditure provided for under Article 5 of the Council Decision of 1 February 1971  
Article 510 — Measures to improve the employment situation in certain regions, economic sectors adapting to technical progress or groups of companies  
Item 5100 — Measures in the field of vocational training  
(new)

#### (A) Expenditure

Enter a new Item 5100 'Measures in the field of vocational training'.  
Enter payment appropriations of 333 000 000 EUA (reinstatement of the appropriation shown in the preliminary draft budget).

#### (B) Compensation

Delete Article 510 with payment appropriations of 231 000 000 EUA

#### (C) Revenue

Increase revenue by 102 000 000 EUA

#### COMMITMENTS

Enter commitment appropriations of 326 000 000 EUA (reinstatement of the appropriation shown in the preliminary draft budget).

The likely schedule of payments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	473 000 000	206 000 000	156 700 000	110 600 000	—
Appropriations carried over from 1977	—	—	—	—	—
Appropriations 1978	281 000 000	69 000 000	94 300 000		
Appropriations 1979	326 000 000	—	82 000 000	108 000 000	136 000 000
<b>Total</b>	<b>1 080 300 000</b>	<b>275 000 000</b>	<b>333 000 000</b>	<b>277 500 000</b>	<b>194 800 000</b>

#### REMARKS

Council Decision 71/66/EEC of 1 February 1971 on the reform of the European Social Fund (OJ L 28, 4. 2. 1971, p. 15), as amended by Council Decision 77/801/EEC of 20 December 1977 (OJ L 337, 27. 12. 1977, p. 8) and in particular Article 5 (1), subparagraphs (a), (b) and (c) thereof,

Council Regulation (EEC) No 2396/71 of 8 November 1971 implementing the Council Decision of 1 February 1971 on the reform of the European Social Fund (OJ L 249, 10. 11. 1971, p. 54), as amended by Council Regulation (EEC) of 20 December 1977 (OJ L 337, 27. 12. 1977, p. 1) and in particular Article 1 (1) and (3) and Article 3 (1) thereof.

## JUSTIFICATION

Measures in the field of vocational training for young people must be given priority as confirmed by the European Council meeting in Bremen. The Commission cannot be absolved from political responsibility for stepping up the rate of spending under the ESF.

The cut of 100 000 000 EUA made by the Council in commitment appropriations entered into before 1978 and for which payments must be made from new payment appropriations, together with the cut of 2 000 000 EUA made in payment appropriations for 1979 (giving a total of 102 000 000 EUA) have both been rescinded. The additional 11 000 000 EUA in commitment appropriations are made up of 2 000 000 EUA for 1979, 3 000 000 EUA for 1980 and 6 000 000 EUA for 1981 and subsequent financial years.

Item 5100 should therefore be restored in accordance with the nomenclature of the preliminary draft since a new Item 5101 (see draft amendment) must be created. The provisional creation of an Article 530 — 'New measures to assist young people proposed by the Commission' — for Items 5011, 5101 and 5111 is not approved.

\* \* \*

Draft amendment No 268 tabled by

Section III — Commission

## PAYMENTS

Title 5	— Social and Regional Funds
Chapter 51	— Social Fund — expenditure provided for under Article 5 of the Council Decision of 1 February 1971
Article 510	— Measures to improve the employment situation in certain regions, economic sectors adapting to technical progress or groups of companies
Item 5101 (new)	— Measures to promote the employment of young people

(A) *Expenditure*

Enter a new Item 5101 'Measures to promote the employment of young people'.

Enter payment appropriations of 14 000 000 EUA (reinstatement of the appropriation shown in the preliminary draft budget).

(B) *Compensation*

Reduce the appropriations entered against Chapter 100 by 8 000 000 EUA (Point 25 of remarks)

(C) *Revenue*

Increase revenue by 6 000 000 EUA

## COMMITMENTS

Enter commitment appropriations of 48 000 000 EUA (reinstatement of the appropriation shown in the preliminary draft budget). (Reduce the commitment appropriation entered in Point 25 of the remarks in Chapter 100 by 16 000 000 EUA).

*Schedule*

The commitment appropriation authorized for 1979 is 48 000 000 EUA<sup>1</sup>

(in EUA)

Commitments		Payments		
		1979	1980	1981
1979:	48 000 000	14 000 000	22 500 000	11 500 000

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977

## REMARKS

Proposal for a Council Regulation (EEC) introducing a new European Social Fund aid for young people and proposal for a Council Decision amending Decision 75/459/EEC of 22 July 1975 on aid from the European Social Fund for persons affected by employment difficulties, as amended by Decision 77/802/EEC of 20 December 1977, submitted by the Commission to the Council on 10 April 1978 (OJ C 100, 25. 4. 1978, p. 4).

## JUSTIFICATION

Measures in the field of vocational training for young people must be given priority as confirmed by the European Council meeting in Bremen. The Commission cannot be absolved from political responsibility for stepping up the rate of spending under the ESF.

The entry of initial appropriations following Bremen is justified. The partial cut made by the Council (see Article 530) cannot therefore be accepted.

Item 5101 should therefore be restored in accordance with the nomenclature of the preliminary draft since the provisional creation of Article 530 provides a completely unclear and time-limited budgetary picture.

\* \* \*

Draft amendment No 269  
tabled by Mr Bangemann on behalf of the Committee on Budgets

## Section III — Commission

## PAYMENTS

Title 5 — Social and Regional Funds  
Chapter 51 — Social Fund — expenditure provided for under Article 5 of the Council Decision of 1 February 1971  
Article 511 —  
Item 5110 — Measures in the field of vocational training  
(new)

(A) *Expenditure*

Enter a new Item 5110 'Measures in the field of vocational training'.

Enter payment appropriations of 47 000 000 EUA (reinstatement of the appropriation shown in the preliminary draft budget)

(B) *Compensation*

Delete Article 511 with payment appropriations of 36 500 000 EUA

(C) *Revenue*

Increase revenue by 10 500 000 EUA.

## COMMITMENTS

Enter commitment appropriations of 61 000 000 EUA (figure taken unchanged from Article 511 of the draft budget).

The likely schedule of payments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	47 400 000	25 000 000	16 500 000	5 900 000	—
Appropriations carried over from 1977	—	—	—	—	—
Appropriations 1978	49 000 000	12 000 000	16 500 000	19 100 000	1 400 000
Appropriations 1979	61 000 000	—	14 000 000	22 500 000	24 500 000
<b>Total</b>	<b>157 400 000</b>	<b>37 000 000</b>	<b>47 000 000</b>	<b>47 500 000</b>	<b>25 900 000</b>

#### REMARKS

Council Decision 71/66/EEC of 1 February 1971 on the reform of the European Social Fund (OJ L 28, 4. 2. 1971, p. 15), as amended by Council Decision 77/801/EEC of 20 December 1977 (OJ L 337, 27. 12. 1977, p. 8) and in particular Article 5 (1) subparagraph (d) thereof.

Council Regulation (EEC) No 2396/71 of 8 November 1971 implementing the Council Decision of 1 February 1971 on the reform of the European Social Fund (OJ L 249, 10. 11. 1971, p. 54), as amended by Council Regulation (EEC) No 2893/77 of 20 December 1977 (OJ L 337, 27. 12. 1977, p. 1), and in particular Article 1 (2) and (3) and Article 3 (1) thereof.

#### JUSTIFICATION

Measures in the field of vocational training for young people must be given priority as confirmed by the European Council meeting in Bremen. The Commission cannot be absolved from political responsibility for stepping up the rate of spending under the ESF.

The cut of EUA 10 500 000 in payment appropriations, made in the form of a reduction in the commitments entered into before 1978 and for which payments must be made from new payment appropriations, has been rescinded.

Furthermore, the schedule of payment shows cuts in the appropriations for 1979 which are incomprehensible when viewed in relation to the commitment appropriation of 61 000 000 EUA. The last part of the last section of Item 5110 should therefore be restored in accordance with the nomenclature of the preliminary draft since a new Item 5111 (see draft amendment) must be created. The provisional creation of an Article 530 — 'New measures to assist young people proposed by the Commission' — for Items 5011, 5101 and 5111 is not approved.

\* \* \*

Draft amendment No 270

tabled by Mr Bangemann on behalf of the Committee on Budgets

#### Section III — Commission

##### PAYMENTS

Title 5 — Social and Regional Funds

Chapter 51 — Social Fund — expenditure provided for under Article 5 of the Council Decision of 1 February 1971

Article 511 —

Item 5111 — Measures to promote the employment of young people  
(new)

**(A) Expenditure**

Enter a new item 5111 'Measures to promote the employment of young people'.

Enter payment appropriations of 2 000 000 EUA (reinstatement of the appropriation shown in the preliminary draft budget).

**(B) Compensation**

Reduce the appropriation entered against Chapter 100 by 2 000 000 EUA (Point 25 of remarks).

**(C) Revenue**

Unchanged

**COMMITMENTS**

Enter commitment appropriations of 7 000 000 EUA (reinstatement of the appropriation shown in the preliminary draft budget)

(Reduce the commitment appropriation entered in point 25 of the remarks in Chapter 100 (by 4 000 000 EUA)

The commitment appropriation authorized for 1979 is 7 000 000 EUA <sup>1</sup>

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments		
		1979	1980	1981
1979	7 000 000	2 000 000	2 500 000	2 500 000

**REMARKS**

Proposal for a Council Decision (EEC) introducing a new European Social Fund aid for young people and proposal for a Council Decision amending Decision 75/459/EEC of 22 July 1975 on aid from the European Social Fund for persons affected by employment difficulties, as amended by Decision 77/802/EEC of 20 December 1977, submitted by the Commission to the Council on 10 April 1978 (OJ C 100, 25. 4. 1978, p. 4)

**JUSTIFICATION**

Measures in the field of vocational training for young people must be given priority as confirmed by the European Council meeting in Bremen. The Commission cannot be absolved from political responsibility for stepping up the rate of spending under the ESF.

Following the meeting of the European Council in Bremen, there is a call for specific appropriations covering unemployment among handicapped persons. The partial cut made (see Article 530) is in contradiction with the decisions taken by Heads of Government.

\* \* \*

Draft amendment No 271

tabled by Mr Bangemann, on behalf of the Committee on Budgets

**Section III — Commission****PAYMENTS**

Title 5 — Social and Regional Funds

Chapter 53 — Social Fund measures to promote the employment of young people

Article 530 — New measures proposed by the Commission to aid young people

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977

**(A) Expenditure**

Delete Chapter 53 and the appropriation in Chapter 100

**JUSTIFICATION**

This deletion is a necessary consequence of the six previous draft amendments to Items 5010, 5011, 5100, 5101, 5110 and 5111, restoring the nomenclature of the preliminary draft budget.

\* \* \*

Draft amendment No 272

tabled by Mr Bangemann, on behalf of the Committee on Budgets

**Section III — Commission****PAYMENTS**

Title 5 — Social and Regional Funds

Chapter 50 — Social Fund

Article 505 — Measures to help women

**(A) Expenditure**

Increase expenditure by 7 000 000 EUA  
(from 7 000 000 EUA to 14 000 000 EUA)

**(B) Compensation**

—

**(C) Revenue**

Increase revenue by 7 000 000 EUA

**COMMITMENTS**

Increase commitments by 12 000 000 EUA  
(from 12 000 000 EUA to 24 000 000 EUA)

**Schedule**

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment	—	—	—	—	—
Appropriations carried over from 1977	—	—	—	—	—
Appropriations for 1978	8 000 000	2 500 000	4 000 000	1 000 000	500 000
Appropriations for 1979	24 000 000	—	6 000 000	8 000 000	10 000 000
<b>Total</b>	<b>32 000 000</b>	<b>2 500 000</b>	<b>10 000 000</b>	<b>9 000 000</b>	<b>10 500 000</b>

## JUSTIFICATION

The number of unemployed women in the Community as a whole and in Germany, France, the Netherlands, Belgium, Luxembourg and the United Kingdom has increased more rapidly in recent months than the number of unemployed men.

Of the total number of registered unemployed in the Community, 44 % are women. In Germany, France and Belgium more than 50 % of the registered unemployed are women.

There is also a substantial increase in the number of unemployed women under the age of 25. To give expression to repeated requests by the European Parliament, this amendment aims to double the payment and commitment appropriations.

\* \* \*

Draft amendment No 273  
tabled by Mr Bangemann, on behalf of the Committee on Budgets

## Section III — Commission

## PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment, the supply of energy and raw materials and the common policy on the sea
- Chapter 38 — Common policy on the sea  
(new)
- Article 381 — Common organization of the market in fishery products  
(new)

(A) *Expenditure*

- Add a new Article 381 'Common organization of the market in fishery products'
- Enter payment appropriations of 20 000 000 EUA (Items and appropriations as in Chapter 88 of the draft budget)

(B) *Compensation*

Delete payment appropriations of 20 000 000 EUA and the nomenclature from this chapter

(C) *Revenue*

Unchanged

## COMMITMENTS

—

## REMARKS

Remarks as in Chapter 88

## JUSTIFICATION

The remarks from Chapter 88 are to be transferred as they stand to Article 381 and its sub-items. Chapter 38 combines the individual facets of a Community policy into a 'Common policy on the sea'.

The present nomenclature in Title 8 and Title 3 cannot be retained. Title 8 included :

- Chapter 86 — Fisheries/Guidance
- Chapter 87 — Specific measures in the fisheries sector
- Chapter 88 — Fisheries/Guarantee
- Chapter 89 — Other fishery policy measures

Title 3 included marine environment policy.

the present nomenclature is as follows :

- Chapter 38 — Common policy on the sea
- Article 381 — Fisheries/Guarantee (former Chapter 88)
- Article 382 — Fisheries structure (from Chapter 86)
- Article 383 (former Chapter 87) (excluding Article 871)
- Article 384 (former Chapter 89)
- Article 385 — Financial participation in inspection and surveillance operations (former Article 871)
- Article 386 — Inspection of routes
- Article 387 — Protection of the marine environment

The content of the former Chapters 86, 88 and 89 remained unchanged.

The notes in the EAGGF, Guarantee Section, and in the EAGGF, Guidance Section (Chapter 71 and Chapter 86) are retained.

