Budgetary discipline

1999/0151(CNS) - 14/07/1999 - Legislative proposal

PURPOSE: to ensure the application of budgetary discipline to all the expenditures of the Union and to simplify the rules regarding budgetary discipline. CONTENT: the decisions taken by the Berlin European Council, the conclusion of a new inter-instituional agreement, as well as the experience of the implementation of the Council Decision of 31/10/1994 require some modifications to be made with respect to budgetary discipline. This proposed Regulation seeks to replace the 1994 decision on budgetary discipline (Decision 94/729/EC). It contains the following provisions: - calculation of and application of the agricultural guideline: the scope of the 'agricultural guideline' will be considerably broadened and will cover, in addition to traditional agricultural expenditures, strengthened rural development measures, veterinary and phytosanitary measures, the agricultural pre-accession measure and the part of the amount 'available for accession' relating to agriculture. The proposal provides for mechanisms to ensure the observance of ceilings; - the monetary reserve: the amount of the monetary reserve, originally introduced to cushion changes in euro/dollar parity, will be reduced from 500 million euros to 250 million in 2002, and wound up from 2003 onwards.; - the arrangements for the use of the reserves for loans and loan guarantee operations for third countries: the proposal describes their objectives and specifies that the own resources necessary to fund the reserves shall not be called in from the Member States until the reserves are used. It is also stipulated that no act adopted by the European Parliament and/or the Council which involves exceeding the appropriations available in the budget or the allocations available in the financial perspective may be implemented in financial terms until the budget has been amended and, if necessary, the financial perspective has been appropriately revised in accordance with the relevant procedure for each of the cases.