Basic information

1995/2030(ACI) ACI - Interinstitutional agreement procedure	Procedure completed
Legal bases and maximum amounts. Communication and interinstitutional statements **Subject** 8.70.40 Basic budgetary texts	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
BUDG Budgets	CHRISTODOULOU Efthymios (PPE)	14/09/1994

Former committee responsible	Former rapporteur	Appointed
BUDG Budgets	SAMLAND Detlev (PSE)	14/09/1994

Committee for opinion	Rapporteur for opinion	Appointed
JURI Legal Affairs, Citizens' Rights	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
Economic and Financial Affairs ECOFIN	1828	1995-02-20

Key events

Date	Event	Reference	Summary
06/07/1994	Non-legislative basic document published	SEC(1994)1106	Summary
13/02/1995	Vote in committee		Summary
13/02/1995	Committee interim report tabled for plenary	A4-0021/1995	
01/03/1995	Debate in Parliament		Summary
06/03/1995	Committee referral announced in Parliament		
06/03/1995	Formal reconsultation of Parliament		

23/11/1995	Vote in committee		Summary
12/12/1995	Debate in Parliament		Summary
12/12/1995	End of procedure in Parliament		
22/01/1996	Final act published in Official Journal		

Technical information	
Procedure reference	1995/2030(ACI)
Procedure type	ACI - Interinstitutional agreement procedure
Procedure subtype	Mobilisation of funds
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/4/06444 BUDG/4/06443

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee interim report tabled for plenary		A4-0021/1995 OJ C 068 20.03.1995, p. 0012	13/02/1995	

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	SEC(1994)1106	06/07/1994	Summary

Legal bases and maximum amounts. Communication and interinstitutional statements

1995/2030(ACI) - 01/03/1995 - Interim resolution adopted by Parliament

The European Parliament adopted the report by Mr SAMLAND on the legal bases and the maximum amounts included in legislative acts, thus approving the draft statement by the three institutions - the EP, Commission and Council - on the inclusion of financial provisions in legislative acts. The statement by the three institutions stipulated that: - the legislative acts concerning multiannual programmes adopted through the codecision procedure should include a provision in which the legislator established the financial envelope for the programme for its entire duration. The budgetary authority and the Commission, when drawing up the preliminary draft budget, agreed not to depart from this amount except under new, objective and permanent circumstances that were explicitly and clearly justified; - the legislative acts concerning multiannual programmes not subject to the codecision procedure should not include any "amount deemed necessary". If the Council wished to introduce a financial reference, it would have an illustrative nature; - the financial envelope provided for by the financial regulation should represent in financial terms the objectives of the proposed programme and include a schedule of payments for the duration of the programme.

Legal bases and maximum amounts. Communication and interinstitutional statements

1995/2030(ACI) - 06/07/1994 - Non-legislative basic document

In its Communication to the budgetary authority the Commission proposed that measures be taken to improve the implementation of the Joint Declaration of 1982 on maximum amounts and the need for a legal basis, this with a view to eliminating the shortcomings of the existing practice in respect of both the provisions applying to the legal bases and the maximum amounts. As regards non-significant actions (NSA): - the Commission (in the same way as the budgetary authority when it creates a budget line of its own initiative) should establish clearly by way of suitable justification that the proposed action really does constitute a non-significant action; - it should not be possible to carry out limited actions for more than two years without a legal basis. After this deadline has passed the action should either be cancelled or result in the adoption of a legal basis; - In practical terms a legal basis should be proposed before the end of the second year of the action's existence. However, the action could still be undertaken as a limited action for one further year so as to enable the decisional process to be concluded and to allow the possible re-scheduling of the project as a significant action; - By contrast, in the budget for the year n+3, the line concerned could no longer be executed without adopting a legal basis; if a legal basis is adopted, the conversion to a significant action is concluded; otherwise, the appropriations provided for are transferred under the Notenboom procedure. As regards significant actions (SA): - the Commission would undertake to submit a proposal for a legal basis as quickly as possible during the first half-year of the budget for which the significant action is set up; - for the implementation of appropriations, and where the legal basis would not be acquired in the month of May, a trialogue would be called on to give its opinion on the possibility of the appropriations at least being implemented in parallel during the budget year in question, and if necessary for this deadline to be extended until the end of the following year; - the execution of the appropriations would not be possible beyond this period, unless a legal basis has been successfully adopted; the appropriations provided for would then be transferred under the Notenboom procedure. It should be noted that the Commission was to concentrate its budget discharge efforts on those lines which had been allocated more than 5 million ecus in the draft budget for 1995. It therefore carried out an inventory of the significant actions for which no legal basis had hitherto existed, distinguishing between lines which were the subject of a proposal and those which were not.

Legal bases and maximum amounts. Communication and interinstitutional statements

1995/2030(ACI) - 12/12/1995 - Text adopted by Parliament, single reading

In adopting the report by Mr CHRISTODOULOU (PPE, D), the European Parliament adopted a resolution on the Communication to the budgetary authority concerning legal bases and maximum amounts. Recalling that, at the interinstitutional Trialogue of 4 April 1995, the Council had stressed the need to reach agreement on the legal bases, Parliament stressed the obligation, first and foremost, to ensure that the Community budget was drawn up and operated without hindrance. Taking the view that the proposed procedures did not eliminate all the shortcomings of the existing provisions, it believed that a definitive solution could only be achieved by revising the financial provisions of the Treaty, in the framework of the 1996 Intergovernmental Conference. Any viable long-term solution should be based on an enhancement of the role of the European Parliament as a branch of the budgetary authority and its equal participation in the budgetary legislative process. The EP considered that the question of the legal basis could not be resolved without a greater acceptance by the Council and the Commission of the budgetarity priorities adopted by Parliament and that the Commission's Communication could not therefore be regarded as an acceptable, short-term operational framework for drawing up and implementing the budget. It called on the Council and the Commission to meet for tripartite talks to formulate such a framework as a follow-up to the previous trialogue relating to the 'amount deemed necessary'. This framework would be provisional pending a definitive solution of the problem. The scope of the framework would cover every possible action that could contribute to implementing the Treaty. The EP also believed that any disputes between the two arms of the budgetary authority would have to be resolved using an appropriate procedure for dialogue between the three sides concerned. The EP considered that pilot or preparatory projects should aim at developing multiannual programmes and that it was essential in this respect to specify a period of time and a non-uniform indicative amount: - the period of time should take account of the type of legislative procedure required for the adoption of the legal basis but should not exceed a period of three financial years in total; - the indicative amount should be contingent on the scope afforded by the financial perspective. The EP also stressed that entering appropriations without a legal basis should be conditional on the creation of a mechanism to ensure that the necessary measures could be taken without delay or hindrance to establish the legal basis, the budgetary authority being kept fully informed of the implementation of appropriations. Any failure to implement approved appropriations should be duly justified.