This new budgetary nomenclature is only provisional. Specific proposals for a new version are expected for the 1980 budget.

\* \* \*

Draft amendment No 274

tabled by Mr Bangemann, on behalf of the Committee on Budgets

Section III — Commission

#### PAYMENTS

- |                      |  |
|----------------------|--|
| Title 3              | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment, the supply of energy and raw materials and the common policy on the sea |
| Chapter 38<br>(new)  | — Common policy on the sea   |
| Article 382<br>(new) | — Common measures to improve fisheries structures  |

#### (A) *Expenditure*

- Create a new Article 382 containing the former articles of Chapter 86 in the new Items 3821, 3822 and 3823.
- Enter token entries in the first two items and payment appropriations of 100 000 ECU in the third item

#### (B) *Compensation*

Delete Chapter 86 containing payment appropriations of 100 000 ECU.

#### (C) *Revenue*

Unchanged

#### COMMITMENTS

—

Schedule of payments and remarks

Transfer the schedule and remarks from Chapter 86 to Article 382 as they stand.

#### JUSTIFICATION

See amendment on Article 381 (new).

\* \* \*



Draft amendment No 275

tabled by Mr Bangemann, on behalf of the Committee on Budgets

Section III — Commission

#### PAYMENTS

Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment, the supply of energy and raw materials and the common policy on the sea

Chapter 38 (new) — Common policy on the sea

Article 383 (new) — Immediate measures to adjust capacity

#### (A) *Expenditure*

- Add a new Article 383 'Immediate measures to adjust capacity'
- Enter a token entry

#### (B) *Compensation*

Delete Article 870

#### (C) *Revenue*

Unchanged

#### COMMITMENTS

Enter commitments of 5 000 000 EUA.

#### SCHEDULE OF PAYMENTS AND REMARKS

As in Article 870 of the draft budget.

#### JUSTIFICATION

Integration of all aspects of the common policy on the sea in Chapter 38 (see Justification to Article 381).

\* \* \*

Draft amendment No 276

tabled by Mr Bangemann, on behalf of the Committee on Budgets

Section III — Commission

#### PAYMENTS

Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment, the supply of energy and raw materials and the common policy on the sea

Chapter 38 (new) — Common policy on the sea

Article 384 (new) — Assumption by the Community of certain financial obligations pursuant to agreements on fishing rights in non-Community waters

**(A) Expenditure**

- Add a new Article 384 'Assumption by the Community of certain financial obligations pursuant to agreements on fishing rights in non-Community waters' (with Items 3841 and 3842 corresponding to Articles 890 and 891 of the draft budget)
- Enter a token entry in the two items

**(B) Compensation**

Delete Chapter 89

**(C) Revenue**

Unchanged

**COMMITMENTS****REMARKS**

Incorporate remarks from Articles 890 and 891

**JUSTIFICATION**

See Justification in amendment to Article 381.

\* \* \*

Draft amendment No 277

tabled by Mr Bangemann, on behalf of the Committee on Budgets

**Section III — Commission****PAYMENTS**

- |                      |  |
|----------------------|--|
| Title 3              | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment, the supply of energy and raw materials and the common policy on the sea |
| Chapter 38<br>(new)  | — Common policy on the sea   |
| Article 385<br>(new) | — Sea inspection   |
| Item 3851<br>(new)   | — Financial participation in inspection and surveillance measures in the waters of Denmark and Ireland   |

**(A) Expenditure**

- Create a new Article 385 — 'Sea inspection' with a new Item 3851 — 'Financial participation in inspection and surveillance measures in the waters of Denmark and Ireland'
- Enter a payment appropriation of 16 000 000 EUA (reinstatement of appropriation shown in previous Article 871 of preliminary draft budget)

**(B) Compensation**

Delete Article 871 and the appropriation of 16 000 000 EUA entered for that Article in Chapter 100

**(C) Revenue**

Unchanged

## COMMITMENTS

Enter a payment appropriation of 40 000 000 EUA (delete the identical amount of commitment appropriations in Chapter 100)

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Appropriations for 1979	40 000 000		16 000 000	10 000 000	14 000 000

## REMARKS

These appropriations will be used for Commission expenditure for the purpose of ensuring effective surveillance of the waters of Greenland and Ireland in the context of the Community arrangement for the conservation and management of fishery resources. The aim is to establish appropriate specific structures for the inspection and surveillance of these fishery zones with the aid of coastguard vessels, aircraft and a corresponding land-based infrastructure. Community financial participation is proposed for :

- investments to be effected by 31 December 1982;
- leasing of the surveillance equipment which should be brought into service without delay for a period of not more than two years expiring on 31 December 1979.

## JUSTIFICATION

The appropriations shown in the preliminary draft which the Council has transferred to Chapter 100 are to be restored to the relevant budget line. The need for surveillance measures of these sea waters is becoming increasingly urgent.

As to the budget nomenclature aspect, the observations made in the justification in respect of Article 381 again apply.

\* \* \*

Draft amendment No 278

tabled Mr Bangemann on behalf of the Committee on Budgets

## Section III — Commission

## PAYMENTS

Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials

Chapter 38 — Common policy on the sea  
(new)

Article 385 — Inspection of the sea  
(new)

Item 3852 — Standardization of surveillance craft  
(new)

## (A) Expenditure

Create a new Chapter 38: 'Common policy on the sea'

Create a new Article 385: 'Inspection of the sea'

Create a new Item 3852: 'Standardization of surveillance craft'

Enter a payment appropriation of 1 000 000 EUA

## (B) Compensation

—

**(C) Revenue**

Increase revenue by the same amount

**COMMITMENTS**

—

*Schedule*

—

**REMARKS**

Enter the following new remarks :

**Article 385 (new Article)**

This appropriation is intended to cover the initial measures (studies, meeting of experts, etc.) which the Commission will implement during 1979 to achieve standardization of the aircraft and ships to be acquired by the Member States for the surveillance of the maritime waters off the Community's coasts, more particularly within the framework of the common fisheries policy.

This new Article thus complies with point 5 (d) of the European Parliament's resolution of 16 February 1978 on some aspects of the final version of the common fisheries policy (OJ C 63, 13. 3. 1978, p. 28) and point 11 (c) of the resolution of 15 June 1978 embodying the opinion of the European Parliament on the proposal from the Commission of the European Communities to the Council for a decision on financial participation by the Community in respect of the inspection and surveillance operations in the maritime waters of Denmark and Ireland (OJ C 163, 10. 7. 1978, p. 43).

The Commission will propose to the Council during 1979 the measures necessary to achieve standardization of the aircraft and ships to be acquired by the Member States for the surveillance of the maritime waters off their coasts. The European Parliament will be consulted on each of the proposals submitted by the Commission to the Council.

**JUSTIFICATION**

By standardizing their surveillance craft, the Member States

- (a) can obtain aircraft and ships on better terms than if they adopted a purely national solution ;
- (b) will increase the competitiveness of the Community's aircraft and shipbuilding industries ;
- (c) will create the basis for closer integration of surveillance of maritime waters off the Community's coasts, since these craft can subsequently be transferred, against fair compensation from the Community, to a Community coastguard service.

\* \* \*

**Draft amendment No 279**

tabled by Mr Bangemann on behalf of the Committee on Budgets

**Section III — Commission****PAYMENTS**

- |                      |  |
|----------------------|--|
| Title 3              | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 38<br>(new)  | — Common policy on the sea   |
| Article 385<br>(new) | — Inspection of the sea  |
| Item 3853<br>(new)   | — Coordination of surveillance operation by the Member States  |

**(A) Expenditure**

- Create a new Chapter 38 : 'Common policy on the sea'
- Create a new Article 385 : 'Inspection of the sea'
- Create a new Item 3853 : 'Coordination of surveillance operations by the Member States'
- Enter a payment appropriation of 1 000 000 EUA

**(B) Compensation**

—

**(C) Revenue**

- Increase revenue by the same amount

**COMMITMENTS**

—

*Schedule*

—

Enter the following new remarks :

Item 3853 (new Item)

This appropriation is intended to cover measures to coordinate surveillance operations by the Member States in Community fishing zones. Nine hundred thousand EUA are frozen and will be released by the budgetary authority once the Commission has submitted a suitable proposal to the Council. This measure was envisaged in point 5 (a) of the European Parliament's resolution of 16 February 1978 on some aspects of the final version of the common fisheries policy (OJ C 63, 13. 3. 1978, p. 28).

**JUSTIFICATION**

As long as surveillance of fishing activities remains in the hands of the Member States, it is likely to be less than totally effective. The Community could therefore either establish a coordinating centre for the surveillance operations of the Member States, or set up a system for rapid communications and exchange of information between the Member States in order to enable them to coordinate their sea surveillance operations.

It should be noted that if such a coordination centre were set up it could become the nucleus for the eventual establishment of a Community coastguard service.

\* \* \*

Draft amendment No 280

tabled by Mr Bangemann, on behalf of the Committee on Budgets

**Section III — Commission****PAYMENTS**

- |                      |  |
|----------------------|--|
| Title 3              | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment, the supply of energy and raw materials and the common policy of the sea |
| Chapter 38<br>(new)  | — Common policy on the sea   |
| Article 386<br>(new) | — Surveillance of maritime navigation routes   |

**(A) Expenditure**

- Create a new Article 386 : 'Surveillance of maritime navigation routes'
- Enter a payment appropriation of 5 000 000 EUA

**(B) Compensation**

—

**(C) Revenue**

Increase revenue by 5 000 000 EUA

**COMMITMENTS**

Enter a commitment appropriation of 10 000 000 EUA

**REMARKS**

These appropriations will be used for Commission expenditure on Community surveillance of maritime navigation routes in sea waters. The technical aids shown for surveillance of sea waters in Article 385 can also be effectively used for this purpose.

**JUSTIFICATION**

These appropriations are intended for the introduction on a trial basis of Community surveillance of navigation routes in the English Channel. The Amoco Cadiz disaster showed that Community measures were urgently necessary for this purpose. International law on the sea does not provide instruments for preventing similar accidents in future and national regulations cannot on their own offer adequate safeguards against such disasters. Community action is therefore essential.

\* \* \*

**Draft amendment No 281**

tabled by Mr Bangemann, on behalf of the Committee on Budgets

**Section III — Commission****PAYMENTS**

Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment, the supply of energy and raw materials and the common policy on the sea

Chapter 38 — Common policy on the sea  
(new)

Article 387 — Community programme to combat and prevent pollution of the maritime environment by hydrocarbons  
(new)

**(A) Expenditure**

- Create a new Article 387 : Community programme to combat and prevent pollution of the maritime environment by hydrocarbons
- Enter a payment appropriation of 3 000 000 EUA

**(B) Compensation**

—

**(C) Revenue**

Increase revenue by 3 000 000 EUA

**Commitments**

Enter a commitment appropriation of 10 000 000 EUA

Enter the following schedule :

The commitment appropriations authorized for 1979 amount to 10 000 000 EUA <sup>1</sup>.

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments		
		1979	1980	1981
Appropriations 1979	10 000 000	3 000 000	3 000 000	4 000 000

**REMARKS**

Enter the following new remarks :

This appropriation will be used by the Commission to finance the following measures :

- Contribution, in the form of investment premiums and interest subsidies, to the planning and development of 'cleaning-up' vessels ;
- Studies on :
  - (a) chemical and mechanical methods of combating hydrocarbon pollution ;
  - (b) the effects of hydrocarbon pollution on flora and fauna ;
- Computerization of data on the remedial techniques available in the event of accidents ;
- Computerization of data on oil tankers ;
- Coordination of emergency action squads (joint training exercises, comparison of equipment, exchanges of information).

**JUSTIFICATION**

The Amoco Cadiz disaster aroused public opinion to the problem of marine pollution by hydrocarbons. However, barely 5 % of such pollution is caused by accidents and an estimated 6 000 000 tonnes of oil finds its way into the sea each year. In view of the extent of this problem, public opinion would be alienated if the Community took no action. The aim of this amendment is to enable the Commission to adopt immediate measures without waiting for the completion of the cumbersome decision-making process used by the Council.

\* \* \*

Draft amendment No 282

tabled by Mr Bangemann on behalf of the Committee on Budgets

**Section III — Commission****PAYMENTS**

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 38 — Common policy on the sea  
(new)
- Article 388 — Measures relating to the study, exploration, exploitation and protection of the marine environment  
(new)

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977

**(A) Expenditure**

Create a new Chapter 38: 'Common policy on the sea'

Create a new Article 388: 'Measures relating to the study, exploration, exploitation and protection of the marine environment'

Make a token entry

**(B) Compensation**

—

**(C) Revenue**

—

**COMMITMENTS**

—

*Schedule*

—

**REMARKS**

Enter the following new remarks:

**Article 388 (new Article)**

The Commission will submit to the Council in 1979 an action programme concerning the study, exploration, the possibilities of exploitation on a Community basis, and the protection of the marine environment. The Council basis, and the protection of the marine environment. The Council will adopt the necessary measures in agreement with the European Parliament.

This new Article complies with point 1 of the European Parliament's resolution of 14 April 1978 on the 'Amoco Cadiz' disaster (OJ C 108, 8. 5. 1978, p. 59) and with points 6 and 7 of its resolution of 15 June 1978 embodying the opinion of the European Parliament on the proposal from the Commission of the European Communities to the Council in respect of the inspection and surveillance in the maritime waters of Denmark and Ireland (OJ C 163, 10. 7. 1978, p. 43).

**JUSTIFICATION**

It is imperative for the common fisheries policy to be complemented by the measures described above in order to ensure protection of the fisheries resources. The measures envisaged may be carried out within or outside Community waters, depending on the decisions to be taken by the Third United Nations Conference on the Law of the Sea.

\* \* \*

Draft amendment No 283

tabled by Mr Bangemann, on behalf of the Committee on Budgets

**Section III — Commission****PAYMENTS**

- |             |  |
|-------------|--|
| Title 3     | — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials |
| Chapter 37  | — Expenditure in the industrial and transport sectors  |
| Article 378 | — Financial operations in transport infrastructure projects  |
| Item 3781   | — Financial support for projects   |

**(A) Expenditure**

Enter a payment appropriation of 10 000 000 EUA (instead of a token entry)



**(B) Compensation**

—

**(C) Revenue**

Increase revenue by 10 000 000 EUA

**COMMITMENTS**

some of which are ready for implementation, by providing financial aid.

