Basic information

1997/2126(BUD) BUD - Budgetary procedure	Procedure completed
1998 ECSC operating budget **Subject** 8.70.60 Previous annual budgets	

Key players

European Parliament	**Committee responsible**	**Rapporteur**	**Appointed**
	BUDG Budgets	GIANSILY Jean-Antoine (UPE)	24/07/1997
	Committee for opinion	**Rapporteur for opinion**	**Appointed**
	ECON Economic and Monetary Affairs, Industrial Policy	The committee decided not to give an opinion.	03/07/1997
Council of the European Union			

Key events

Date	Event	Reference	Summary
29/05/1997	Council draft budget published	SEC(1997)0933	Summary
13/06/1997	Committee referral announced in Parliament		
09/12/1997	Vote in committee		Summary
09/12/1997	Budgetary report tabled for plenary	A4-0409/1997	
16/12/1997	Debate in Parliament		
18/12/1997	Draft budget approved by Council		
18/12/1997	End of procedure in Parliament		
16/02/1998	Final act published in Official Journal		

Technical information

Procedure reference	1997/2126(BUD)
Procedure type	BUD - Budgetary procedure

Procedure subtype	Budget
Legal basis	ECSC Treaty C 078
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/4/09041

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Budgetary report tabled for plenary, 1st reading		A4-0409/1997 OJ C 014 19.01.1998, p. 0005	09/12/1997	
Budgetary text adopted by Parliament		T4-0626/1997 OJ C 014 19.01.1998, p. 0100-0120	18/12/1997	Summary

European Commission

Document type	Reference	Date	Summary
Council draft budget	SEC(1997)0933	29/05/1997	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Budget 1998/0132
OJ L 044 16.02.1998, p. 0001

1998 ECSC operating budget

1997/2126(BUD) - 18/12/1997 - Budgetary text adopted by Parliament

In adopting the report by Mr Jean-Antoine GIANSILY (UPE, F) on the draft ECSC operating budget Parliament noted that in the context of the expiry of ECSC Treaty in 2002 the Commission had the intention of ending the conversion policy in 1998. It considered that the Commission must extend certain programmes which it had already embarked upon, in particular the redeployment aid schemes. The loss of jobs in the coal and steel sectors would be of the order of 25 000 jobs per year. It also considered that other ECSC aid schemes, particularly the social measures for coal, would be all the more necessary as no further conversion loans could be granted after 23 July 1997. It therefore took the view that the ECSC budget must offset the loss of these aids by means of other aid schemes in particular those provided for by Articles 2, 56 and 95 of the ECSC Treaty. It therefore called on the Commission to: - abolish definitively the ECSC levy, as provided for by the Commission (and contrary to what had been requested by its rapporteur, Mr Giansily), since there would be no financial requirement after the expiry of the ECSC Treaty, - use in 1998 part of the reserves for a payment to the EIB with a view to establishing a special fund to support job-creating SMUs in industrial research sectors linked to coal and steel and in sectoral or regional areas connected with these industries. It took the view that these proposals were consistent with the resolution of the Amsterdam European Council on growth and employment which referred to the ECSC reserves as a financial instrument to help in the fight against unemployment in Europe.

1998 ECSC operating budget

1997/2126(BUD) - 29/05/1997 - Council draft budget

OBJECTIVE: presentation of the draft ECSC operating budget for 1998 in its economic, policy and financial context. SUBSTANCE: 1) economic and policy context: the Commission first reviews the Union's economic outlook for 1997 and 1998 and announces that Community coal production will continue to be affected by the restructuring programmes of the Member States. -outlook for the coal industry: in 1996, production fell to 128.4 million tons (a reduction of 6.7 million tons in comparison with 1995). In 1997, this trend continued, with production falling to 122.4 million tons. The lack of decisive progress on competitiveness in the Member States has entailed a continuation of the policy of restructuring, which has inevitably meant job losses (number of jobs in 1997: 137 500, as against 127 000 forecast for 1998). In this context, the ECSC will continue its social support measures in the form of assistance to workers (cofinancing of national measures such as early retirement and unemployment benefit). -outlook for the steel industry: demand for and prices of steel have been rising gradually since the end of 1996. The gradual improvement of market conditions in the Community should become more marked towards the end of 1997, so that production forecasts can be adjusted upwards (156 million tons in 1997 and 1998, as against 148 million tons in 1996). 2) financial context: as in previous years, the Commission considers that the Union should redeploy the budgetary instruments of the ECSC, taking account not only of foreseeable economic and political constraints but also of those in the budgetary sphere, focusing particularly on the expiry of the Paris Treaty in 2002. The transitional measures adopted pending this expiry particularly concern the borrowing and lending activity of the ECSC and the level and scope of the ECSC budget itself. As regards lending and borrowing, the expiry of the ECSC Treaty is bound to deter potential borrowers, who will no longer be able to obtain loans extending beyond 23.07.2002. Meanwhile the ECSC budget itself has shrunken substantially: the resources planned for 1998 are of the order of ECU 179 m, as against 265.5 in 1997 before the amending budget, which altered the budget substantially: ECU 424.4 m instead of 265.5 m (see 'fiche de procédure' BUD0091). The budgetary approach advocated by the Commission shows that the provisions formed in previous years are sufficient to maintain ECSC operations at a level commensurate with social assistance and research needs. Consequently, the Commission has decided to abolish the levy (the main source of revenue for the ECSC budget) with effect from 1998. 3) draft ECSC operating budget for 1998: the 1998 financial year is marked by the early abolition of the levy (0.17% in 1997). The ECSC resources will accordingly consist - in order of importance - of: cancellation of commitments, the net balance, drawings on the provisions for financing the operating budget, and miscellaneous revenue. To sum up, the budget will be as follows: -resources: on the basis of a levy of 0%: .yield from ECSC levy: ECU 0 m .net balance for 1998: ECU 55 m .repayment of loans: ECU 5 m .cancellation of commitments not to be implemented: ECU 84 m .drawings on provisions established to compensate for abolition of the levy: ECU 35 m -requirements: .administrative expenditure: ECU 5 m .social measures: ECU 90 m (including 65 m for traditional redeployment aid and 25 m for social measures in the coal industry) . research: ECU 84 m (including 56 m for steel and 28 m for coal) - TOTAL: ECU 179 m.