# Legal bases and maximum amounts. Communication and interinstitutional statements

1995/2030(ACI) - 23/11/1995

In adopting the report by Mr Ethymios CHRISTODOULOU (EPP, EL) the Committee sought to lay down rules for defining a legal basis for legislative acts of financial significance. The Committee took the view that the proposed procedures were not likely to eliminate all the shortcomings and that "a definitive solution to the problem can only be achieved by revising the financial provisions of the Treaty, in the framework of the Intergovernmental Conference". It called for a "clear and uniform application of the requirements of a legal basis" and underlined that the establishment of legal bases for the implementation of Community actions under the budget reinforced the sense of responsibility of the budgetary authority as far as the administration of EU finances was concerned. The Committee on Budgets expressed the hope that, pending a viable long-term solution through the reform of the Treaty, a short-term approach might be adopted. In this respect it invited the Council and the Commission to tripartite talks with a view to following up the joint declaration of 6 March 1995 on the "amount deemed necessary". The tripartite approach might also be the means for settling any disputes which may arise. The Committee on Budgets took the view that pilot or preparatory projects should aim at developing multiannual programmes. It also thought that the period of time required for the adoption of the legal basis should not exceed three financial years in total. As regards the indicative amount to be provided for the financing of a particular project, this should be contingent on the scope afforded by the financial perspective and should be justified under the conditions which prevail in the area in which the proposed project is to be carried out. The Committee also stressed that entering appropriations without a legal basis was conditional on the creation of a mechanism to ensure that the measures required to establish a legal base could be adopted without delay or hindrance, the budgetary authority being kept fully informed of the formation and implementation of the budget. Any failure to implement the approved appropriations should be duly justified.