\* \* \*

Draft amendment No 284

tabled by Mr Bangemann on behalf of the Committee on Budgets

**Section III — Commission**

Establishment plan for research and investment activities 'indirect action' section

**(A) New posts**

In Grade A :

1 A 4, 1 A 5, 1 A 6

In Grade C :

2 C 3

**(B) Post conversions**

+ 2 A 2

— 2 A 3

+ 2 A 3

— 2 A 4

**PAYMENTS**

—

**(A) Expenditure**

Title 10 — Other Expenditure

Chapter 100 — Provisional appropriations

Reinstate payment appropriations of 150 200 EUA in Item 3360 'Secondary raw materials'

Reinstate payment appropriations of 87 100 EUA in Item 3366 'Climatology'

**(B) Compensation**

—

**(C) Revenue**

Increase revenue accordingly, i.e. :

1. Title 4

— Deductions from staff remunerations

Chapter 40, Art. 400

— Proceeds of taxation on salaries, wages and allowances of officials and other staff

+ 34 550 EUA

Chapter 41, Art. 410

— Staff contributions to the pension scheme

+ 10 550 EUA

2. Other own resources

— + 192 200 EUA

**COMMITMENT APPROPRIATIONS**

Title 10 — Other expenditure

Chapter 100 — Provisional appropriations

Reinstate commitment appropriations of 150 200 EUA under Item 3360

Reinstate commitment appropriations of 87 100 EUA under Item 3366

## JUSTIFICATION

(A) *New posts*

1 A 4, 1 A 6, 1 C 3 for a multi-annual research and development programme in the area of waste recycling.

1 A 5, 1 C 3 for the five-year research programme in the area of climatology.

(B) *Post conversions*

1 conversion A 3 to A 2 (scientific post) for the head of the research programmes in the raw materials and environment sectors.

1 conversion A 3 to A 2 for the performance of general administrative tasks at the JRC.

1 conversion A 4 to A 3 (administrative post) for the head of a fusion and plasma physics service including the JET project.

1 conversion A 4 to A 3 for physical protection at the Ispra research centre.

\* \* \*

## Draft amendment No 285

tabled by Mr Pintat on behalf of the Liberal and Democratic Group

## Section III — Commission

## PAYMENTS

Title 2 — Buildings, equipment and miscellaneous administrative expenditure

Chapter 21 — Rental of buildings and associated expenditure

Article 210 — Rent

Item 2100 — Rent

(A) *Expenditure*

Increase the payment appropriation by 20 000 EUA (from 31 667 000 to 31 687 200 EUA)

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

—

*Schedule*

—

## REMARKS

Add the following sentence to the remarks against Item 2100 :

'An appropriation of 20 000 EUA is intended to enable the Commission to finance the initial steps with a view to opening information offices in a dozen major cities in the Community'.

## JUSTIFICATION

The Commission has sole responsibility for the opening of information offices (both within and outside the Community).

The authors of this amendment consider, however, that the Commission should be encouraged in its efforts to increase the number of these offices within the Community and decentralize them.

It is essential to improve direct information of economic and social groups in the Member States on Community activities (in particular as regards the various Funds: EAGGF, Social and Regional Funds). It is therefore especially desirable to open new offices in the major cities (apart from the capitals) of the Community. The number of offices might be set at twelve, say two additional offices in each of the larger Member States and one additional office in each of the medium-sized Member States.

\* \* \*

Draft amendment No 286  
tabled by Mr Pintat on behalf of the Liberal and Democratic Group

### Section III — Commission

#### PAYMENTS

Title 2 — Buildings, equipment and miscellaneous administrative expenditure  
Chapter 28 — Subsidies for balancing budgets  
Article 289 — European Schools

#### (A) *Expenditure*

Increase the payment appropriation by 1 503 020 EUA (from 30 060 400 to 31 563 420 EUA) (to be allocated to the various items)

#### (B) *Compensation*

—

#### (C) *Revenue*

Increase revenue by the same amount

#### COMMITMENTS

—

#### *Schedule*

—

#### REMARKS

Enter the following remarks:

This appropriation is to provide a Commission subsidy to be entered in the budget of the European Schools.

It covers:

- the contributions themselves
- the funds required to provide for any adjustment in remuneration of staff which may be required following adjustments to the remuneration of Community officials.

A reserve appropriation to cover any supplementary budgets is entered in Chapter 100.

50 % of the funds are to remain frozen on the line until such time as the Board of Governors of the European Schools has amended the entrance requirements in the way that the European Parliament has requested (see Doc. 113/75).

#### JUSTIFICATION

The object of the draft amendment is twofold:

- To increase the appropriations by 5 % to enable the European Schools to broaden their entrance requirements and offer more places to children whose parents are not Community officials. Despite repeated exhortations by the Parliament, the Schools are not able at present to take many such children because of lack of places. The European Schools, which were started as progressive institutions, must not be allowed to develop into a closed system.

— To freeze 50 % of the appropriations on the line.

By this means it is hoped to persuade the Board of Governors of the European Schools to take the necessary steps without delay to broaden their intake with effect from the beginning of the 1979/80 school year.

\* \* \*

Draft amendment No 287

tabled by Mr Pintat on behalf of the Liberal and Democratic Group

Section III — Commission

#### PAYMENTS

Title 2 — Buildings equipment and miscellaneous administrative expenditure  
Chapter 29 — Subsidies and financial contributions  
Article 299 — Other subsidies

##### (A) *Expenditure*

Increase payment appropriations by 90 000 EUA (from 250 000 to 340 000 EUA)

##### (B) *Compensation*

—

##### (C) *Revenue*

Increase revenue by the same amount

#### COMMITMENTS

—

#### *Schedule*

—

#### REMARKS

Modify the remarks as follows:

'This appropriation will be used to enable the Commission to finance the following measures:

- specific subsidies which, by their nature, do not come under Article 290, 291 and 292
- subsidies for sporting activities practised at European level.'

#### JUSTIFICATION

Sporting activities create enormous publicity for the Community, far greater than that produced by the traditional forms of publicity. Such projects should therefore be supported.

\* \* \*

Draft Amendment No 288  
tabled by the Socialist Group

Section III — Commission

PAYMENTS

- Title 9 — Cooperation with developing countries and non-member states
- Chapter 94 — Specific measures for cooperation with developing countries
- Article 941 — Training of nationals of non-associated developing countries
- Item 9413 — Scholarships for refugees from southern Africa (as part of anti-apartheid year)  
(new)

(A) *Expenditure*

Create a new Item 9413 : 'Scholarships for refugees from southern Africa (as part of anti-apartheid year)

Enter a payment appropriation of 500 000 EUA

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount

COMMITMENTS

—

*Schedule*

REMARKS

Enter the following remark :

This appropriation is to allow scholarships to be granted to refugees from southern Africa, as part of anti-apartheid year.

JUSTIFICATION

The European Community must be in the forefront of action following the decision of the UN to dedicate 1979 to the fight against apartheid. As well as concerted action in terms of international diplomacy and the implementation of sanctions the Community should do all in its power to provide humanitarian aid to those suffering as a result of political oppression. 500 000 EUA spent on scholarships for refugees would be a small but concrete gesture which will enable people otherwise deprived of their right to education to continue their studies.

\* \* \*

Draft amendment No 289  
tabled by the Socialist Group

Section III — Commission

PAYMENTS

- Title 9 — Cooperation with developing countries and other non-member states
- Chapter 93 — Financial and technical cooperation with non-associated developing countries
- Article 930 — Financial cooperation with non-associated developing countries
- Item —

**(A) Expenditure**

Increase the appropriation by 75 000 000 EUA (from 45 000 000 EUA to 120 000 000 EUA)

**(B) Compensation**

—

**(C) Revenue**

Increase revenue by the same amount

**COMMITMENTS**

Increase the appropriation by 416 380 000 EUA (from 83 620 000 EUA to 500 000 000 EUA)

*Schedule of Payments*

Modify the Schedule of Payments as follows :

The commitment appropriation authorized for 1979 is 500 000 000 EUA.<sup>1</sup> The likely Schedule of Payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment					
Appropriations for commitment remaining					
Appropriations for commitment 1978	80 196 000	10 796 000	7 000 000	21 000 000	42 000 000
Appropriations for commitment 1979	500 000 000		113 000 000	145 000 000	242 000 000
<b>Total</b>	<b>580 196 000</b>	<b>10 796 000</b>	<b>120 000 000</b>	<b>166 000 000</b>	<b>284 000 000</b>

**REMARKS**

Unchanged.

**JUSTIFICATION**

The prospects of economic recovery must not be confined to the advanced countries but should also take in the developing countries. The European Council meeting in Bremen strongly emphasized the need for the Community to pursue its development aid activities on a world scale. In addition to cooperation under the Lomé Convention, the Community must step up its efforts to aid the non-associated developing countries. As the Commission itself has said, the traditional method of budgetary calculation is not relevant to this type of aid : the scale of financial requirements is so vast that provision must be made for budgetary appropriations that are politically and economically significant. Given that the EDF amounts to 3 billion EUA over four years and that the type of project requiring funding under Article 930 calls for a multi-annual framework, provision should be made in the next financial year for a commitment appropriation of 500 000 000 EUA which is the minimum required to meet the objective accepted by the European Council meeting in Bremen. To ensure the continuing support of the European Parliament in this matter the Commission should ensure that the payment appropriations for 1978 are spent.

\* \* \*

<sup>1</sup> This text provides the basis for implementation of the expenditure for the purpose authorized by the title of the present article.

Proposed modification No 290  
tabled by Mr Hughes on behalf of the Socialist Group

### Section III — Commission

#### PAYMENTS

- Title 4 — Repayments and aids to Member States and miscellaneous
- Chapter 45 — Monetary compensatory amounts paid or levied in respect of trade in agricultural products
- (new)
- Article 450 — Monetary compensatory amounts in respect of intra-Community trade
- (new)
- Item 4500 — Monetary compensatory amounts paid or levied by importing Member States
- (new)
- Item 4501 — Monetary compensatory amounts on trade between exporting Member States and importing Member States
- (new)
- Item 4502 — Monetary compensatory amounts on exports paid or levied by exporting Member States
- (new)
- Article 451 — Monetary compensatory amounts in respect of trade with non-Community countries
- (new)
- Item 4510 — Portion of monetary compensatory amounts granted on imports over and above the levy
- (new)
- Item 4511 — Monetary compensatory amounts on exports
- (new)

#### (A) *Expenditure*

- Create a new Chapter 45 : 'Monetary compensatory amounts paid or levied in respect of trade in agricultural products'
- Create a new Article 450 : 'Monetary compensatory amounts in respect of intra-Community trade'
- Create a new ITEM 4500 : 'Monetary compensatory amounts paid or levied by importing Member States'
- Enter a payment appropriation of 108 700 000 EUA
- Create a new Item 4501 : 'Monetary compensatory amounts on trade between exporting Member States and importing Member States'
- Enter a payment appropriation of 1 000 200 000 EUA
- Create a new Item 4502 : 'Monetary compensatory amounts on exports paid or levied by exporting Member States'
- Enter a payment appropriation of — 209 700 000 EUA
- Create a new Article 451 : 'Monetary compensatory amounts in respect of trade with non-Community countries'
- Create a new Item 4510 : 'Portion of monetary compensatory amounts granted on imports over and above the levy'
- Enter a payment appropriation of 104 600 000 EUA
- Create a new Item 4511 : 'Monetary compensatory amounts on exports'
- Enter a payment appropriation of 22 800 000 EUA

#### (B) *Compensation*

- Delete Chapter 78 : 'Monetary compensatory amounts paid or levied in respect of trade in agricultural products'
- Delete Article 780 : 'Monetary compensatory amounts in respect of intra-Community trade'
- Delete Item 7800 : 'Monetary compensatory amounts on imports paid or levied by importing Member States'
- Delete the appropriation of —108 700 000 EUA shown against it
- Delete ITEM 7801 : 'Monetary compensatory amounts on imports paid by exporting Member States on behalf of importing Member States'

- Delete the appropriation of 1 000 200 000 EUA shown against it
- Delete Item 7802: 'Monetary compensatory amounts on exports paid or levied by exporting Member States'
- Delete the appropriation of —209 700 000 EUA shown against it
- Delete Article 781: 'Monetary compensatory amounts in respect of trade with non-Community countries'
- Delete Item 7810: 'Portion of monetary compensatory amounts granted on imports over and above the levy'
- Delete the appropriation of 104 600 000 EUA shown against it
- Delete Item 7811: 'Monetary compensatory amounts on exports'
- Delete the appropriation of 22 800 000 EUA shown against it

(C) *Revenue*

—

COMMITMENTS

—

*Schedule*

—

REMARKS

Transfer to Article 450 and Items 4500, 4501, 4502, 4510 and 4511 under Chapter 45 the remarks appearing under former Chapter 78 against Article 780 and Items 7800, 7801, 7802, 7810, and 7811.

JUSTIFICATION

As monetary compensatory amounts reflect the lack of alignment between Member States' economies and the lack of economic and monetary union, they cannot under any circumstances be regarded as expenditure directly chargeable to the common agricultural policy.

The Socialist Group therefore requests that this expenditure be transferred to Title 4 'Repayments and aids to Member States and miscellaneous'.

Last year the Council accepted the modification with compensation proposed by the European Parliament requesting the transfer of this expenditure from Title 7 to Title 4 in the 1978 draft budget (OJ L 36, 6. 2. 1978, pp. 342 — 344).

