1999 budget: section III, Commission

1998/2174(BUD) - 09/09/1998

OBJECTIVE: presentation of the draft budget for 1999, as drawn up by the Council. SUBSTANCE: the Council's draft budget comprised the following total amounts: - EUR 96.521 bn in commitment appropriations (CA); - EUR 85.873 bn in payment appropriations (PA). The CA represented an increase of 6.05% over the budget for 1998, while the change in the PA was 2.81%. Operating appropriations increased by 6.28% in CA and 2.87% in PA. In drawing up the budget for 1999, the Council adopted an approach whereby operating expenditure was subject to: 1) consideration of a letter of amendment concerning agricultural expenditure, to take account both of the decisions of the Agriculture Council of June 1998 and the updated estimates of requirements; 2) compliance with the Edinburgh commitments concerning structural measures. The draft budget identified clear priorities within the overall amounts available for other policies. It also took account of the criteria stated in the interinstitutional agreement on legal bases. On the basis of this approach, the Council decided: - to maintain agricultural and structural expenditure (headings 1 and 2) at the levels called for by the Commission in the PDB, viz. EUR 40.44 billion in CA and PA for agriculture and EUR 39.025 bn in CA and EUR 30.95 bn in PA for structural measures (the Council also decided to step up the PEACE programme under heading 2); - to reduce the appropriations (both CA and PA) under heading 3 (internal policies, particularly research and trans-European networks: EUR 5.449 bn in CA and 4.809 bn in PA); - to increase commitments for external action (EUR 5.992 bn) and reduce payments for it (EUR 4.059 bn); most of the increase is allocated to the Phare programme; the CFSP also receives an allocation of EUR 30 m in CA and EUR 22.95 m in PA, divided among 6 lines). Lastly, the Council decided not to budgetise the EDF, and retained the existing overall classification of budget headings from the 1998 budget. It accepted the classification proposed by the Commission for new lines.