Basic information

1996/2102(BUD) BUD - Budgetary procedure	Procedure completed
1997 ECSC Operating Budget **Subject** 8.70.60 Previous annual budgets	

Key players

European Parliament	**Committee responsible**	**Rapporteur**	**Appointed**
	BUDG Budgets	GIANSILY Jean-Antoine (UPE)	24/07/1996
	Committee for opinion	**Rapporteur for opinion**	**Appointed**
	ECON Economic and Monetary Affairs, Industrial Policy	TAPPIN Michael (PSE)	09/09/1996
Council of the European Union			

Key events

Date	Event	Reference	Summary
13/06/1996	Council draft budget published	SEC(1996)0981	Summary
15/07/1996	Committee referral announced in Parliament		
11/10/1996	Vote in committee		Summary
11/10/1996	Budgetary report tabled for plenary	A4-0322/1996	
22/10/1996	Debate in Parliament		Summary
24/10/1996	End of procedure in Parliament		
18/11/1996	Final act published in Official Journal		

Technical information

Procedure reference	1996/2102(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Budget

Legal basis	ECSC Treaty C 078
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/4/08002

Documentation gateway				
European Parliament				
Document type	**Committee**	**Reference**	**Date**	**Summary**
Budgetary report tabled for plenary, 1st reading		A4-0322/1996 OJ C 347 18.11.1996, p. 0006	11/10/1996	
Budgetary text adopted by Parliament		T4-0531/1996 OJ C 347 18.11.1996, p. 0111-0140	24/10/1996	Summary
European Commission				
Document type		**Reference**	**Date**	**Summary**
Council draft budget		SEC(1996)0981	13/06/1996	Summary

Additional information		
Source	**Document**	**Date**
European Commission	EUR-Lex	

1997 ECSC Operating Budget

1996/2102(BUD) - 24/10/1996 - Budgetary text adopted by Parliament

In adopting the report by Mr Jean-Antoine GIANSILY (UPE, F), Parliament approved the ECSC operating budget totalling ECU 265.5 million. It accepted the Commission's proposal for a progressive reduction and the levy rate of 0.17% set by the Commission. It proposed the modification of the breakdown of expenditure and the creation of a new line for expenditure, funded from the appropriations for the reserves, for the creation of a successor body to administer the research activities after the year 2002. This body would be allotted a budget of ECU 5 million.

1997 ECSC Operating Budget

1996/2102(BUD) - 13/06/1996 - Council draft budget

OBJECTIVE: presentation of the draft ECSC operating budget for 1997 in its economic, policy and financial context. SUBSTANCE: . Economic and policy context: the Commission starts by reviewing the economic outlook for the Union in 1996 and 1997 and states that economic growth has experienced a marked slowdown since 1995, leading to forecasts for 1996 being revised downwards; - the coal industry: coal production in the Union should continue to fall in 1996 (estimated production for 1997 is around 122 m tonnes, as against 128.4 m tonnes in 1996). However, the Commission states that production rose by 6 m tonnes in 1995, as a result of increased production in the United Kingdom (+10.5%) and Germany (+2.9%). This increase is purely cyclical and is not the result of any significant boost in competitiveness. In these circumstances, the process of restructuring is likely to continue, with considerable job losses as a result (144 050 jobs in 1996, as against 136 900 in 1997); - the steel industry: 1995 was marked by a substantial increase in demand and prices, which resulted in a considerable increase in imports, a reduction in exports and an increase in production (steel production by the Fifteen: 155.7 m tonnes in 1995, compared with 153 m tonnes in 1996; the forecast for 1997 is 155 m tonnes). . Financial context: according to the Commission, the Union should redeploy the ECSC's budgetary instruments while taking account of not only the foreseeable economic and policy constraints but also budgetary constraints, bearing in mind the deadline of the expiry of the Treaty of Paris in 2002. As a consequence, the Commission has decided to adjust its policy on borrowing and lending: during an initial period, borrowing and lending activity is to be

kept down to a level which avoids increasing reserves from 1997 onwards. At all events, the term of new loans may not extend beyond 2002. The main point affecting the level and scope of the ECSC budget is the continuing decline in resources (1993: ECU 596 m; 1994: ECU 465 m; 1995: ECU 297.5 m; 1996: ECU 261.6 m: 1997: ECU 265.5 m), which is likely to continue in 1998. Where aid to the coal and steel sectors is concerned, given the allocation of shrinking resources from the ECSC budget, this will be geared mainly to social measures and research aid, while seeking the optimum solution for dealing with the gradual phasing-out of ECSC budget expenditure. . Draft ECSC operating budget for 1997: the draft budget is based on a cautious estimate of the trend in coal and steel production in 1997. The Commission has decided to continue its gradual cutting of the levy rate (rate set at 0.17% instead of 0.19%). The budget is thus characterized by a reduction in resources from the levy and the net balance and by a substantial reduction in the demand for social aid associated with the completion of the process of restructuring. It should be noted that the total figure for social measures in the coal sector, which expire in 1997, will be ECU 132 m instead of the ECU 110 m estimated initially, on account of the allocation of ECU 22 m for 1997. To summarize, the budget is as follows: - Resources: on the basis of a levy rate of 0.17%: . resources from the ECSC levy ECU 95.4 m . net balance for 1997 ECU 96 m . payment of amounts owing ECU 6 m . cancellations ECU 53.5 m . unused resources from 1996 ECU 14.6 m . (workers' housing programme ECU 13 m) - Requirements: . administrative expenditure ECU 5 m . social aid ECU 78 m (broken down into ECU 56 m for traditional redeployment aid and ECU 22 m for social measures in the coal industry) . research ECU 82 m (broken down into ECU 54 m for steel and ECU 28 m for coal: measures to combat nuisances at the workplace and in the environment and research in connection with industrial hygiene and mine safety) . interest subsidies ECU 7 m . provision for financing subsequent budgets (1998/99) ECU 93.5 m - TOTAL ECU 265.5 m