

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM (76) 277 final

Brussels, 2 June 1976

## COMMUNITY HELP FOR FRIULI

EUROPEAN ECONOMIC COMMUNITY

EUROPEAN ATOMIC ENERGY COMMUNITY

EUROPEAN COAL AND STEEL COMMUNITY

PRELIMINARY DRAFT OF THE FIRST SUPPLEMENTARY BUDGET  
OF THE EUROPEAN COMMUNITIES FOR THE FINANCIAL YEAR  
1976

No 1



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Pursuant to:

- Article 20 of the Treaty of 8 April 1965 establishing a Single Council and a Single Commission of the European Communities;
- Article 78 of the Treaty establishing the European Coal and Steel Community;
- Article 203 of the Treaty establishing the European Economic Community;
- Article 177 a of the Treaty establishing the European Atomic Energy Community;
- Article 1(4) of the Financial Regulation which covers the presentation and implementation of the general Budget of the European Communities, and the responsibility of the authorizing and accounting officers;

The Commission of the European Communities, for the reasons given in the introduction below, has found it necessary to submit a preliminary draft of a first supplementary budget for the financial year 1976 so that supplementary appropriations can be allocated for Community aid to the disaster area of Friuli.



GENERAL INTRODUCTION





GENERAL INTRODUCTION

1. Reasons for this proposal

- More than forty villages in the region of Friuli-Venezia Giulia were completely or partially destroyed by the earthquake of 6 May 1976.

More than 900 persons lost their lives; more than 2.400 were injured and the number of persons rendered homeless is higher than 100.000.

- The earthquake seriously damaged the economy, still weak, of a region that had begun to develop in recent years.

The means of both industrial and agricultural production in the stricken area have been destroyed and the infrastructures and communications networks have been cut.

- An initial estimate puts the damage at more than 1.700.000 million lire, comprising:

more than 590.000 million lire for the 10.500 buildings that were completely destroyed and the 12.500 partially destroyed; this damage includes public and private buildings;

more than 410.000 million lire for industrial, artisan and commercial activities:

2.207 commercial undertakings of 3.491 have been damaged;

2.806 of 3.491 artisan undertakings have been seriously affected;

240 small- or medium-sized businesses have been completely or partially destroyed;

agriculture suffered losses of more than 660.000 million lire.

The damage suffered by the infrastructures was also very considerable though no accurate assessment has yet been possible.

- The damage caused to economic activities means that approximately 6.000 workers in industry and 9.000 in artisan and commercial activities have lost their jobs.

The most seriously affected towns and villages are:

- province of Udine:

Artegna; Buia; Cavazzo Carnico; Colloredo di Montalbano; Felotto Umberto; Forgaria; Gemona; Lusevera; Magniano in Riviera; Majano; Moggio Udinese; Montenars; Osoppo; Pradielis; Nimis; Ragogna; Resia; S. Daniele del Friuli; Sedegliano; Tarcento; Tavagnacco; Trasaghis; Venzone;

- province of Pordenone:

Castelnuovo del Friuli; Fanna; Pinzano al Tagliamento; Sequals; Travesio; Vito d'Asio.

- The economy of the Friuli-Venezia Giulia region employs 405.000 persons, or 33% of the population. The workforce may be broken down as follows:

28.000 (7%) in agriculture,  
192.000 (48%) in industry,  
182.000 (45%) in tertiary industries.

- The main industry is manufacturing (143.000 jobs), building (41.000 jobs), the structural engineering industry (6.000 jobs) and the extractive industry (2.000 jobs).
- The Italian State for its part has already made a very considerable effort by allocating financial aid of more than 800.000 million lire, spread over several years, for the reconstruction of Friuli.
- In these circumstances the Community aid for reconstructing Friuli is needed as a gesture of solidarity. This need has already been recognized by the European Parliament which has requested the Council and Commission to study and implement a system of aids which could make a concrete contribution to the economic revival of the area struck by the earthquake. The Commission is therefore proposing a number of measures, some of which call for a supplementary budget and others of which may be carried out within the framework of existing funds and procedures.

The measures to be financed in the agricultural sector come into the former category.

An ad hoc regulation is therefore being proposed to finance all the measures qualifying for finance under Regulation No 17/64/EEC on the conditions for granting aid from the European Agricultural Guidance and Guarantee Fund, in derogation from Directive No 72/159/EEC on the modernization of farms. A simplified procedure will be put into effect to accelerate the preparation, forwarding and examination of requests for aid. The Commission itself will reach a decision within six weeks of each application.

The former category also has to cover the Community aid for reconstructing those infrastructures which it appears vital to restore in order to accelerate the reconstruction and economic and social development of the region. It is therefore proposed to use the procedures and experience of the Regional Development Fund. An ad hoc regulation is proposed to restrict the Fund's scope to single infrastructures while extending it in this case to all those which are of priority and necessary for the reconstruction of the region.

