Basic information

1995/2234(BUD) BUD - Budgetary procedure	Procedure completed
1996 budget: section III **Subject** 8.70.60 Previous annual budgets	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
BUDG Budgets	ELLES James (PPE)	26/09/1994

Former committee responsible	Former rapporteur	Appointed
BUDG Budgets	ELLES James (PPE)	26/09/1994
BUDG Budgets	ELLES James (PPE)	26/09/1994

Former committee for opinion	Former rapporteur for opinion	Appointed
AFET Foreign Affairs, Security and Defense Policy	ROUBATIS Yiannis (PSE)	21/02/1995
AGRI Agriculture and Rural Development	CUNHA Arlindo (ELDR)	01/02/1995
ECON Economic and Monetary Affairs, Industrial Policy	KUCKELKORN Wilfried (PSE)	24/05/1995
ENER Research, Technological Development and Energy	ADAM Gordon J. (PSE)	16/05/1995
RELA External Economic Relations	MOORHOUSE James (PPE)	22/02/1995
JURI Legal Affairs, Citizens' Rights	ROTHLEY Willi (PSE)	22/02/1995
REGI Regional Policy	TEVERSON Robin (ELDR)	23/03/1995

TRAN	Transport and Tourism	CORNELISSEN Petrus A. M. (PPE)	24/05/1995
ENVI	Environment, Public Health and Consumer Protection	FLORENZ Karl-Heinz (PPE)	27/07/1994
DEVE	Development and Cooperation	TELKÄMPER Wilfried (V)	24/02/1995
LIBE	Civil Liberties and Internal Affairs	NASSAUER Hartmut (PPE)	23/03/1995
CONT	Budgetary Control	WYNN Terence (PSE)	25/09/1995
INST	Institutional Affairs	BRINKHORST Laurens Jan (ELDR)	06/09/1995
PECH	Fisheries	KINDERMANN Heinz (PSE)	24/02/1995
FEMM	Women's Rights	VAN DIJK Nel B.M. (V)	31/01/1995

Council of the European Union

Council configuration	Meetings	Date
Budget	1882	1995-12-01
Budget	1866	1995-07-24

Key events

Date	Event	Reference	Summary
22/03/1995	Vote in committee		
22/03/1995	Preparatory budgetary report tabled for plenary	A4-0064/1995	
04/04/1995	Debate in Parliament		
15/06/1995	Commission preliminary draft budget published	COM(1995)0300	
24/07/1995	Debate in Council		
24/07/1995	Council draft budget published	N4-300/1995	
23/10/1995	Vote in committee		Summary
23/10/1995	Budgetary report tabled for plenary	A4-0235/1995	
24/10/1995	Debate in Parliament		Summary
01/12/1995	Amended budget adopted by Council		

01/12/1995	Debate/examination by Council scheduled	11978/1995	
11/12/1995	Committee referral announced in Parliament, 2nd reading		
11/12/1995	Vote in committee, 2nd reading		
11/12/1995	Budgetary report tabled for plenary, 2nd reading	A4-0305/1995	
12/12/1995	Debate in Parliament		Summary
14/12/1995	End of procedure in Parliament		
29/01/1996	Final act published in Official Journal		

Technical information

Procedure reference	1995/2234(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Budget
Legal basis	Euratom Treaty A 177 EC Treaty (before Amsterdam) E 203 ECSC Treaty C 078
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/4/06816 BUDG/4/06415

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Preparatory budgetary report tabled for plenary		A4-0064/1995 OJ C 109 01.05.1995, p. 0005	22/03/1995	
Parliament's opinion on budgetary estimates/guidelines		T4-0136/1995 OJ C 109 01.05.1995, p. 0032-0046	05/04/1995	
Budgetary report tabled for plenary, 1st reading		A4-0235/1995 OJ C 308 20.11.1995, p. 0013	23/10/1995	
Budgetary text adopted by Parliament		T4-0514/1995 OJ C 308 20.11.1995, p. 0097-0116	26/10/1995	Summary
Budgetary report tabled for plenary, 2nd reading		A4-0305/1995 OJ C 017 22.01.1996, p. 0016	11/12/1995	
Final budget adopted by Parliament		T4-0613/1995 OJ C 017 22.01.1996, p. 0132-0155	14/12/1995	Summary

