

# COMMISSION OF THE EUROPEAN COMMUNITIES

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Brussels, 11 November 1982

Proposal for a  
COUNCIL REGULATION (EEC)

amending Regulation (EEC) No 2744/80 establishing supplementary measures  
in favour of the United Kingdom

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(submitted to the Council by the Commission)



## Explanatory Memorandum

1. In accordance with the Council conclusions of 30 May, 1980, supplementary measures in favour of the United Kingdom have been established by means of Council Regulation (EEC) No. 2744/80 of 27 October, 1980.
2. These supplementary measures have been implemented by means of financial assistance for achieving investment in different categories of infrastructure during the United Kingdom budgetary exercises of 1980/81 and 1981/82, in the framework of special programmes submitted by that country.
3. Seven of these eight special programmes relate to regions wholly or partially covered by areas eligible for State regional aid. The eighth special programme concerns road infrastructure linking these regions and linking the United Kingdom with the other Community countries.
4. These investments, undertaken by public authorities, have all contributed to the economic and social development of the aforementioned regions and of the United Kingdom, to the diversified development of the economic and social infrastructure of the country, and to Community integration. According to the British Government's own statements some of these investments could not have been achieved within the same time schedules without the aforementioned supplementary measures.
5. In accordance with the Council conclusions of 26 October, 1982, it has been agreed to extend and adapt these supplementary measures in a new exercise.

The Commission considers that it would be useful, at this time, to enlarge the basis for these supplementary measures so that they would be of even greater Community interest by involving special investment programmes in the energy field and for research expenditure, conforming to Community policies.

6. The proposed regulation, which amends Regulation (EEC) No. 2744/80 already mentioned, incorporates therefore both the extension of the supplementary measures for one year and their expansion into the above-mentioned fields.

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THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,  
and in particular Article 235 thereof,

Having regard to the proposal from the Commission<sup>(1)</sup>,

Having regard to the opinion of the European Parliament<sup>(2)</sup>,

Having regard to the opinion of the Court of Auditors<sup>(3)</sup>,

Whereas, in accordance with the Council conclusions of 30 May 1980<sup>(4)</sup>,  
payments in favour of the United Kingdom relating to the years 1980 and  
1981 have been made by means of the supplementary measures established  
by Council Regulation (EEC) No 2744/80<sup>(5)</sup>,

Whereas, in accordance with the said Council conclusions of 30 May 1980,  
the Community was pledged to resolve the problem for 1982 by means of  
structural changes; whereas in default of such a solution the said  
conclusions provide that the Commission will make proposals along the  
lines of the 1980 to 1981 solution;

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(1) OJ No C ..... 1982, p. ...

(2) OJ No C ..... 1982, p. ...

(3) OJ No C ..... 1982, p. ...

(4) OJ No C 158, 27.06.1980, p. 1

(5) OJ No L 284, 29.10.1980, p. 4

Whereas, in accordance with the Council conclusions of 26 October 1982, the solution for the year 1982 continues within the framework laid down for the years 1980 and 1981 which includes the amended Financial Mechanism and supplementary measures;

Whereas it is appropriate, however, to extent these supplementary measures to investments in the areas of energy and the rational utilisation of energy as well as to expenditure by the public authorities in the field of research;

Whereas it is consequently appropriate to adapt and to extend Regulation (EEC) No 2744/80; whereas the Treaty makes no provision in this respect,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EEC) No 2744/80 is hereby amended as follows:

1. Article 1 is replaced by the following:

"Article 1

"In addition to the amounts which will be transferred to the United Kingdom in application of Council Regulation (EEC) No 1172/76 of 17 May 1976 establishing a financial mechanism <sup>5)</sup>, as amended by Regulation (EEC) No 2743/80 <sup>6)</sup>, this Regulation provides for supplementary Community measures relating to the years 1980, 1981 and 1982".

2. Article 2 (1) is replaced by the following:

"1. The supplementary measures referred to in Article 1 shall be implemented by means of financial assistance for the realisation of certain categories of investments as well as the execution of research projects in the framework of special programmes lasting several years drawn up by the United Kingdom".