Under existing funds and procedures, the Community will operate in the ECSC sector to contribute to the reconstruction of about 600 dwellings for workers. The Commission has decided to allocate a sum of 6 m u.a. to be drawn from the ECSC pensions fund. The aid will be made according to normal procedure in the form of long-term loans (some 25 years at an annual rate of interest of 1% and with redemption postponed by 5 years). The loan could cover between 25 and 35% of the cost of the necessary investment.

The Commission has also decided to allocate a sum of 5 m u.a. to a operation intended to contribute to the reconstruction of iron- and steel-works hit by the earthquake.

This sum would allow ECSC aid in the form of reduced-rate loans covering 15 to 20% of reconstruction costs.

It would be drawn from the old ECSC pensions fund.

Under existing procedures and funds, appropriations could be allocated to Friuli to finance, in the social sector, programmes of vocational retraining with guaranteed income. Fifty per cent of the real cost of these programmes may be financed on behalf of workers under the terms and conditions of the regulations in force: unemployed workers, the young, persons leaving agriculture or employed in the textile or clothing sector, handicapped persons.

Finally, still in the agricultural sector though as part of existing funds, the Commission proposes that the Council should decide to make the stricken towns and villages equivalent to the mountain areas covered by Council Directive 75/268/EEC on mountain and hill farming in certain less-favoured areas.

## 2. Financial considerations

The disaster that has just occurred - and the need for the Community to grant financial aid - could not be foreseen when drawing up the 1976 Budget: consequently, the current Budget does not provide for any appropriation to cover supplementary expenditure of this type.

In these circumstances, in line with the criteria agreed on this subject, the Commission sees a need for having recourse to the supplementary budget procedure: because of the urgent nature of this transaction, this request could not be included in the supplementary budget that will have to be submitted eventually for the Guarantee Section of the EAGGF and for food aid.

This supplementary budget in favour of Friuli amounts to 60.000.000 u.a. and may be broken down as follows:

- 45.000.000 u.a. intended for aid in support of agricultural structures;
- 15.000.000 u.a. intended for aid in support of infrastructures.

As the current Budget for 1976 does not contain any budget heading suitable for covering the expenditure in question, the Commission proposes that this supplementary budget should contain an ad hoc Chapter - Chapter 58 - divided into two Articles: the first Article will contain the appropriations for aid in the agricultural sector and the second Article will contain the appropriations intended for the infrastructures.

Along with the preliminary draft of the supplementary budget, the Commission forwards to the Council two proposals for regulations intended to permit the utilization of the appropriations in question.

The Commission considers it advisable that these appropriations should be utilized as follows:

- for the agricultural sector by analogy with the provisions of Regulation No 17/64/EEC on the conditions for granting aid from the Guidance Section of the EAGGF;
- for the infrastructures sector by analogy with the rules applying to the Regional Fund (Regulation (EEC) 724/75).

The proposals for regulations which the Commission is forwarding to this end will be relaxed in order to take account of the special circumstances and the urgency of the operations that are to be financed.



A. REVENUE

(NOTE: the Chapters and Titles for which no details  
are given remain unchanged)





A. REVENUE

The estimated revenue of the Communities is:

*(in units of account)*

Title	Nature of revenue	Revenue		
		Budget 1976	Supplementary Budget 1976	New total Financial year 1976
1	Own resources	4.291.860.736	+ 10.261.857	4.302.122.593
2	Surpluses available	token entry	-	token entry
3	Portion of proceeds of ECSC levies paid in pursuance of Article 20 of the Treaty of 8 April 1965	18.000.000	-	18.000.000
4	Deductions from staff remunerations	35.188.544	-	35.188.544
5	Contributions	3.223.193.754	+ 50.764.328	3.273.958.082
9	Miscellaneous revenue	8.616.114	-	8.616.114
	<b>GRAND TOTAL</b> =====	<b>7.576.859.148</b>	<b>+ 61.026.185</b>	<b>7.637.885.333</b>

A. THE COMMUNITIES' RESOURCESTITLE 1OWN RESOURCESCHAPTER 10 - LEVIES, PREMIUMS, SUPPLEMENTARY OR COMPENSATORY AMOUNTS, ADDITIONAL AMOUNTS OR PART AMOUNTS AND OTHER DUTIES ESTABLISHED BY THE INSTITUTIONS OF THE COMMUNITIES IN RESPECT OF TRADE WITH NON-MEMBER COUNTRIES WITHIN THE FRAMEWORK OF THE COMMON AGRICULTURAL POLICY (ARTICLE 2(a) OF THE COUNCIL DECISION OF 21 APRIL 1970)*(in units of account)*

Art.	Item	HEADING	Revenue		
			Budget 1976	Supplementary Budget No 1/76	New total Financial year 1976
100		<u>Chapter 10</u> Levies, premiums, supplementary or compensatory amounts, additional amounts or part amounts and other duties established by the institutions of the Communities in respect of trade with non-member countries within the framework of the common agricultural policy (Article 2(a) of the Council Decision of 21 April 1970)			
	1000	Belgium	48.700.000	-	48.700.000
	1001	Germany	157.900.000	-	157.900.000
	1002	France	40.200.000	-	40.200.000
	1003	Italy	172.200.000	-	172.200.000
	1004	Luxembourg	100.000	-	100.000
	1005	Netherlands	78.900.000	-	78.900.000
	1006	Denmark	3.657.000	-	3.657.000
	1007	Ireland	8.109.000	-	8.109.000
	1008	United Kingdom	119.329.500	-	119.329.500
		<u>Article 100 - Total</u>	629.095.500	-	629.095.500
		<u>Chapter 10 - Total</u>	629.095.500	-	629.095.500