Council of the EU

Document type	Reference	Date	Summary
Council draft budget	N4-300/1995	24/07/1995	

Council amended draft budget	11978/1995	01/12/1995	

European Commission

Document type	Reference	Date	Summary
Commission preliminary draft budget	COM(1995)0300	15/06/1995	Summary
Amending/supplementary letter on draft budget	SEC(1995)1252	12/07/1995	Summary

Final act
Budget 1996/0096 OJ L 022 29.01.1996, p. 0001

1996 budget: section III

1995/2234(BUD) - 26/10/1995 - Budgetary text adopted by Parliament

In adopting the report by Mr ELLES (PPE, UK), the European Parliament approved the general budget for 1996 (Section III - Commission). . General: In the first part of its resolution Parliament regretted that all Member States had still not ratified the conclusions agreed in Edinburgh on own resources and called for this ratification to take place as soon as possible. Parliament stressed that it had scrupulously followed the guidelines set out in April 1995 and had begun to establish a close link between the implementation of the current year's budget and the proposals for the first reading of the subsequent budget. In this respect Parliament had decided to strengthen controls on the use of funds and called for the use of the reserve and the freezing of funds to be subject to detailed examination between then and 30.05.1996. In addition, the Commission was called on to provide information as soon as possible to the CEECs on the possible enlargement of the European Union and on the efforts which the Community would be making in this area. * Legal bases: Parliament regretted that the Commission had decided arbitrarily (without prior consultation) to delete certain actions and pilot projects, for want of legal bases to support them. In this respect Parliament called for a global agreement between the 2 branches of the budgetary authority so that a solution might be found to this problem by way of an institutional trialogue. * Budget: - Heading I: Parliament was keeping to the agreement concluded on 24.07.1995 as far as agricultural expenditure was concerned, but thought it inappropriate that the guideline value be increased after the actual presentation of the draft budget. It also pointed out that savings of ECU 60 m would have to be made in the area of land set-aside, a sum which was to be transferred to programmes relating to the improvement of production; - Heading II: Parliament again deplored the gaps in the supply systems (particularly for Objective 1) and approved the decision to use appropriations from the reserve for Community initiatives under budget heading B0-40; - Heading III: . as far as networks were concerned, Parliament noted that appropriations for 1995 had remained at a very low level and approved the allocation of ECU 280 m for trans-European networks (B5-700), of which 25% was to be placed in reserve, . culture, education and the media: Parliament called for real efforts to be made to promote sports and to improve tolerance in European societies, . information: noting the beginnings of a process of cooperation between the different services operated by the Community institutions, Parliament regretted that the proposal to set up a new interinstitutional information system had not been more clearly defined. Synergies should therefore be put in place based on human and financial resources, and this should also include relations between Parliament and the Commission. Parliament gave particular approval to an amendment which sought to provide citizens with specific information on achievements and on the acquis (the PRINCE programme). The appropriations earmarked for this programme are placed in reserve pending a decision, . Agencies: while supporting specialist EU agencies, Parliament pointed out that these bodies should respect budget constraints and could not extend their activities and budgets without actual proof of their needs. It proposed that all the agencies make the necessary amendments to their rules of procedure so that they might have access to the global reserve for agencies, . environment: while welcoming the fact that actions in this field should help support sustainable development, Parliament called on the Commission to present a code of conduct between then and 08.12.1995 which would integrate the environmental dimension into Community policies. To this effect it set out a number of principles which should help in drawing up the said code (particularly in respect of appropriations allocated under the Structural Funds, appropriations made within the framework of major Community projects and programmes, and new programmes which should respect the environmental principles of the CAP, the energy policy, the Natura 2000 network and the Directive on habitats); - Heading IV : Parliament strongly endorsed the decision to release ECU 35 m for the reconstruction of Sarajevo and ECU 15 m for other regions of the former Yugoslavia. While accepting the amounts allocated to PHARE, TACIS and MEDA for the period 1996-1999, it called for these sums to be subject to strict controls (regular reports are to be submitted on the impact of the projects and their assessment). Parliament asked that a separate budget heading be set up for the CFSP and called on the Council to respect the Treaty on European Union as far as joint actions were concerned (it rejected the practice of disregarding budget decisions as was the case when releasing funds for Mostar). It also called on the Commission to provide detailed information on the implementation of the budget line for South Africa (B7-5070) and proposed that new budget headings be established in the fishery sector for international agreements, for financial protocols and for fishery contributions, in order to increase budget transparency. - Heading V : Parliament decided that 10% of the funding provided for the Commission's external delegations should be placed in a special reserve and should only be released once an agreement was reached on the composition and financing of the supervisory personnel in those countries benefitting under the PHARE and TACIS schemes. Parliament also called for a study of the rules laid down for external delegation personnel, specifying the distribution of