\* \* \*

Proposed modification No 291

tabled by Lord Bruce of Donington, Lord Kennet, Mr Edwards, Mrs Dunwoody and Mr Mitchell

Section III — Commission

PAYMENTS

- |             |   |
|-------------|---|
| Title 6     | — European Agricultural Guidance and Guarantee Fund — Guarantee Section |
| Chapter 62  | — Milk and milk products  |
| Article 621 | — Intervention in respect of skimmed milk                               |
| Item 6217   | — Public storage and special disposal measures                          |

(A) *Expenditure*

Reduce payment appropriations by 233 400 000 EUA (from 463 900 000 EUA to 230 500 000 EUA).

(B) *Compensation*

—



**(C) Revenue**

Reduce revenue accordingly.

**COMMITMENTS**

—

**SCHEDULE**

—

**REMARKS**

Unchanged.

**JUSTIFICATION**

For many years the institutions of the Community have expressed pious regrets about the growth of the costs of storage, which has become a vital prop of the Common Agricultural Policy.

Because, until recently, an inflationary price policy has encouraged producers to produce for intervention rather than for consumption, with the Community underwriting the bill, there has been no serious move to tackle shortages. Furthermore, the absence of an imaginative food aid policy has meant that the surpluses have simply accumulated to rot or to be resold, either way, at considerable profit for the producers, and at the expense of the European tax-payer and consumer.

Nor has budgetary stringency been a deterrent. On the contrary, all the necessary funds for storage have always been made available. Here again, this has not encouraged creative thinking on the part of the Commission or the Council about ways of tackling the structural surpluses.

The authors of this, and other proposed modifications, believe that the only way to stimulate serious attempts to reduce structural surpluses is to set a limit on the appropriations available. The price policy should be pursued within the limits set by budgetary appropriations, not vice versa. There is no reason why agricultural policy should escape budgetary control which is so rigorously and narrowly applied to other sectors of Community activity.

The authors have selected those budgetary lines destined to cover recurring surpluses and where an increase is proposed in the draft budget and in the Amending Letter to the preliminary draft budget for 1979.

Their proposal amounts to reducing appropriations to 50 % of storage costs at 1978 levels. If approved, these modifications would still provide appropriations to finance the storage of surpluses that would exceed the total cost of the regional, social, energy, industrial and transport policies of the Community.

It would, on the other hand, act as an earnest of intentions to tackle the structural surplus problems and would indicate to the producers that, as regards the public finance for agricultural policy, a limit had at last been reached.

\* \* \*

**Proposed modification No 292**

tabled by Lord Bruce of Donington, Lord Kennet, Mr Edwards, Mrs Dunwoody and Mr Mitchell

**Section III — Commission****PAYMENTS**

Title 6	— European Agricultural Guidance and Guarantee Fund — Guarantee Section
Chapter 62	— Milk and milk products
Article 622	— Intervention in respect of butter and cream
Item 6220	— Private storage

**(A) Expenditure**

Reduce payment appropriations by 28 300 000 EUA (from 61 200 000 EUA to 32 900 000 EUA).

**(B) Compensation**

—

**(C) Revenue**

Reduce revenue accordingly.

**COMMITMENTS**

—

**SCHEDULE**

—

**REMARKS**

Unchanged.

\* \* \*

For many years the institutions of the Community have expressed pious regrets about the growth of the costs of storage, which has become a vital prop of the Common Agricultural Policy.

Because, until recently, an inflationary price policy has encouraged producers to produce for intervention rather than for consumption, with the Community underwriting the bill, there has been no serious move to tackle shortages. Furthermore, the absence of an imaginative food aid policy has meant that the surpluses have simply accumulated to rot or to be resold, either way, at considerable profit for the producers, and at the expense of the European tax-payer and consumer.

Nor has budgetary stringency been a deterrent. On the contrary all the necessary funds for storage have always been made available. Here again, this has not encouraged creative thinking on the part of the Commission or the Council about ways of tackling the structural surpluses.

The authors of this, and other proposed modifications, believe that the only way to stimulate serious attempts to reduce structural surpluses is to set a limit on the appropriations available. The price policy should be pursued within the limits set by budgetary appropriations, not vice versa. There is no reason why agricultural policy should escape budgetary control which is so rigorously and narrowly applied to other sectors of Community activity.

The authors have selected those budgetary lines destined to cover recurring surpluses and where an increase is proposed in the draft budget and in the Amending Letter to the preliminary draft budget for 1979.

Their proposal amounts to reducing appropriations to 70 % of storage costs at 1978 levels. If approved, these modifications would still provide appropriations to finance the storage of surpluses that would exceed the total cost of the regional, social, energy, industrial and transport policies of the Community.

It would, on the other hand, act as an earnest of intentions to tackle the structural surplus problems and would indicate to the producers that, as regards the public finance for agricultural policy, a limit had at last been reached.

\* \* \*

Proposed modification No 293

tabled by Lord Bruce of Donington, Lord Kennet, Mr Edwards, Mrs Dunwoody and Mr Mitchell

**Section III — Commission****PAYMENTS**

Title 6	— European Agricultural Guidance and Guarantee Fund — Guarantee Section
Chapter 62	— Milk and milk products
Article 622	— Intervention in respect of butter and cream
Item 6221	— Public storage and special disposal measures for butter stocks

**(A) Expenditure**

Reduce payment appropriations by 104 070 000 EUA (from 351 100 000 EUA to 247 030 000 EUA).

**(B) Compensation**

—

**(C) Revenue**

Reduce revenue accordingly.

**COMMITMENTS**

—

**SCHEDULE**

—

**REMARKS**

Unchanged.

**JUSTIFICATION**

For many years the institutions of the Community have expressed pious regrets about the growth of the costs of storage, which has become a vital prop of the Common Agricultural Policy.

Because, until recently, an inflationary price policy has encouraged producers to produce for intervention rather than for consumption, with the Community underwriting the bill, there has been no serious move to tackle shortages. Furthermore, the absence of an imaginative food aid policy has meant that the surpluses have simply accumulated to rot or to be resold, either way, at considerable profit for the producers, and at the expense of the European tax-payer and consumer.

Nor has budgetary stringency been a deterrent. On the contrary all the necessary funds for storage have always been made available. Here again, this has not encouraged creative thinking on the part of the Commission or the Council about ways of tackling the structural surpluses.

The authors of this, and other proposed modifications, believe, that the only way to stimulate serious attempts to reduce structural surpluses is to set a limit on the appropriations available. The price policy should be pursued within the limits set by budgetary appropriations, not vice versa. There is no reason why agricultural policy should escape budgetary control which is so rigorously and narrowly applied to other sectors of Community activity.

The authors have selected those budgetary lines destined to cover recurring surpluses and where an increase is proposed in the draft budget and in the Amending letter to the preliminary draft budget for 1979.

Their proposal amounts to reducing appropriations to 70 % of storage costs at 1978 levels. If approved, these modifications would still provide appropriations to finance the storage of surpluses that would exceed the total cost of the regional, social, energy, industrial and transport policies of the Community.

It would, on the other hand, act as an earnest of intentions to tackle the structural surplus problems and would indicate to the producers that, as regards the public finance for agricultural policy, a limit had at last been reached.

\* \* \*

Proposed modification No 294

tabled by Lord Bruce of Donington, Lord Kennet, Mr Edwards, Mrs Dunwoody and Mr Mitchell

**Section III — Commission****PAYMENTS**

Title 6 — European Agricultural Guidance and Guarantee Fund — Guarantee Section  
Chapter 62 — Milk and milk products

- Article 623 — Intervention in respect of other milk products  
 Item 6230 — Storage of cheese

(A) *Expenditure*

Reduce payment appropriations by 15 780 000 EUA (from 24 800 000 EUA to 9 020 000 EUA).

(B) *Compensation*

—

(C) *Revenue*

Reduce revenue accordingly.

COMMITMENTS

—

SCHEDULE

—

REMARKS

Unchanged.

JUSTIFICATION

For many years the institutions of the Community have expressed pious regrets about the growth of the costs of storage, which has become a vital prop of the Common Agricultural Policy.

Because, until recently, an inflationary price policy has encouraged producers to produce for intervention rather than for consumption, with the Community underwriting the bill, there has been no serious move to tackle shortages. Furthermore, the absence of an imaginative food aid policy has meant that the surpluses have simply accumulated to rot or to be resold, either way, at considerable profit for the producers, and at the expense of the European tax-payer and consumer.

Nor has budgetary stringency been a deterrent. On the contrary, all the necessary funds for storage have always been made available. Here again, this has not encouraged creative thinking on the part of the Commission or the Council about ways of tackling the structural surpluses.

The author of this, and other proposed modifications, believe that the only way to stimulate serious attempts to reduce structural surpluses is to set a limit on the appropriations available. The price policy should be pursued within the limits set by budgetary appropriations, not vice versa. There is no reason why agricultural policy should escape budgetary control which is so rigorously and narrowly applied to other sectors of Community activity.

The authors have selected those budgetary lines destined to cover recurring surpluses and where an increase is proposed in the draft budget and in the Amending Letter to the preliminary draft budget for 1979.

Their modest proposal amounts to reducing appropriations to 90 % of storage costs at 1978 levels. If approved, these modifications would still provide appropriations to finance the storage of surpluses that would exceed the total cost of the regional, social, energy, industrial and transport policies of the Community.

It would, on the other hand, act as an earnest of intentions to tackle the structural surplus problems and would indicate to the producers that, as regards the public finance for agricultural policy, a limit had at last been reached.

\* \* \*

Proposed modification No 295

tabled by Lord Bruce of Donington, Lord Kennet, Mr Edwards, Mrs Dunwoody and Mr Mitchell

### Section III — Commission

#### PAYMENTS

Title 6	— European Agricultural Guidance and Guarantee Fund — Guarantee Section
Chapter 64	— Sugar
Article 641	— Intervention in respect of sugar
Item 6412	— Reimbursement of storage costs

#### (A) *Expenditure*

Reduce payment appropriations by 81 660 000 EUA (from 233 700 000 EUA to 152 040 000 EUA).

#### (B) *Compensation*

—

#### (C) *Revenue*

Reduce revenue accordingly.

#### COMMITMENTS

—

#### SCHEDULE

—

#### REMARKS

Unchanged.

#### JUSTIFICATION

For many years the institutions of the Community have expressed pious regrets about the growth of the costs of storage, which has become a vital prop of the Common Agricultural Policy.

Because until recently, an inflationary price policy has encouraged producers to produce for intervention rather than for consumption, with the Community underwriting the bill, there has been no serious move to tackle shortages. Furthermore, the absence of an imaginative food aid policy has meant that the surpluses have simply accumulated to rot or to be resold, either way, at considerable profit for the producers, and at the expense of the European tax-payer and consumer.

Nor has budgetary stringency been a deterrent. On the contrary, all the necessary funds for storage have always been made available. Here again, this has not encouraged creative thinking on the part of the Commission or the Council about ways of tackling the structural surpluses.

The authors of this, and other proposed modifications, believe that the only way to simulate serious attempts to reduce structural surpluses is to set a limit on the appropriations available. The price policy should be pursued within the limits set by budgetary appropriations, not vice versa. There is no reason why agricultural policy should escape budgetary control which is so rigorously and narrowly applied to other sectors of Community activity.

The authors have selected those budgetary lines destined to cover recurring surpluses and where an increase is proposed in the draft budget and in the Amending Letter to the preliminary draft budget for 1979.

Their proposal amounts to reducing appropriations to 70 % of storage costs at 1978 levels. If approved, these modifications would still provide appropriations to finance the storage of surpluses that would exceed the total cost of the regional, social, energy, industrial and transport policies of the Community.

It would, on the other hand, act as an earnest of intentions to tackle the structural surplus problems and would indicate to the producers that, as regards the public finance for agricultural policy, a limit had at last been reached.

\* \* \*

Proposed modification No 296  
tabled by Lord Bruce of Donington

### Section III — Commission

#### PAYMENTS

Title 6 — European Agricultural Guidance and Guarantee Fund — Guarantee Section  
Chapter 65 — Beef and veal  
Article 651 — Intervention in respect of the storage of beef and veal  
Item 6511 — Public storage

#### (A) *Expenditure*

Reduce payment appropriations by 83 700 000 EUA (from 258 700 000 EUA to 175 000 000 EUA).

#### (B) *Compensation*

—

#### (C) *Revenue*

Reduce revenue accordingly.

#### COMMITMENTS

—

#### SCHEDULE

—

#### REMARKS

Unchanged.

#### JUSTIFICATION

For many years that institutions of the Community have expressed pious regrets about the growth of the costs of storage, which has become a vital prop of the Common Agricultural Policy.

Because, until recently, an inflationary price policy has encouraged producers to produce for intervention rather than for consumption, with the Community underwriting the bill, there has been no serious move to tackle shortages. Furthermore, the absence of an imaginative food aid policy has meant that the surpluses have simply accumulated to rot or to be resold either way, at considerable profit for the producers, and the expense of the European tax-payer and consumer.

Nor has budgetary stringency been a deterrent. On the contrary, all the necessary funds for storage have always been made available. Here again, this has not encouraged creative thinking on the part of the Commission or the Council about ways of tackling the structural surpluses.

The authors of this, and other proposed modifications, believe that the only way to stimulate serious attempts, to reduce structural surpluses it to set a limit on the appropriations available. The price policy should be pursued within the limits set by the budgetary appropriations, not viceversa. There is no reason why agricultural policy should escape budgetary control which is so rigorously and narrowly applied to other sectors of Community activity.

The authors have selected those budgetary lines destined to cover recurring surpluses and where an increase is proposed in the draft budget and in the Amending Letter to the preliminary draft budget for 1979.

Their proposal amounts to reducing appropriations to 70 % of storage costs at 1978 levels. If approved, these modifications would still provide appropriations to finance the storage of surpluses that would exceed the total cost of the regional, social, energy, industrial and transport policies of the Community.

It would, on the other hand, act as an earnest of intentions to tackle the structural surplus problems and would indicate to the producers that, as regards the public finance for agricultural policy, a limit had at last been reached.

## Proposed modification No 297

tabled by Lord Bruce of Donington, Lord Kennet, Mr Edwards, and Mr Mitchell

## Section III — Commission

## PAYMENTS

Title 7	— European Agricultural Guidance and Guarantee Fund — Guarantee Section
Chapter 70	— Tobacco
Article 701	— Intervention in respect of tobacco
Item 7011	— Storage

(A) *Expenditure*

Reduce payment appropriations by 16 050 000 EUA (from 24 600 000 EUA to 8 550 000 EUA).