3. Article 2 (2) is replaced by the following:

"2. The special programmes, which shall contain the information referred to in Annex I, shall be broken down into sub-programmes corresponding to categories of investments and expenditure in the field of research. These programmes shall as a general rule relate to regions covered, on 1 January 1980, wholly or in part, by areas eligible for State regional aid. For the supplementary measures relating to the year 1982 the regions

"concerned are as a general rule those covered, on 1 January 1982, wholly or in part, by areas eligible for State regional aid with the exception concerning expenditure in the field of research".

4. Article 3 is replaced by the following:

"Article 3"

"Investments are eligible for financial participation by the Community within the framework of the special programmes referred to in Article 2 provided that they are undertaken by public authorities in the form of capital expenditure. In the field of research the eligible expenditure is that concerning projects which are financed wholly or in part by public authorities. Moreover the investments and the projects in the field of research shall fulfil the following criteria:

- (a) they must contribute to the economic and social development of the United Kingdom;
- (b) they must contribute to Community integration;
- (c) they must ensure in a diversified manner the development of economic and social infrastructures;
- (d) the research projects should be placed within the framework of Community policy;
- (e) they must not be incompatible with a Community policy;
- (f) they must not give rise to distortions of competition.

5. The following sentence is added to Article 4(3):

"As regards the supplementary measures relating to the year 1982, the Commission shall take into consideration the payments made and estimated by the public authorities in the United Kingdom as from 1 April 1982".

6. The following sentence is added to Article 5(1):

"However, as regards the supplementary measures relating to the year 1982, the appropriations shall be entered in the budget for 1982".

7. The following sentence is added to Article 5(3):

"However, as regards the supplementary measures relating to the year 1982, the Commission shall, as soon as the decision referred to in Article 4(2) has been taken, make payment of 100% of the Community contribution before the end of the year 1982".

8. Annex I is amended as follows:

1. The words "as well as to the execution of research projects" are added to the first paragraph under 2.

2. The third paragraph under 2 is replaced by the following:

"A special programme will also state the benefits for other regions  
"resulting from the investments and the expenditure in the field of  
"research made under it, together with the investments and the research  
"expenditure which need to be made outside the region for the purpose  
"of its development".

3. The words "and the expenditure in the field of research" are added to paragraph 5(a).

9. The following is added to Annex II:

"5. On the basis of the Commission's estimate (1530 MioECU), compensation  
"for the United Kingdom for 1982 is fixed at 850 million ECU (net).  
"Compensation to the United Kingdom will amount to 1092 million ECU  
"(gross).

"6. Corrections to be made for 1980 and 1981 in the light of the actual  
"figures will be taken into account when negotiating the subsequent  
"solution.

"7. At that time, adjustments will be made in the event that the actual  
"figure proves to be higher or lower than the 1982 base referred to  
"at point 5 above.

"If the actual figure is higher than 1530 million ECU but lower than  
"1580 million ECU, the net compensation to the United Kingdom is  
"unchanged. If the actual figure is higher than 1580 million ECU but  
"lower than 1730 million ECU the net compensation is increased by  
"50% of the difference between the actual figure and 1580 million ECU.  
"If the actual figure is higher than 1730 million ECU the net  
"compensation is increased by 75 million ECU plus 75% of the difference  
"between the actual figure and 1730 million ECU.

"If the actual figure is lower than 1530 million ECU, but higher than 1480 million ECU, the net compensation to the United Kingdom is unchanged. If the actual figure is lower than 1480 million ECU, the net compensation to the United Kingdom is reduced by an amount equal to 75 % of the difference between the actual figure and 1480 million ECU".

8. Any adjustment of the gross figures in point 5 above to take account of the correction provided for in point 7 will be entered into the budget of 1983."

#### Article 2

This Regulation shall enter into force on the day of its publication in the Official Journal of the European Communities.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at .....

For the Council