1999 budget: section III, Commission

1998/2174(BUD) - 24/11/1998

The Council gave its second reading of the 1999 draft budget of the Communities on 24 November 1998. Before proceeding with the second reading, the Council met a delegation from the European Parliament led by Mr SAMLAND, chairman of the Committee on Budgets. During the meeting, the Parliament delegation and the Council discussed various matters relating to the 1999 budgetary procedure: - the two arms of the Budgetary Authority reached a general agreement on the main aspects of the 1999 draft budget, viz.: . the contents of letter of amendment no. 1 to the draft budget mainly concerning agricultural expenditure and expenditure relating to international fisheries agreements, the creation of a new heading for funding food aid to Russia in 1999 (EUR 400 m carried forward from the 1998 financial year) and the allocation of EUR 100 m to the reserve, of which EUR 20 m is earmarked for strengthening environmental measures in the agricultural sector; . the reductions to be made to appropriations under various headings of the financial perspectives and other changes to be made to Parliament's amendments. The two arms of the Budgetary Authority also agreed to increase ESF appropriations by EUR 695 m and PHARE appropriations by EUR 50 m. With respect to the strategic reserve requested by the European Parliament (special reserves of EUR 1 540 m in commitment appropriations), the Council totally rejected the amendment as tantamount to amendment of the budget and announced its firm intention in this matter of rejecting any amendment to similar effect which Parliament might adopt during its second reading of the budget, which was timetabled for 17 December 1998. The main results of the second reading of the budget by the Council were as follows: - observance of the interinstitutional agreement on legal bases; - forecasting of needs with a view to ensuring realistic entries; - a balanced distribution of cutbacks across all financial perspectives (reduction in appropriations under one heading must result in a reduction under other headings).