(B) *Compensation*

—

(C) *Revenue*

Reduce revenue accordingly.

## COMMITMENTS

—

## SCHEDULE

—

## REMARKS

Unchanged.

## JUSTIFICATION

For many years the institutions of the Community have expressed pious regrets about the growth of the costs of storage, which has become a vital prop of the Common Agricultural Policy.

Because, until recently, an inflationary price policy has encouraged producers to produce for intervention rather than for consumption, with the Community underwriting the bill, there has been no serious move to tackle shortages. Furthermore, the absence of an imaginative food aid policy has meant that the surpluses have simply accumulated to rot or to be resold, either way, at considerable profit for the producers, and at the expense of the European tax-payer and consumer.

Nor has budgetary stringency been a deterrent. On the contrary, all the necessary funds for storage have always been made available. Here again, this has not encouraged creative thinking on the part of the Commission or the Council about ways of tackling the structural surpluses.

The author of this, and other proposed modifications, believe, that the only way to stimulate serious attempts to reduce structural surpluses is to set a limit on the appropriations available. The price policy should be pursued within the limits set by budgetary appropriations, not vice versa. There is no reason why agricultural policy should escape budgetary control which is so rigorously and narrowly applied to other sectors of Community activity.

The authors have selected those budgetary lines destined to cover recurring surpluses and where an increase is proposed in the draft budget and in the Amending Letter to the preliminary draft budget for 1979.

Their modest proposal amounts to reducing appropriations to 90 % of storage costs at 1978 levels. If approved, these modifications would still provide appropriations to finance the storage of surpluses that would exceed the total cost of the regional, social, energy, industrial and transport policies of the Community.

It would, on the other hand, act as an earnest of intentions to tackle the structural surplus problems and would indicate to the producers that, as regards the public finance for agricultural policy, a limit had at last been reached.

\* \* \*

## Draft amendment No 298

tabled by Mr Ripamonti on behalf of the Christian-Democratic Group (EPP Group)

## Section III — Commission

## PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials  
 Chapter 37 — Expenditure in the industrial and transport sectors  
 Item 3750 — Measures on behalf of certain industrial sectors in crisis

(A) *Expenditure*

Increase the payment authorization by 22 000 000 EUA

(Replace the token entry by 22 000 000 EUA)

(Reinstatement of the appropriations shown in the preliminary draft budget)

(B) *Compensation*

—

(C) *Revenue*

Increase the revenue by the same amount

## COMMITMENTS

Enter a commitment appropriation of 30 000 000 EUA (Reinstatement of the appropriation shown in the preliminary draft budget)

*Schedule*

Enter the following schedule :

The commitment appropriation authorized for 1979 amounts to 30 000 000 EUA<sup>1</sup>.

The likely schedule of payments against commitments is as follows :

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
1978 Appropriations	20 000 000	17 000 000	2 000 000	1 000 000	—
1979 Appropriations	30 000 000	—	20 000 000	5 000 000	5 000 000
Total	50 000 000	17 000 000	22 000 000	6 000 000	5 000 000

## REMARKS

Unchanged

## JUSTIFICATION

The public would find it hard to comprehend that the Community was not participating in the overall project to restructure the sectors in crisis. This amendment is designed to convey to the Commission of Parliament's desire to see a coherent Community programme implemented at the earliest possible opportunity.

\* \* \*

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977



## Draft amendment No 299

tabled by Mr Vandewiele on behalf of the Christian-Democratic Group (EPP Group)

## Section II — Council — Annex I — Economic and Social Committee

List of posts — add the following 8 posts to the establishment plan :

1 A 6 (Group III), 2 B 2, 1 B 4, 2 B 5 Secretarial Assistants, 1 C 4, 1 D 1

(A) *Expenditure*

Increase the payment appropriation by 87 700 EUA (from 10 756 500 — the total under Title 1 — to 10 844 200 EUA) in accordance with the breakdown shown below.

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by 75 280 EUA

Item 1100	— Basic salaries	+ 51 000 (from 7 290 000 to 7 341 000)
Item 1101	— Family allowances	+ 4 100 (from 582 000 to 586 100)
Item 1102	— Expatriation allowances (incl. Art. 97 of ECSC Staff Regulations)	+ 8 100 (from 1 055 000 to 1 063 100)
Item 1130	— Sickness insurance	+ 1 500 (from 217 600 to 219 100)
Item 1131	— Accident insurance and occupational diseases	+ 700 (from 77 400 to 78 100)
Item 1141	— Travel expenses on annual leave	+ 560 (from 80 500 to 81 060)
Art. 119	— Provisional appropriations to cover any adjustment of the remuneration of officials and other servants of the European Communities	+ 3 050 (from 440 000 to 443 050)
Item 1211	— Travel expenses (incl. members of the family) — staff	+ 690 (from 2 500 to 3 190)
Item 1221	— Installation, resettlement and transfer allowances — staff	+ 5 900 (from 31 000 to 36 900)
Item 1231	— Removal expenses — staff	+ 5 200 (from 17 500 to 22 700)
Item 1241	— Temporary daily subsistence allowances — staff	+ 6 900 (from 33 500 to 40 400)

## REMARKS

—

## JUSTIFICATION

The Economic and Social Committee, aware of the Community's general economic situation, restricted its requests for posts to a minimum this year, despite the steady increase in the workload of its secretariat. The requests for new posts were accordingly kept down to 17. Nevertheless, the Council decided to approve only 9 posts. The Committee's Bureau considers that in the light of the small number of posts originally requested it could not reasonably renounce that increase without a risk of the operation of its departments, and indeed of the Committee itself, being seriously jeopardized or at any rate slowed down. It should be added that most of the posts rejected are clerical posts intended to fill gaps which had long been felt in not just one, but in several of the Committee's departments. The Committee on Budgets therefore considers that at least 7 of the 8 posts requested and not approved by the Council should be reinstated. The ESC is, however, asked to renounce, for the time being at least, the A 3 Head of Division post.

## Financial implications

## Breakdown of items

		<i>EUA</i>
Expenditure — Chapter 11 — Article 110 —	Item 1100	7 341 000
	Item 1101	586 100
	Item 1102	1 063 100
	Item 1130	219 100
	Item 1131	78 100
	Item 1141	81 060
	Article 119	443 050
	Article 120 —	
	Item 1211	3 190
	Item 1221	36 900
	Item 1231	22 700
	Item 1241	40 400
Revenue — Chapter 40	8 970	1 196 970
Chapter 41	3 450	485 450
Total :	12 420	1 682 420

\* \* \*

## Draft amendment No 300

tabled by Mr Ripamonti, Mr Noè, Mr Santer, Mr Vergeer and Mr Luster

## Section III — Commission

## Establishment plan

Amend the establishment plan as follows :

- Add : 1 Category A official in Grade A 7/6  
 2 Category B officials in Grade B 3/2  
 1 Category C official in Grade C 3/2

(A) *Expenditure*

Increase the payment appropriation by 52 360 EUA

(B) *Compensation*

—

(C) *Revenue*Increase revenue by 44 270 EUA<sup>1</sup>

## JUSTIFICATION

The addition of the 4 officials is intended to allow the inter-institutional Celex system to be improved and made available to external users.

The Celex system consists in the application of automatic techniques to the processing and distribution of Community legal texts. It was originally intended to be limited to the Community's institutions, but should now be placed at the disposal of the Member States and even those appearing before the courts.

To meet this requirement, the importance of which was also emphasized by the Conference of Justice Ministers on 9 October 1978, it is essential that the Commission's services be provided with the necessary staff. The requested increase in staff, involving a very modest amount of expenditure, will obviate the need for each Member State to incur similar expenditure.

<sup>1</sup> + 8 090 EUA in deductions from remuneration.

## Financial implications

Under the provisions now in force, this draft amendment will affect the budget as follows :

	1 X A 7/6	2 X B 3/2	1 X C 3/2
1100	13 065	21 140	6 955
1101	1 000	1 780	585
1102	1 935	3 130	1 030
1130	390	630	210
1131	130	210	70
	<hr/>	<hr/>	<hr/>
Expenditure	16 620	26 890	8 850
Chapter 40 :	2 280	2 620	410
Chapter 41 :	880	1 430	470
	<hr/>	<hr/>	<hr/>
Revenue :	3 160	4 050	880

\* \* \*

Draft amendment No 301  
tabled by Mr Noe, on behalf of the Christian-Democratic Group

## Section III — Commission

## PAYMENTS

- Title 2 — Buildings, equipment and miscellaneous administrative expenditure
- Chapter 26 — Expenditure on studies, surveys and consultations
- Article 265 — Studies in the field of nuclear energy
- Item 2651 — Studies of safety techniques

*(A) Expenditure*

Increase the payment appropriation from 300 000 EUA to 350 000 EUA

*(B) Compensation*

—

*(C) Revenue*

Increase revenue by the same amount

## JUSTIFICATION

The justification will be given orally by the author.

\* \* \*

Draft amendment No 302  
tabled by the Socialist Group

## Section II — Council

## — Annex I — Economic and Social Committee

## List of Posts :

Add the following 7 posts to the establishment plan :

2 B 2, 1 B 4, 2 B 5 Secretarial Assistants, 1 C 4, 1 D 1

*(A) Expenditure*

Increase the payment appropriation by 87 700 EUA (from 10 756 500 — the total under Title 1 — to 10 844 200 EUA) in accordance with the breakdown shown below.

*(B) Compensation*

—

*(C) Revenue*

Increase revenue by 75 280 EUA

Item 1100	— Basic salaries	+ 51 000 (from 7 290 000 to 7 341 000)
Item 1101	— Family allowances	+ 4 100 (from 582 000 to 586 100)
Item 1102	— Expatriation allowances (incl. Art. 97 of ECSC Staff Regulations)	+ 8 100 (from 1 055 000 to 1 063 100)
Item 1130	— Sickness insurance	+ 1 500 (from 217 600 to 219 100)
Item 1131	— Accident insurance and occupational diseases	+ 700 (from 77 400 to 78 100)
Item 1141	— Travel expenses on annual leave	+ 560 (from 80 500 to 81 000)
Art. 119	— Provisional appropriations to cover any adjustment of the remuneration of officials and other servants of the European Communities	+ 3 050 (from 440 000 to 443 000)
Item 1211	— Travel expenses (incl. members of the family) — staff	+ 690 (from 2 500 to 3 190)
Item 1221	— Installation, resettlement and transfer allowances — staff	+ 5 900 (from 31 000 to 36 900)
Item 1231	— Removal expenses — staff	+ 5 200 (from 17 500 to 22 700)
Item 1241	— Temporary daily subsistence allowances — staff	+ 6 900 (from 33 500 to 40 400)

## REMARKS

—

## JUSTIFICATION

The Economic and Social Committee, aware of the Community's general economic situation, restricted its requests for posts to a minimum this year, despite the steady increase in the workload of its secretariat. The requests for new posts were accordingly kept down to 17. Nevertheless, the Council decided to approve only 9 posts. The Committee's Bureau considers that in the light of the small number of posts originally requested it could not reasonably renounce that increase without a risk of the operation of its departments, and indeed of the Committee itself, being seriously jeopardized or at any rate slowed down. It should be added that most of the posts rejected are clerical posts intended to fill gaps which had long been felt in not just one, but in several of the Committee's departments. The Committee on Budgets therefore considers that at least 7 of the 8 posts requested and not approved by the Council should be reinstated. The ESC is, however, asked to renounce, for the time being at least, the A 3 Head of Division post.

## 'Financial implications

## Breakdown of items

		EUA
Expenditure — Chapter 11 — Article 110 —	Item 1100	7 341 000
	Item 1101	586 100
	Item 1102	1 063 100
	Item 1130	219 100
	Item 1131	78 100
	Item 1141	81 060
	Article 119	443 050
	Article 120 —	
	Item 1211	3 190
	Item 1221	36 900
Revenue — Chapter 40	Item 1231	22 700
	Item 1241	40 400
	Chapter 41	8 970
		3 450
	Total :	1 682 420

\* \* \*

Draft amendment No 303

tabled by Mr Cointat, Mr Aigner, Mr Hansen, Mr Spinelli and Mr Meintz

Section II — Council — Annex I — Economic and Social Committee

Establishment plan — add the following five posts to the establishment plan :

1 A 6, 2 B 2, 2 B 5 Secretarial Assistants

(A) *Expenditure*

Increase the payment appropriations by 76 990 EUA (from 10 766 500 EUA — total of Title I — to 10 833 490 EUA) in accordance with the breakdown shown below.

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by 11 060 EUA.

Item 1100	— Basic salaries	+ 44 500 (from 7 290 000 to 7 234 500)
Item 1101	— Family allowances	+ 3 570 (from 582 000 to 585 570)
Item 1102	— Expatriation allowances (incl. Art. 97 of ECSC Staff Regulations)	+ 7 010 (from 1 055 000 to 1 062 010)
Item 1130	— Sickness insurance	+ 1 310 (from 217 600 to 218 910)
Item 1131	— Accident insurance and occupational diseases	+ 590 (from 77 400 to 77 990)
Item 1141	— Travel expenses on annual leave	+ 470 (from 80 500 to 80 970)
Art. 119	— Provisional appropriations to cover any adjustment of the remuneration of officials and other servants of the European Communities	+ 2 460 (from 440 000 to 442 460)
Item 1211	— Travel expenses (incl. members of the family) — staff	+ 630 (from 2 500 to 3 130)
Item 1221	— Installation, resettlement and transfer allowance — staff	+ 5 400 (from 31 000 to 36 400)
Item 1231	— Removal expenses — staff	+ 4 750 (from 17 500 to 22 250)
Item 1241	— Temporary daily subsistence allowances — staff	+ 6 300 (from 33 500 to 39 800)

REMARKS

—

JUSTIFICATION

The Economic and Social Committee, aware of the Community's general economic situation, restricted its requests for posts to a minimum this year, despite the steady increase in the workload of its secretariat. The requests for new posts were accordingly kept down to 17. Nevertheless, the Council decided to approve only 9 posts. The Committee's Bureau considers that in the light of the small number of posts originally requested it could not reasonably renounce that increase without running the risk of seriously jeopardizing the operation of the secretariats of certain of the three groups of members. It should be added that the rejected posts were intended to fill gaps long since felt in various linguistic sections of the typing pool. The Committee on Budgets therefore considers that at least 5 of the 8 posts requested and not approved by the Council should be reinstated. The ESC is, however, asked to renounce, for the time being at least, the A 3 Head of Division post and 3 other posts requested for other Committee departments.

