1996 budget: section III

1995/2234(BUD) - 15/06/1995

OBJECTIVE: Preliminary draft budget for the Commission for 1996. SUBSTANCE: The expenditure proposals account for ECU 86 280 million in commitment appropriations and ECU 81 927 in payment appropriations. These figures correspond to an increase of 8.1% and 8.6% respectively compared to the 1995 budget. This increase is due to the significant increase in the Structural Funds (+10.4%) and agricultural expenditure (+10.6%) due to the completion of the CAP reform, the change in the parity of the US dollar and the ecu and the effects of enlargement. - In this preliminary draft budget, the Commission anticipates that the economic recovery will continue in 1996 and that the Member States will make all efforts to consolidate public spending. The proposal fully respects the expenditure ceilings adopted during the Edinburgh European Council of December 1992 (including their revision as a result of enlargement, agreed in December 1994). There is no provision for increasing the ceilings in 1996. Moreover, the expenditure proposals in the budget are considerably lower than these ceilings for internal policy, external policy and administrative measures. - The preliminary draft budget for 1996 proposes a significant increase in Community expenditure for the following priority actions: . economic and social cohesion (structural measures, +10.6%), . research (+7.9%), . trans-European networks (+15.3%), . cooperation with the Mediterranean countries (+29.6%), . cooperation with the countries of Central and Eastern Europe (+5.4%). . The appropriations set aside for education and training (Socrates, Leonardo, Youth for Europe), for culture (Kaleidoscope, Ariane and Raphael) and for the audiovisual sector (Media II) have been determined in accordance with the recent legislative decisions. . There is also a significant increase in the budgetary allocations for health programmes and programmes promoting equality between men and women, whilst the need to strengthen controls of fishery activities is also translated into an increase in credits (+29%). - The agricultural budget raises concerns. Although the agricultural guideline has increased significantly in comparison to 1995, the 1996 budget is not sufficient to cover the sector's needs, estimated at ECU 890 million. In addition, certain agricultural decisions have yet to be taken (negotiations on 1995-1996 agricultural prices or agrimonetary adjustments), and this risks weighing down the Community budget even further. It is likely that the Member States will be called upon to provide additional resources to cover agricultural expenditure in 1996. - With regard to administrative expenditure, the Commission is proposing a restrictive approach. As far as its own administration is concerned, the rate of increase will be inferior to the total budget increase. The requests for additional staff are mainly due to the enlargement of the Union, except with regard to certain tasks involve antidumping monitoring and more rigorous financial management.