# 1999 discharge: EC general budget, section III Commission

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PURPOSE: the presentation of the revenue and expenditure account and the financial statement with respect to the operations of the 1999 budget - section III - Commission. CONTENT: This document presents a summary of the utilisation of the Commission's appropriations in 1999, heading by heading. The 1999 budgetary process falls within the framework of the financial perspectives annexed to the inter-institutional agreement on budgetary discipline of 29.10.1993, modified in December 1994 following the enlargement of the Union to include Austria, Finland and Sweden. In 1997, these financial perspectives were the subject of a technical adjustment to trends in GNP and prices. In 1997 a proposal was adopted to adapt the financial perspectives to implementation conditions the objective of which was to transfer allocations for structural actions not used in 1997 to 1999 (1,433 million euros). Likewise, 101 million euros of Cohesion Fund allocations not used in 1997 were transferred to 1999. In addition to these transfers of commitments, the budgetary authority decided to raise the overall ceiling of payment appropriations by 300 million euros for the 1999 financial year. In this way, the ceiling for commitment appropriations amounted in 1999 to 103.384 billion euros and the ceiling on payment appropriations amounted to 96.663 billion euros. The margin available under the ceiling of own resources (1.27% of GNP) this came to 0.03% of GNP in 1999. The document also provides a summary of the 1999 budgetary procedure which was characterised by an unprecedented number of supplementary and amending budgets (SABs): in total 5, of which the most important concerned the granting of adequate financial means to fund reconstruction assistance following the Kosovo crisis, the granting of administrative autonomy to the Anti-Fraud Office, reconstruction assistance following the Turkish earthquake and the funding a greater number of 'external action' programmes under heading 4 of the budget. As far as the overall implementation of the budget is concerned, up to 98.7% of the commitment appropriations authorised in 1999 were implemented or carried over into 2000, thus a higher rate than that in 1998 (97.5%). These figures confirm effective implementation (with the exception of external actions) of payments authorised in the agricultural sector and structural actions. The total payment appropriations effectively implemented or carried over left a margin remaining of 12.7 billion euros under the ceiling set for the payment appropriations in the financial perspectives. This total of payment appropriations in implementation represents 1.08% of GNP (as against 1.11% in 1998). while the ceiling for own resources was at 1.27% of GNP. As far as the trend in the amount remaining to clear for payment in the differentiated appropriations, by heading of the financial perspectives concerned, taking into account the implementation operations undertaken in 1999, we observe once again a slight deterioration in the clearance of the amount remaining to clear from the previous years. This trend concerns above all the structural actions and, to a lesser degree, internal policies. As far as the structural actions are concerned, the amount remaining to clear registered a higher increase in 1999 than in1998 (26.1% as opposed to 10.7%), which is, in part, due to the large-scale re-programming of amounts coinciding with the end of the 1993-1999 programming period. Nevertheless, 3.748 billion euros in payment appropriations were carried over to 2000. Given that an exceptional level of payments took place in February and March 2000, this delay should be reduced gradually.