## Financial statement

## Breakdown of items

			<i>EUA</i>
Expenditure — Chapter 11 — Article 110 —	Item 1100		7 334 500
	Item 1101		585 570
	Item 1102		1 062 010
	Item 1130		218 910
	Item 1131		77 990
	Item 1141		80 970
	Article 119		442 460
	Article 120 —	Item 1211	3 130
		Item 1221	36 400
		Item 1231	22 250
Revenue — Chapter 40 :		Item 1241	39 800
	Chapter 41 :		7 990
Total :			3 070
			11 060

\* \* \*

## Draft amendment No 304

tabled by Mr Hughes, on behalf of the Socialist Group

## Section III — Commission

Title 8 — European Agricultural Guidance and Guarantee Fund — Guidance Section  
 Chapter 83 — Common measures in particular sectors  
 Article 836 — Milk sector  
 Item 8360 — Premium for the non-marketing of milk and for the conversion of dairy herds

(A) *Expenditure*

Increase the payment appropriations by 81 800 000 EUA (from 73 400 000 EUA to 155 200 000 EUA)

(B) *Compensation*

Delete Item 6240 and the appropriations shown against it

(C) *Revenue*

Unchanged

## REMARKS

This Item will be used to cover expenditure arising from Council Regulation (EEC) No 1078/77 of 17 May 1977 introducing a system of premiums for the non-marketing of milk and milk products and for the conversion of dairy herds, last amended by Council Regulation (EEC) No 104/78 of 22 May 1978 (OJ L 134 of 22. 5. 1978).

## JUSTIFICATION

As these measures are to be taken to achieve objectives set out in Article 39 of the Treaty and as they are therefore structural measures, the Socialist Group proposes that the appropriations deleted from Article 624 should be transferred to Article 836 of the 1979 budget.

\* \* \*

Draft amendment No 305  
tabled by the European Conservative Group

### Section III — Commission

#### PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials  
Chapter 37 — Expenditure in the industrial and transport sectors  
Article 375 — Community industrial reorganization and redevelopment operations  
Item 3750 — Measures on behalf of certain industrial sectors in crisis

#### (A) *Expenditure*

Make a token entry

#### (B) *Compensation*

—

#### (C) *Revenue*

—

#### COMMITMENTS

Enter appropriations of 10 000 000 EUA

#### *Schedule*

The provisional schedule of payments is as follows:

(in EUA)

Commitments		Payments			
		1978	1979	1980	1981
Appropriations 1978	20 000 000 <sup>1</sup>	17 000 000 <sup>1</sup>	token entry	3 000 000	—
Appropriations 1979	10 000 000	—	token entry	5 000 000	5 000 000
<b>TOTAL</b>	<b>30 000 000</b>	<b>17 000 000</b>	<b>Token entry</b>	<b>8 000 000</b>	<b>5 000 000</b>

<sup>1</sup> Of which 15 000 000 EUA in non-differentiated appropriations from the former Item 3751.

#### REMARKS

Former Item 3750 and 3751

As part of the sectoral policies laid down at Community level, this appropriation is intended to stimulate reorganization and redevelopment measures in certain crisis-hit industrial sectors and also to assist investments in the undertakings likely to create alternative employment.

(Text from preliminary draft budget)

#### JUSTIFICATION

A feature of the present day economic and social situation is the need for restructuring in certain sectors which are going through a crisis. The most appropriate level for support measures to crisis-hit sectors, such as shipbuilding, man made fibres, paper, etc., is the Community level.

In view of the lack of necessary policy directives the Commission is unlikely to be in a position to allocate even the appropriations it has entered in the preliminary draft budget, especially as it has not yet utilized the current year's appropriations which will have to be carried forward to 1979.

The lack of a properly established policy means that there is no point in entering appropriations on the line, but a commitment appropriation of 10 000 000 EUA would correspond to the present state of policy development.

\* \* \*

## Draft amendment No 306

tabled by Mrs Walz, on behalf of the Christian-Democratic Group

## Section III — Commission

## PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
- Chapter 32 — Expenditure under the energy policy
- Article 323 — Operations in the coal sector
- Item 3230 — Use of coal in power stations

(A) *Expenditure*

Enter payment appropriations of 20 000 000 EUA (instead of the token entry) (reinstatement of the appropriations shown in the preliminary draft budget)

(B) *Compensation*

—

(C) *Revenue*

Increase the revenue by the same amount

## COMMITMENTS

Enter commitment appropriations of 75 000 000 EUA (instead of the token entry) (reinstatement of the appropriations shown in the preliminary draft budget)

*Schedule*

Amend the schedule as follows :

The commitment appropriation authorized for 1979 is 75 000 000 EUA <sup>1</sup>.

The likely schedule of payments against commitments is as follows.

*(in EUA)*

Commitments		Payments			
		1978	1979	1980	1981
Commitments entered into before 1978 to be covered by new appropriations for payment					
Appropriations for commitment remaining					
Appropriations for commitment 1978	10 000 000 <sup>1</sup>	token entry	10 000 000	—	—
Appropriations for commitment 1979	75 000 000	—	10 000 000	30 000 000	35 000 000
<b>Total</b>	<b>85 000 000</b>	<b>token entry</b>	<b>20 000 000</b>	<b>30 000 000</b>	<b>35 000 000</b>

<sup>1</sup> Amount entered in Chapter 100

<sup>1</sup> See Article 1 (3) of the Financial Regulation of 21 December 1977



## REMARKS

Enter the following remarks

Formerly 323

Proposal submitted to the Council on 31 December 1976 (Doc. COM (76) 648 fin. 2). The appropriation is to cover expenditure arising from the grant of support to operators of power stations with a view to encouraging the construction, conversion or modernization of their plants for the use of coal instead of liquid fuels. Support is limited to the extra costs due to these operations.

Opinion of the European Parliament of 10 May 1977.

## JUSTIFICATION

The Community's coal producers are facing a particularly serious situation at present. The programme to be financed by these appropriations could make a significant reducing dependence on imported hydrocarbons for electricity generation by encouraging electricity producers to convert existing power stations, or build new power stations to generate electricity from coal. Unless an active policy of aid for the coal sector is undertaken, pits will probably have to be closed.

This action, which was welcomed by the European Parliament (Bessborough report, Doc. 45/77; OJ C 133 of 6. 6. 1977, page 18), would require at least 40 000 000 EUA in payment and 75 000 000 EUA in commitment appropriations for 1979 if it is to be effective.

\* \* \*

Draft amendment No 307 rev.

tabled by Mr Fellermaier on behalf of the Socialist Group and

Mr Pintat on behalf of the Liberal and Democratic Group

Mr Vernaschi on behalf of the Christian-Democratic Group

## Section I — European Parliament

## Establishment Plan

Add the following to the list of posts :

(a) established posts : add 1 C 3/2 and 1 D1

(b) temporary posts : add 4 LA4, 4 LA5, 4 LA6, 8 C 3/2, 1 C1

(A) *Expenditure*

Increase the payment appropriation by 385 920 EUA, broken down on accordance with the financial statement annexed to this draft amendment

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by 308 750 EUA

## JUSTIFICATION

The purpose of this amendment is to create temporary posts for the translators who will be needed by the political groups in the coming months to prepare the campaigns for direct elections. The two established posts are intended to cope with the additional work which will be generated by the creation of these translators' posts.

*Financial statement*

	<i>temporary</i>		<i>established</i>		<i>EUA</i>
Item 1100	288 460	+	14 200	=	302 660
1101	24 250	+	1 190	=	25 440
1102	43 435	+	2 100	=	45 535
1130	8 785	+	430	=	9 215
1131	2 930	+	140	=	3 070
	<hr/>		<hr/>		<hr/>
	367 860	+	18 060	=	385 920
Chapter 40	55 800	+	930	=	56 730
41	19 480	+	960	=	20 440
	<hr/>		<hr/>		<hr/>
	75 280	+	1 890	=	77 170

\* \* \*

## Draft amendment No 308

tabled by Mr Fellermaier on behalf of the Socialist Group

## Section I — Parliament

## PAYMENTS

- Title 10 — Other expenditure  
 Chapter 100 — Provisional appropriations  
 Article 1001 — European Parliament's contribution to information on election by universal suffrage

(A) *Expenditure*

Increase the payment appropriation by 2 000 000 EUA (from 11 132 000 to 13 132 000EUA)

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

—

*Schedule*

—

## REMARKS

Add the following remarks :

Use of these appropriations is subject to control by the responsible bodies of Parliament (this provision also to apply to the giving of a discharge) according to the procedure fixed by joint agreement between the Bureau and the Committee on Budgets; this procedure was applied to the identical appropriations in respect of the 1977 financial year. At least 7 566 000 EUA should be made available to political groups in the European Parliament.

## JUSTIFICATION

Given the important role of the political groups in the preparation of direct elections to the European Parliament, the Socialist Group considers that it is necessary to increase by 2 000 000 EUA the amount which will be available for exclusive use by the political groups.

The remarks contained in the 1978 budget should also be included for 1979 in order to ensure proper financial control.

\* \* \*

Draft amendment No 309

tabled by Mr Fellermaier on behalf of the Socialist Group

Mr Klepsch on behalf of the Christian-Democratic Group (EPP Group)

Mr Meintz on behalf of the Liberal and Democratic Group

Mr Cointat on behalf of the European Progressive Democrats

Mrs Squarcialupi on behalf of the Communist and Allies Group

## Section I — Parliament

### *Establishment Plan*

Increase the establishment plan as follows :

- (a) allocate 1 A 1 post 'ad personam' to an official in grade A 2<sup>1</sup>
- (b) temporary posts for the secretariat of the political groups : add 6 temporary C 5/4 posts
- (c) reserve list for officials seconded to the secretariat of the political groups<sup>2</sup> : make the following additions and amendments to this list : + 3 B 4 ;  
convert 2 C 2 into B 4 ; 1 C 4 into B 4 ; 1 C 5/4 into C (clerical officer) ; 1 C 2 into C 1.
- (d) conversion of temporary posts with the groups<sup>1</sup> :  
modify the establishment for temporary posts with the groups as follows : convert 1 C 3 into B 3 ;  
1 B 3 into B 2.

### (A) *Expenditure*

Increase the payment appropriation by 50 430 EUA broken down as shown in the financial statement annexed to this draft amendment.

### (B) *Compensation*

### (C) *Revenue*

Increase revenue by 45 390 EUA.

## COMMITMENTS

### *Schedule*

## REMARKS

## JUSTIFICATION

This amendment includes small modifications to temporary clerical posts with the political groups. In addition, and at the request of the groups, it makes provision for two temporary posts to be converted and for slight modifications and additions to the reserve list for officials seconded to the secretariats of the political groups. These additions and modifications arise in particular from the need to upgrade the posts of certain members of staff on this list who have passed internal competitions.

<sup>1</sup> These conversions do not have any appreciable financial consequences.

<sup>2</sup> The qualitative changes in this reserve list and the additions have no financial consequences.

*Financial statement*

Breakdown of appropriations relating to 17 posts.

<i>Expenditure</i>		<i>in EUA</i>
Chapter 11	Item 1100	39 600
	Item 1101	3 300
	Item 1102	5 850
	Item 1130	1 200
	Item 1131	390
	Total :	50 340
<i>Revenue</i>		
Chapter 40		2 280
Chapter 41		2 670
	Total :	4 950

\* \* \*

Draft amendment No 310

tabled by Mr Fellermaier, on behalf of the Socialist Group

Mr Meintz, on behalf of the Liberal and Democratic Group

Mr Cointat, on behalf of the Group of European Progressive Democrats

Mrs Squarcialupi, on behalf of the Communist and Allies Group

#### Section I — European Parliament

##### Establishment plan

Increase the establishment plan as follows :

Established posts : add the following 93 established posts <sup>1</sup> :

1 B 1, 2 B 3/2, 12 B 5/4, 17 C 1, 23 C 3/2, 16 C 5/4, 12 LA 5/4, 6 LA 7/6 (interpreters), 1 D 3/2, 3 D 1 <sup>2</sup>.

##### (A) *Expenditure*

Increase the payment appropriation by 1 513 460 EUA (frozen), broken down as shown in the financial statement annexed to this draft amendment.

##### (B) *Compensation*

—

##### (C) *Revenue*

Increase revenue by 1 350 410 EUA.

#### COMMITMENTS

<sup>1</sup> These posts are to be distributed between the two grades of each career bracket in the proportion of 50 % — 50 % in accordance with the rule applied for many years.

<sup>2</sup> These posts are frozen subject to the European Parliament's usual procedure for releasing posts.

## JUSTIFICATION

As is apparent from the resolution submitted to Parliament by the Committee on Budgets for the first reading of the draft budget of the Communities, and in accordance with the proposals of the political groups, it is desirable at this stage to add to the establishment plan only technical and clerical posts, in keeping with the quantitative increase in the workload when the directly elected Parliament first takes over and with the need for continuity which must be guaranteed.

The number of additional posts is based on the proposals submitted to the Bureau of Parliament by the Secretary-General.

Since the other proposals relate to conversions of posts, structural modifications and the creation of new posts in particular in categories A and B, they will be studied in detail by the bodies concerned and will form the subject of a supplementary budget to be submitted to Parliament in the first three months of the coming financial year.

