
EUROPEAN PARLIAMENT

Working Documents

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COMMON POSITION

from the Council of the European Communities

on the proposal for a Regulation amending the Financial Regulation of
21 December 1977 applicable to the general budget of the European
Communities

0.2.1

COUNCIL
OF THE
EUROPEAN COMMUNITIES

Brussels, 22 November 1978

Mr Emilio COLOMBO
President of the
European Parliament
Case Postale 1601

LUXEMBOURG

(Grand Duchy of Luxembourg)

Sir,

At its meeting on 20 November 1978, the Council adopted a common position on the draft Regulation annexed hereto, designed to simplify presentation of research and investment appropriations in the Community budget.

The Council is well aware of the importance the European Parliament attaches to the whole of the Commission proposal amending the Financial Regulation of 21 December 1977. It would point out, however, that the adoption of the attached draft Regulation in no way prejudices the common position which the Council will endeavour to evolve as soon as possible in respect of the other parts of this proposal, including the question of whether the figures given in research programme decisions are binding or indicative.

The Council would also point out that the adoption of the draft Regulation appended is extremely pressing as Chapter 33 of the draft 1979 budget was drawn up on the basis of the simplified presentation of appropriations.

Since the European Parliament has given overall approval to the Commission proposal amending the Financial Regulation and the attached draft Regulation retains unchanged that part of the proposal concerning the simplified presentation of research appropriations, the Council hopes that the European Parliament will be able to agree to this draft rapidly so that the Council may adopt it as soon as possible.

I would also take this opportunity to draw your attention to a correction that should be made to the Annex to Chapter 33 (page III/II/1 of vol. 4, Section III - Commission) of the draft 1979 budget. When the Council examined the amendment of research appropriations in the Financial Regulation it noted, in agreement with the Commission, that the footnote at the bottom of the page of the Annex is incorrect and is based neither on the current Financial Regulation nor on the draft Regulation appended. The Council accordingly requests that this footnote be deleted in the final version of the budget.

Please accept, Sir, the assurance of my highest consideration.

M. LAHNSTEIN

Enclosure

PROPOSAL FOR A
COUNCIL REGULATION (EURATOM, ECSC, EEC)
amending the Financial Regulation
of 21 December 1977 applicable
to the general budget of the European Communities

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Coal and Steel Community, and in particular Article 78(h) thereof,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 209 thereof,

Having regard to the Treaty establishing the European Atomic Energy Community, and in particular Article 183 thereof,

Having regard to the proposal from the Commission, ⁽¹⁾

Having regard to the Opinion of the European Parliament, ⁽²⁾

Having regard to the opinion of the Court of Auditors, ⁽³⁾

Whereas the purpose of the Commission proposal is to amend several provisions of the Financial Regulation and whereas the amendments involved require more detailed examination except as regards the amendments to the provisions of Title VII which are aimed at introducing a simplified version of the research and investment of appropriations in Chapter 33 of

⁽¹⁾ See R/1607/78 (FIN 450)(ATO 34)
⁽²⁾ See 1135/76 (ASS 751)
⁽³⁾ See R/2132/78 (FIN 511)(ATO 54)

in Chapter 33 of the section of the budget relating to the Commission,

Whereas this simplified version should be adopted as swiftly as possible;

HAS ADOPTED THIS REGULATION:

Article 1

The Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities is hereby amended as follows:

1. Article 89

The second and third paragraphs shall be replaced by the following:

Appropriate remarks on each subdivision shall include, in particular:

- (a) a summary description of the action involved;
- (b) in respect of budget implementation:
 - the number of personnel authorized for the current financial year;
 - a simplified version of the schedule of amounts and due dates for commitments and payments referred to in the fourth paragraph below.

.../...

The following shall be annexed to Section III - Commission - of the Budget:

- a comparative table giving a breakdown by destination and type of expenditure of the appropriations entered in Chapter 33 in accordance with the classification provided for in Article 90(3)(a),
- an indicative schedule of amounts and due dates for commitments and payments by Article and Item and indicating per tranche the estimated rate of use of the corresponding appropriations for commitment and the appropriations for payment. The schedule shall be revised each year.

2. Article 90(2):

The last subparagraph shall be replaced by the following:

- "3. (a) For the research and investment objectives or other activities of Part I, the appropriation accounts of Part II and the accounts showing staff expenditure of Part III, the expenditure shall be broken down by type into sub-items as follows:

<u>Sub-item</u>	<u>Heading</u>
1	Staff expenditure
2	Administrative expenditure
3	Technical operating expenditure
4	Investment
5	Expenditure under contracts
9	Reserve appropriations

- (b) For management purposes, the sub-items may be subdivided into categories and headings which, as regards similar expenditure, correspond to the Chapters and Items of the budgetary nomenclature decided in accordance with the provisions of Article 15(3)."

The existing paragraphs 3, 4, 5 and 6 shall be deleted.

.../...

3. Article 91:

This Article shall be replaced by the following:

- "1. An appropriation account shall be provided for each instrument of implementation referred to in Article 90(2)(b).

Each appropriation account shall show the appropriations made available in the different Articles and items in Part I specifically for the use of the corresponding instrument of implementation. Within the appropriation accounts and the accounts referred to in Article 90(2)(c) the appropriations shall be classified according to their type.

2. The charges to the accounts showing staff expenditure referred to in Article 90(2)(c) shall not exceed the amounts earmarked for this purpose in Part I of the financial plan.

The charges to the appropriation accounts shall not exceed the amount of the appropriations entered in the Articles and items in Part I of the financial plans referred to in Article 90(2)(a). However, in the case of transfers or of additional amounts made available as a result of supplementary receipts from outside bodies and individuals, expenditure may be increased accordingly:

- for commitments, up to the amount of the repayments provided for in the contracts concluded with requesting outside bodies and individuals,
- for payments, up to the amount of the entitlements for such repayments."

.../...

3. The charges to the staff expenditure accounts shall be allocated monthly to Parts I and II of each financial plan.

The charges to the appropriation accounts shall be allocated monthly to the research and investment objectives and other activities in Part I of the financial scheme according to the relevant share of the work done by the instruments.

Such bookings shall be transmitted to the financial controller for approval, and then to the accounting officer.

The charges booked to research and investment objectives and other activities in Part I of the financial plan shall be allocated monthly in the budget to the articles and items in the special chapter provided for in Article 87, by the issue of proposals for commitment and of payment orders, which shall be transmitted to the financial controller for approval, and then to the accounting officer.

4. A document shall be attached to the revenue and expenditure account showing the results of operations charged to each appropriation account and of those charged to the staff expenditure account.

This document shall show the statement of the balances of the appropriation accounts.

.../...

5. Article 94:

Paragraph 3 shall be deleted.

The existing paragraph 4 shall become paragraph 3.

The existing paragraph 5 shall become paragraph 4.

The existing paragraph 6 shall become paragraph 5.

6. Annex - "Budgetary nomenclature provided for in Article 89
of the Financial Regulation"

This Annex shall be deleted.

Article 2

This Regulation shall enter into force on ... December 1978.

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

Done at Brussels,
For the Council
The President