officials, local agents and non-statutory personnel, the distribution of different sources of expenditure and the transparency of controls. In addition, Parliament decided to create new budget lines for the anti-dumping sector and supported the strategy adopted for combatting fraud. The cost of missions undertaken by Commissioners was to be placed in a reserve and Parliament also asked that it be kept regularly informed of the remunerations and repayments received by Commissioners, particularly within the framework of their participation in official events. At the same time, Parliament welcomed the introduction of the GEMINI programme (twinning of towns in Europe with those in the east) and the efforts which had been made in respect of interinstitutional cooperation on the administration of the budget.

1996 budget: section III

1995/2234(BUD) - 14/12/1995 - Final budget adopted by Parliament

The European Parliament, in adopting the near total of the amendments of its Committee on Budgets (excepting an amendment of ECU 350 000 intended for the Agency for the Internal Market of Alicante), adopted the 1996 budget, which totalled ECU 86 525 m in commitment appropriations and ECU 81 89 m in payment appropriations (an increase of 8.4% over the 1995 budget). The EP thus approved an increase of ECU 237 m in commitments and ECU 295 m in payments. Allocation per heading is as follows: agricultural expenditure: 47% of the total (+10.6%); structural expenditure: 33% of the total (+10.6%); internal policies: 7% of the total (+5.4%); external action: 7% of the total (+7.8%); administrative expenditure: 5% of the total (+3.3%). The main amendments to the Council's draft budget concern: - employment and growth in Europe, for an overall amount of ECU 57 75 m; - former Yugoslavia : the EP called for appropriations of ECU 92 m ('Europe in Sarajevo' project, reconstruction of the republics of the former Yugoslavia and aid to refugees); it committed ECU 10 m for the installation of Carl Bildt in Sarajevo; - the financing of public information campaigns: Committee on Budgets (PRINCE), for a total of ECU 50 m; - the MEDA programme (financing for the Mediterranean countries): the EP calls for the creation of a special MEDA-appropriations line - additional appropriations of ECU 200 m and the parallel creation of a 'negative reserve'; - the trans-European networks: the EP calls for 25% of the appropriations (ECU 70 m) to be placed in reserve) and for the list of priority projects to be adopted jointly by the two branches of the budgetary authority; - interinstitutional relations: the EP agrees to the release of certain posts and will ensure that the Commission complies with the code of conduct with regard to Commissioner's mission and other expenses; - cooperation with Turkey: the ECU 22 m earmarked should be placed in reserve pending the Council regulation on financial cooperation.

1996 budget: section III

1995/2234(BUD) - 12/07/1995 - Amending/supplementary letter on draft budget

The purpose of the rectifying letter to the preliminary draft budget for 1996 is as follows: -to take account of the budgetary implications of the 'Agriculture' Council's decision of 22 June 1995; - to take account of the budgetary implications of the decision to bring forward payment of the second advance of the premium for sheep and goats (given the fall in market prices); - to revise the level of the agricultural guideline following the 'Agriculture' Council's decision of June 1995. Overall these measures will give rise to a lower estimated expenditure under the 1996 budget of ECU 841 m, broken down as follows: .price package: -ECU 588 m .reform of the cotton sector: +ECU 32 m .agri-monetary decision: +ECU 37 m .advance payment of the sheep premium: -ECU 322 m. The agricultural guideline will have to be reviewed: the amount will increase by ECU 31 m to ECU 40.828 m. In conclusion, the rectifying letter gives rise to estimated expenditure of ECU 18 m more than the agricultural guideline, as against ECU 890 m for the PDB. This produces a fall of ECU 872 m in flat-rate reductions made in the PDB in order to bring appropriations back to the guideline level.

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.