*Financial statement*

<i>Expenditure</i>		<i>in EÜA</i>
Chapter 11	Item 1100	864 00
	Item 1101	72 700
	Item 1102	127 950
	Item 1130	25 900
	Item 1131	8 410
	Item 1141	22 000
Article 119		45 000
Chapter 12	Article 120	50 000
	Item 1221	175 000
	Item 1231	122 500
Total :		1 513 460
<i>Revenue</i>		
Chapter 40		105 720
Chapter 41		57 330
Total :		163 050

\* \* \*

Draft amendment No 311

tabled by Mr Aigner on behalf of the Christian-Democratic Group (EPP Group)

## Section I — Parliament

## PAYMENTS

- Title 2 — Buildings, equipment and miscellaneous administrative expenditure
- Chapter 27 — Expenditure on publishing and information
- Article 272 — Expenditure on information and participation in public events
- Item 2722 — Expenditure for the financing of an association of the European radio stations (new)

(A) *Expenditure*

Create a new Item 2722 'Expenditure for the financing of an association of the European radio stations.'

Enter payment appropriations of 300 000 EÜA

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount.

## JUSTIFICATION

The European radio stations, which are forming an association to ensure better reporting in the nine Member States on European policies, have announced financial requirements of £ 750 000 to cover the resulting costs.

The programme on which the proposal is based will include daily broadcasts of 5 minutes of European news, 10 minutes of European press reports and 15 minutes' European magazine.

These programmes will be compiled by the BBC and offered to the other radio stations of the association in their own languages free of charge.

The Commission has agreed to grant this project a subsidy of 300 000 EUA if Parliament makes the same amount available from its own budget. In the light of direct elections and the work of a directly elected European Parliament it would seem appropriate to introduce a European radio service for the establishment of a specific European information policy. The proposed subsidy will cover only part of the expenditure occurring. The balance to be provided by the Commission or by the radio stations themselves.

\* \* \*

Draft amendment No 312

tabled by Mr Aigner on behalf of the Christian-Democratic Group (EPP Group)

## Section I — European Parliament

## Establishment Plan

Increase the establishment plan as follows :

(a) Permanent posts : add the following 78 permanent posts<sup>1</sup> :

17 C 1 ; 23 C 3/2 ; 16 C 5/4 ; 12 LA 5/4 ; 6 LA 7/6 (interpreters) ; 1 D 3/2 ; 3 D 1 ; (from 1 717 to 1 810) ; allocate 1 A 1 post 'ad personam' to an official in grade A 2 ;

(b) Temporary posts for the secretariat of the political groups : and 5 temporary C 5/4 posts ;

(c) Reserve list for officials seconded to the secretariat of the political groups<sup>2</sup> : make the following additions and amendments to this list :

+ 3 B 4 ; 2 C 2 into B 4 ; 1 C 4 into B 4 ; 1 C 5/4 into C 3 (clerical officer) ; 1 C 2 into C 1

(d) Conversion of temporary posts with the groups<sup>3</sup> :

modify the establishment plan for temporary posts with the groups as follows :

1 C 3 into B 3 ; 1 B 3 into B 2.

(A) *Expenditure*

Increase the payment appropriation by 1 564 000 EUA (from 55 785 500 to 57 349 500 EUA), broken down as shown in the financial statement annexed to this draft amendment

(B) *Compensation*(C) *Revenue*

Increase revenue by 1 396 000 EUA.

## COMMITMENTS

*Schedule*

<sup>1</sup> These posts are to be distributed between the two grades of each career bracket in the proportion of 50 % — 50 % in accordance with the rule applied for many years.

<sup>2</sup> The additions and qualitative changes made in this reserve list have no financial consequences.

<sup>3</sup> These conversions do not have any appreciable financial consequences.

## REMARKS

—

## JUSTIFICATION

As is apparent from the resolution submitted to Parliament at the same time as these amendments for the first reading of the draft budget of the European Communities, the Committee on Budgets at this stage considers it desirable to add to the establishment plan only technical and clerical posts, in keeping with the quantitative increase in the workload when the directly-elected Parliament first takes over and with the need for continuity, which must be guaranteed.

The number of additional posts is based on the proposals submitted to the Bureau of Parliament by the Secretary-General.

Since the other proposals relate to conversions of posts, structural modifications and the creation of new posts in particular in categories A and B, they will be studied in detail by the bodies concerned and will form the subject of a supplementary budget to be submitted to Parliament in the first three months of the coming financial year. This amendment also includes small modifications to temporary clerical posts with the political groups. In addition, and at the request of the groups, it makes provision for two temporary posts to be converted and for slight modifications and additions to the reserve list for officials seconded to the secretariats of the political groups. These additions and modifications arise in particular from the need to upgrade the posts of certain members of staff on this list who have passed internal competitions.

This amendment does not include the creation of temporary posts for translators. These posts were requested by the groups to cope with the increase in their workload in the coming months.

Any decision in this connection will form the subject of an ad hoc amendment drawn up after the Bureau of Parliament has delivered its opinion but in time for it to be submitted to Parliament during the budgetary part-session in October.

## Financial statement

## Breakdown of appropriations relating to 78 posts

<i>Expenditure</i>		<i>in EUA</i>
Chapter 11	Item 1100	769 365
	Item 1101	64 715
	Item 1102	115 955
	Item 1130	23 090
	Item 1131	7 645
	Item 1141	19 310
Chapter 12	Article 119	38 300
	Article 120	43 000
	Item 1221	133 000
	Item 1231	105 000
Total		1 277 310
<i>Revenue</i>		
Chapter 40		92 310
Chapter 41		49 020
Total		141 330

\* \* \*

Draft amendment No 313

tabled by Mr Aigner on behalf of the Christian-Democratic Group (EPP Group)

## PAYMENTS

*Schedule*

Title 1 — Expenditure relating to persons working with the institution  
 Chapter 10 — Members of the institution

(A) *Expenditure*

Increase the payment appropriation entered against this chapter by 5 588 700 EUA (from 7 495 300 to 13 084 000), to be distributed over the relevant articles and items in accordance with the financial statement annexed to this amendment.

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount

## COMMITMENTS

—

*Schedule*

—

## REMARKS

Modify the remarks as follows:

'The appropriations entered against this Chapter have been adjusted, without modification of the present provisions, to take account of the increase in the number of Members of Parliament from 198 to 410 after the election of Parliament (7 months out of 12).'

## JUSTIFICATION

The additional 5 149 000 EUA entered against chapter 10 as a whole corresponds to 7/12 of the travel, subsistence and other allowances granted to Members. The appropriations needed after June 1979 have been calculated on the basis of 410 Members of Parliament rather than 198.

*Financial statement*

The additional appropriation for Chapter 10 is broken down as follows:

## Expenditure

## Chapter 10: Members

Item 1004	+	3 765 000	=	8 710 000
Article 101	+	139 300	=	333 300
Article 105	+	30 000	=	69 000
Article 106	+	1 654 400	=	3 869 800
<hr/>				
Total	+	5 588 700		13 084 000



Draft amendment No 314

tabled by Mr Aigner on behalf of the Christian-Democratic Group (EPP Group)

Section I — European Parliament

PAYMENTS

- Title 3 — Expenditure resulting from the institution carrying out special functions
- Chapter 37 — Expenditure relating to certain institutions and bodies
- Article 370 — Expenditure relating to the European Parliament
- Item 3705 — Contribution to secretarial expenses of the political groups of the European Parliament

(A) *Expenditure*

Increase payment appropriation by 864 000 EUA (from 1 088 705 to 1 952 705 EUA)

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount.

COMMITMENTS

—

*Schedule*

—

REMARKS

—

JUSTIFICATION

The contribution to the secretarial expenses of the political groups should be calculated for the first five months of the year on the basis of the present number of Members, that is 198. For the remaining 7 months of 1979 it should be calculated on the basis of 410 Members.

The sum voted in June by Parliament did not include this calculation.

\* \* \*

Draft amendment No 315

tabled by Mr Aigner on behalf of the Christian-Democratic Group (EPP Group)

Section I — European Parliament

PAYMENTS

- Title 10 — Other expenditure
- Chapter 101 — Contingency reserve
- Article 1010

(A) *Expenditure*

Increase payment appropriation by 2 973 600 EUA (from 726 400 to 3 700 000 EUA)

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount.

## COMMITMENTS

—

*Schedule*

—

## REMARKS

Modify the remarks as follows :

'This appropriation is intended to meet the increased needs for extra funds which will certainly arise from the first months of operation of the new Assembly.'

## JUSTIFICATION

The present appropriation for the contingency reserve is about 3 % of the sum entered in the estimates adopted in June, having regard, on the one hand, to the difficulty of making precise estimates of the needs of the new Assembly, and, on the other, the increased need for funds which will certainly arise as soon as the Parliament elected by direct universal suffrage commences its activities.

The sum to be entered in the European Parliament's budget for 1979 must be greatly increased.

\* \* \*

## Draft amendment No 316

tabled by Mr Aigner on behalf of the Christian-Democratic Group (EPP Group)

## Section I — Parliament

## Establishment Plan

— Convert the following established posts

6 LA 4

6 LA 5

6 C 3/2

3 C 3/2

into the following temporary posts

4 LA 5

4 LA 6

4 LA 7

6 C 3/2

3 C 3/2

## JUSTIFICATION

The established posts created in June 1978 for the Groups' translation work should be converted into temporary posts to give the Groups exclusive use of the translators' services

\* \* \*

Draft amendment No 317  
tabled by Mr Bangemann on behalf of the Committee on Budgets

### Section III — Commission

#### PAYMENTS

Title 10 — Other expenditure  
Chapter 101 — Special reserve for expenditure relating to enlargement  
(new)

#### (A) *Expenditure*

Add a new Chapter 101 : 'Special reserve for expenditure relating to enlargement'.  
(Chapter 101 becomes Chapter 102 and Chapter 102 becomes Chapter 103)  
Enter payment appropriations of 20 000 000 EUA

#### COMMITMENTS

Enter commitment appropriations of 150 000 000 EUA

#### REMARKS

The appropriations are provisional and may not be used until they have been transferred from Chapter 97 by the procedure laid down in the Financial Regulation.  
They are intended for the three countries which have applied for accession.

#### JUSTIFICATION

The overall operational reserve included by the Commission in the preliminary draft, which was deleted by the Council and which also included appropriations for Chapter 97 under (d) i.e. expenditure relating to enlargement, is not sufficient to finance certain measures prior to the actual year of enlargement.

A separate special reserve therefore had to be created. The overall reserve has been correspondingly reduced. The appropriations in this special reserve represent the absolute minimum to help finance both public investment in infrastructure and investment by private industry in the applicant countries.

To achieve the maximum possible multiplier effect, at least 50 % of the reserve appropriations — after they have been transferred to the corresponding budgetary lines — should be used as interest subsidies for loans by the European Investment Bank.

The structural changes in Chapter 97 to cover applicant countries will be made by means of a separate amendment.

\* \* \*

Draft amendment No 318  
tabled by Mr Bangemann on behalf of the Committee on Budgets

### Section III — Commission

Enter the following text at the end of Section III :

#### Legislative decision of the budgetary authority

I. Decision relating to the administration of Section III, Chapter 33, authorising the Commission to make certain transfers

In accordance with Article 94 (2) of the Financial Regulation applicable to the Budget of the European Communities, the budgetary authority authorises the Commission to effect the following transfers, if the need arises :

The Commission shall decide on transfers between Articles and between Items within the total appropriations entered under Articles 330, 331 and 332 (Joint Research Centre), provided that they relate to actions financed according to the same budgetary scale.

Such transfers may not have the effect of increasing or reducing, by more than 7 % in commitment appropriations and payment appropriations, the original appropriation entered in each Item of Articles 330, 331 and 332.

However, these transfers must not have the effect of exceeding the financial ceiling on JRC programmes.

## II. Budget headings distinguishing between appropriations for commitment and appropriations for payment

(in EUA)

Chapter / Article / Item	Commitment Appropriations	Payment Appropriations
3030	600 000	465 000
3031	600 000	365 000
306	5 750 000	4 000 000
3200	20 000 000	31 000 000
3201	15 000 000	13 000 000
3210	20 000 000	9 000 000
3230	75 000 000	40 000 000
3240	16 000 000	7 000 000
3241	16 000 000	9 500 000
33	225 614 375	236 592 330
3620	2 800 000	3 350 000
3621	1 700 000	1 475 000
3701	p.m.	700 000
3702	17 000 000 <sup>1</sup>	8 000 000 <sup>1</sup>
3710	5 000 000	7 000 000
3750	30 000 000	22 000 000
3751	10 000 000 <sup>1</sup>	5 000 000 <sup>1</sup>
50	355 000 000	304 000 000
51 Social Fund	492 000 000	411 000 000
52	3 000 000	3 000 000
55 Regional Fund	620 000 000	390 000 000
Title 8		
— Agricultural structures	532 900 000	394 090 000
— Fisheries	141 700 000	72 700 000
930	133 620 000	55 620 000
9310	5 500 000	4 500 000
945	12 000 000	9 000 000
961	2 500 000	3 000 000
962	16 500 000	13 500 000
963	66 000 000	33 000 000
964	4 000 000	2 200 000
9650	14 100 000	10 100 000
9651	23 700 000	19 400 000
9652	17 300 000	14 200 000
9660	24 600 000	18 000 000
9661	7 000 000	6 300 000
9662	3 000 000	3 000 000
9663	8 300 000	6 000 000
100	50 000 000 <sup>2</sup>	15 000 000 <sup>2</sup>
Totals	2 993 784 375	2 186 057 330

<sup>1</sup> New budget headings distinguishing between commitment appropriations and payment appropriations introduced into the 1979 budget

<sup>2</sup> Total reserve for intervention appropriations

## III. Committees working under Article 251

### GROUP I

(Government and other experts entitled to a refund of travel and subsistence expenses)

- Monetary Committee
- European Social Fund Committee
- Advisory Committee on Free Movement of Workers

- Advisory Committee on Transport
- Technical Committee on Free Movement of Workers
- European Regional Development Fund Committee
- Regional Policy Committee
- Scientific Committee on Foodstuffs
- Scientific Committee on Feedingstuffs
- Scientific and Technical Committee
- Scientific Committee on Fisheries

## Group II

(Non-government experts entitled to a refund of travel and subsistence expenses)

- Advisory Committees on the Common Organization of the Agricultural Markets in :
  - Cereals
  - Rice
  - Pigmeat
  - Eggs and Poultry Meat
  - Unmanufactured Tobacco
  - Live Trees and Other Plants, Bulbs, Roots and the Like, Cut Flowers and Ornamental Foliage
  - Flax and Hemp
  - Seeds
  - Fruit and Vegetables
  - Wine
  - Beef and Veal
  - Milk and Milk Products
  - Hops
  - Oils and Fats
  - Sugar
  - Fishery Products
  - Feedingstuffs
  - Potatoes <sup>1, 2</sup>
  - Alcohol <sup>1, 2</sup>
  - Sheepmeat <sup>1, 2</sup>
  - Honey <sup>1, 2</sup>
  - Vinegar <sup>1</sup>
- Advisory Committee on Customs Matters
- Advisory Committee on Foodstuffs
- Advisory Committee on Veterinary Matters
- Management Committee : Rail, Road and Inland Waterway Goods Transport Markets <sup>1, 2</sup>
- Advisory Committee on Social Questions affecting Farmers
- Advisory Committee on Questions of Agricultural Structure Policies
- Scientific Committee on the Effects of Chemicals on Man and the Environment <sup>1, 2</sup>
- Joint Advisory Committees on Social Problems in Respect of :
  - (a) Road Transport
  - (b) Inland Navigation
  - (c) The Railway Industry
  - (d) The Sea-Fishing Industry
- Joint Advisory Committee on the Social Problems of Paid Agricultural Workers
- Joint Committee on the Footwear Industry
- Standing Committee on Commerce and Distribution <sup>1</sup>

## Group III

(Government entitled to a refund of travel only)

- Economic Policy Committee
- Common Customs Tariff Nomenclature Committee
- Committee on Community Transit
- Committee for Customs Processing Arrangements
- Committee on Customs Valuation
- Committee on Duty-Free Entry
- Advisory Committee on Restrictive Practices and Dominant Positions

- Advisory Committee on Restrictive Practices and Dominant Positions in Transport
- Advisory Committee on Own Resources
- Committees on Customs Cooperation EEC-Turkey / EEC-Greece / EEC-Spain / EEC-Israel / EEC-ACP / EEC-Morocco / EEC-Tunisia / EEC-Malta / EEC-Cyprus / EEC-Austria / EEC-Portugal / EEC-Sweden / EEC-Switzerland / EEC-Iceland / EEC-Finland / EEC-Norway / EEC-Lebanon / EEC-Egypt / EEC-Algeria / EEC-Jordan / EEC-Syria
- Committee on Origin of Goods
- Coordinating Committee on Fast Reactors
- Committee of Senior Officials on Public Health
- Advisory Committee on Restrictive Practices and Dominant Positions (Control of Concentrations)
- Committee to Monitor Rail, Road and Inland Waterway Goods Transport Markets <sup>1, 2</sup>
- Value-Added Tax Committee
- Excise Committee <sup>1, 2</sup>
- Committee on Recovery
- Management Committees, Common Organizations of Agricultural Markets ;
  - Cereals and Processed Products (+ Rice)
  - Sugar
  - Oils and Fats, Oil Plants
  - Flax and Hemp
  - Preserves
  - Pigmeat
  - Dehydrated Fodder
  - Ethyl Alcohol derived from Agricultural Products <sup>1, 2</sup>
  - Beef and Veal
  - Milk and Milk Products
  - Hops
  - Bananas <sup>1, 2</sup>
  - Live Plants, etc.
  - Seeds
  - Sheepmeat <sup>1, 2</sup>
  - Isoglucose <sup>1, 2</sup>
  - Eggs and Poultry Meat
  - Fruit and Vegetables
  - Wine
  - Fishery Products
  - Potatoes <sup>1, 2</sup>
  - Tobacco
  - Vinegar <sup>1</sup>
- Community Committee for the Farm Accountancy Data Network
- Standing Committee on Agricultural Structures
- European Agricultural Guidance and Guarantee Fund Committee
- Committee on General Customs Legislation <sup>1</sup>
- Standing Veterinary Committee
- Standing Committee on Agricultural Horticultural and Forestry Seeds and Seedlings
- Standing Committee on Feedingstuffs
- Standing Committee on Plant Health
- Standing Committee on Structures for the Fishing Industry
- Transport Costs Committee
- Committee on the System of Charging for the Use of Road Infrastructures
- Committee for the Adjustment of National Tax Systems on Commercial Road Vehicles
- Public Works Committee
- NIMEXE Committee
- Committee on Road Tariffs
- Standing Committee on Agricultural Research
- Standing Committee on Agricultural Statistics
- Standing Committee on Forestry <sup>1</sup>
- Advisory Committee on Railway Accounts
- Committee for Scientific and Technical Information and Documentation
- Pharmaceutical Committee

- Committee on Proprietary Medicinal Products
- Committee on Prices of Medicinal Products <sup>1</sup>
- Scientific Committee on Animal Nutrition
- Committee on Fisheries Resources
- Committee for Transport Infrastructure
- Committee on the Standard Principles for Calculating Railway Costs <sup>1</sup>
- Standing Committee on Foodstuffs

#### Group IV

(Government experts and others, the former being entitled to a refund of travel expenses only and the latter to a refund of both travel and subsistence expenses)

- Scientific and Technical Research Committee
- Advisory Committee on Vocational Training
- Committees on Adaptation to Technological Progress :
  - Motor Vehicles
  - Measuring and Checking Instruments
  - Wheeled Agricultural and Forestry Tractors
  - Dangerous Substances and Preparations
  - Textiles
  - Tachographs
  - Colouring Agents for Medicinal Products
  - Constructional Plant and Equipment <sup>1, 2</sup>
  - Lifting and Handling Equipment
  - Aerosol Dispensers
  - Cosmetics
  - Pressure Vessels and Inspection Methods
  - Fertilizers
- Advisory Committee on Granting of Aids for Transport by Rail, Road and Inland Waterway
- Committee for Scientific and Technical Information and Documentation
- Consumers' Consultative Committee
- Advisory Committee on Medical Training
- Advisory Committee on the Training of Dental Practitioners <sup>1, 2</sup>
- Advisory Committee on the Training of Nurses
- Advisory Committee on the Training of Midwives <sup>1, 2</sup>
- Advisory Committee on Banking <sup>1, 2</sup>
- Committee on Toxic and Dangerous Waste <sup>1, 2</sup>
- Committee on Wastes
- Committee on Noise Abatement Measures <sup>1, 2</sup>
- Advisory Committee on the Training of Vets <sup>1</sup>
- Advisory Committee on the Training of Architects <sup>1</sup>
- Contact Committee in Connection with the Fourth Company Law Directive regarding the Annual Accounts of Limited Liability Companies <sup>1</sup>
- Advisory Committee on the Operation of Goods Transport Markets <sup>1</sup>
- Technical Committee on Navigability Licences for Inland Waterway Vessels <sup>1</sup>
- Technical Committee on the Routine Inspection of Motor Vehicles <sup>1</sup>

<sup>1</sup> To be set up

<sup>2</sup> The setting up of these Committees was provided for in the 1978 budget

#### JUSTIFICATION

The various decisions relating to the above are scattered throughout the draft budget or are shown in annexes for guidance only.

For the sake of clarity they should be grouped together at the end of Section III.

Draft amendment No 319  
tabled by the Committee on Budgets

Section III — Commission

PAYMENTS

- Title 5 — Social and Regional Funds
  - Enter new subdivisions under Articles 501, 510 and 511 (reinstatement of the subdivisions shown in the preliminary draft budget), viz :
- Article 501 — Measures for young people
  - Item 5010 — Measures in the field of vocational training
  - Item 5011 — Measures to promote employment
- Article 510 — Measures to improve the employment situation in certain regions, economic sectors adapting to technical progress or groups of companies
  - Item 5100 — Measures in the field of vocational training
  - Item 5101 — Measures to promote the employment of young people
- Article 511 — Aid to handicapped persons
  - Item 5110 — Measures in the field of vocational training
  - Item 5111 — Measures to promote the employment of young people

JUSTIFICATION

The budgetary nomenclature proposed by the Council is completely non-specific and would make the utilization of the appropriations in 1979 difficult. The Committee on Budgets therefore proposes a more functional nomenclature and calls for the reinstatement of the subdivisions used in the Commission's preliminary draft.

\* \* \*

Draft amendment No 320  
tabled by Mr Bangemann on behalf of the Committee on Budgets

Section III — Commission

PAYMENTS

- Title 3 — Community policies in regard, particularly, to research, technology, industry, the social sector, the environment and the supply of energy and raw materials
  - Chapter 30 — Expenditure in the social sector
  - Article 307 — Community measures to promote the participation of both sides of industry in the economic and social decisions of the Community
    - Item 3071 — Aid to the representatives of small and medium-sized undertakings for the provision of training and information for their representatives on the subject of European affairs

(A) *Expenditure*

Enter a payment appropriation of 200 000 EUA (instead of a token entry)

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by the same amount



## COMMITMENTS

—

*Schedule*

—

## REMARKS

Enter in the following remarks :

This appropriation will be used by the Commission to finance the following measures :

- the provision of training and information on European affairs, through seminars, to the staff of employers' organizations,
- further training of such staff through visits abroad.

Priority No 9 proposed by the Council in its Resolution of 21 January 1974 concerning the social action programme is 'to promote the participation of the representatives of small and medium sized undertakings in the economic and social decisions of the Community'.

## JUSTIFICATION

Item 3071 is a complement to Item 3070 (European Trade Union Institute).

Experience has shown that representatives of small and medium-sized undertakings, craft enterprises and small business have a particularly inadequate knowledge of Community law and the Community institutions.

The appropriation must therefore be used to provide employers' organizations and their representatives with training and information on European affairs.

\* \* \*

Draft amendment No 321  
tabled by the Committee on Budgets

Section I — European Parliament

## Establishment Plan

Increase the establishment plan as follows :

Establishment posts : add the following 93 established post<sup>1</sup> :

1 B 1, 2 B 3/2, 12 B 5/4, 17 C 1, 23 C 3/2, 16 C 5/4, 12 LA 5/4, 6LA 7/6 (interpreters), 1 D 3/2, 3 D 1 (from 1 717 to 1 810) — frozen.

(A) *Expenditure*

Increase the payment appropriation by 1 513 460 EUA (frozen), broken down as shown in the financial statement annexed to this draft amendment.

(B) *Compensation*

—

(C) *Revenue*

Increase revenue by 1 350 410 EUA.

## COMMITMENTS

—

*Schedule*

—

## REMARKS

—

## JUSTIFICATION

As is apparent from the resolution submitted to Parliament by the Committee on Budgets at the same time as this amendment for the first reading of the draft budget of the Communities, the Committee on Budgets considers it desirable at this stage to add to the establishment plan only technical and clerical posts required from the outset to cope with the quantitative increase in the workload of the directly elected Parliament and to meet the need for continuity, which must be guaranteed.

The number of such posts is based on the proposals submitted to the Bureau of Parliament by the Secretary-General.

<sup>1</sup> These posts are to be distributed between the two grades of each career bracket in the proportion of 50-50 % in accordance with the rule applied for many years.

Since the other proposals relate to conversions of posts, structural modifications and the creation of new posts in particular in categories A and B, they will be studied in detail by the bodies concerned and will form the subject of a supplementary budget to be submitted to Parliament in the first three months of the coming financial year.

## Breakdown of posts

The rapporteur arrived at this number of posts after considering the Secretary-General's report (PE 54.182/BUR/rev.) to the Bureau concerning adjustments to be made to the 1979 budget and establishment plan to ensure the smooth functioning of the directly elected Parliament in its first few months.

On the basis of this document the 93 posts should be allocated as follows:

Financial Control Division: 1 B 5/4; 1 C 1

## DG I — Sessional and General Services

Mail Department	2 C 3/2
Establishment plan and administration	1 B 1
Members, Written and Oral Questions	2 C 3/2
Bureau Secretariat	1 C 3/2
Publishing and Distribution	1 B 5/4
Make-up and Printing	5 C 1; 4 C 3/2; 3 C 5/4
Distribution	4 C 5/4; 2 C 3/2
Translation and Terminology	Director's
Department	1 C 1

## DG II — Committees and Interparliamentary Delegations

Brussels office 2 B 5/4; 1 C 1

DG III — Information none

(This Directorate-General was allocated 59 posts in all categories in the estimates adopted in June.)

## DG IV — Administration, Personnel and Finance

Brussels office	2 C 1; 1 C 3/2; 6 C 5/4 (thereof one for reception, replacing 1 B 5/4 previously requested)
Supplies and Maintenance	1 C 1
Storemen, removal men	1 C 5/4
Switchboard	1 C 3/2
Canteen, staff shop	1 B 3/2; 1 C 5/4
Conference Section	1 C 1
Travel Office	1 B 5/4; 1 C 3/2
Ushers	1 C 3/2; 3 D 1
Pay and Allowances Section	1 B 3/2; 1 C 1
Recruitment Section	1 B 5/4; 1 C 1; 2 C 3/2
Management Section	1 B 5/4
Pensions and Social Insurance Section	1 B 5/4; 1 C 3/2
Welfare and Reception Section	1 B 5/4; 1 C 1; 1 C 3/2
Treasury Division	2 B 5/4; 2 C 1; 3 C 3/2
Interpreters	12 LA 5/4; 6 LA 7/6

## DG V — Research and Documentation

Acquisitions Section	1 C 3/2 (clerical officier)
General Administration	1 C 5/4; 1 D 3/2
Staff Committee	1 B 5/4

*Financial Statement*

Breakdown of the appropriations relating to the 93 posts :

<i>Expenditure</i>		<i>in EUA</i>
Chapter 11	Item 1100	864 000
	Item 1101	72 700
	Item 1102	127 950
	Item 1130	25 900
	Item 1131	8 410
	Item 1141	22 000
Chapter 12	Article 119	45 000
	Article 120	50 000
	Item 1221	175 000
	Item 1231	122 500
	TOTAL :	1 513 460
<i>Revenue</i>		
Chapter 40		105 720
Chapter 41		57 330
	TOTAL :	163 050

\* \* \*