A. THE COMMUNITIES' RESOURCES

TITLE 1

OWN RESOURCES

CHAPTER 10 - LEVIES, PREMIUMS, SUPPLEMENTARY OR COMPENSATORY AMOUNTS, ADDITIONAL AMOUNTS OR PART AMOUNTS AND OTHER DUTIES ESTABLISHED BY THE INSTITUTIONS OF THE COMMUNITIES IN RESPECT OF TRADE WITH NON-MEMBER COUNTRIES WITHIN THE FRAMEWORK OF THE COMMON AGRICULTURAL POLICY (ARTICLE 2(a) OF THE COUNCIL DECISION OF 21 APRIL 1970)

Art.	Item	REMARKS

CHAPTER 11 - LEVIES AND OTHER DUTIES PROVIDED FOR WITHIN THE FRAMEWORK OF THE COMMON ORGANIZATION OF THE MARKETS IN SUGAR (ARTICLE 2(a) OF THE COUNCIL DECISION OF 21 APRIL 1970)

CHAPTER 12 - CUSTOMS DUTIES AND OTHER DUTIES REFERRED TO IN ARTICLE 2(b) OF THE COUNCIL DECISION OF 21 APRIL 1970

(in units of account)

Art.	Item	HEADING	Revenue		
			Budget 1976	Supplementary Budget No 1/76	New total Financial year 1976
110		<u>Chapter 11</u>			
		Levies and other duties provided for within the framework of the common organization of the market in sugar (Article 2(a) of the Council Decision of 21 April 1970)			
	1100	Belgium	8.000.000	-	8.000.000
	1101	Germany	23.700.000	-	23.700.000
	1102	France	38.500.000	-	38.500.000
	1103	Italy	14.400.000	-	14.400.000
	1104	Luxembourg	-	-	-
	1105	Netherlands	7.600.000	-	7.600.000
	1106	Denmark	3.736.500	-	3.736.500
	1107	Ireland	2.067.000	-	2.067.000
	1108	United Kingdom	9.937.500	-	9.937.500
		<u>Article 110 - Total</u>	107.941.000	-	107.941.000
		<u>Chapter 11 - Total</u>	107.941.000	-	107.941.000
120		<u>Chapter 12</u>			
		Customs duties and other duties referred to in Article 2(b) of the Council Decision of 21 April 1970			
	1200	Belgium	210.200.000	-	210.200.000
	1201	Germany	815.600.000	-	815.600.000
	1202	France	561.500.000	-	561.500.000
	1203	Italy	450.800.000	-	450.800.000
	1204	Luxembourg	4.000.000	-	4.000.000
	1205	Netherlands	323.000.000	-	323.000.000
	1206	Denmark	67.018.500	-	67.018.500
	1207	Ireland	28.441.676	+ 313.979	28.755.655
	1208	United Kingdom	1.094.264.060	+ 9.947.878	1.104.211.938
		<u>Article 120 - Total</u>	3.554.824.236	+ 10.261.857	3.565.086.093
		<u>Chapter 12 - Total</u>	3.554.824.236	+ 10.261.857	3.565.086.093

CHAPTER 11 - LEVIES AND OTHER DUTIES PROVIDED FOR WITHIN THE FRAMEWORK OF THE COMMON ORGANIZATION OF THE MARKETS IN SUGAR (ARTICLE 2(a) OF THE COUNCIL DECISION OF 21 APRIL 1970)

CHAPTER 12 - CUSTOMS DUTIES AND OTHER DUTIES REFERRED TO IN ARTICLE 2(b) OF THE COUNCIL DECISION OF 21 APRIL 1970

Art.	Item	REMARKS

CHAPTER 13 - VALUE ADDED TAX

(in units of account)

Art.	Item	HEADING	Revenue		
			Budget 1976	Supplementary Budget No 1/76	New total Financial year 1976
130		<u>Chapter 13</u>			
		Value added tax	-	-	-
		<u>Chapter 13 - Total</u>	-	-	-
		<u>TITLE 1 - TOTAL</u>	4.291.860.736	+ 10.261.857	4.302.122.593
		<u>TITLE 2 - TOTAL</u>	token entry	-	token entry
		<u>TITLE 3 - TOTAL</u>	18.000.000	-	18.000.000
		<u>TITLE 4 - TOTAL</u>	35.188.544	-	35.188.544

CHAPTER 13 - VALUE ADDED TAX

Art.	Item	REMARKS

B. CONTRIBUTIONSTITLE 5CHAPTER 50 - CONTRIBUTIONS PROVIDED FOR IN ARTICLE 4(2) OR (3) OF THE DECISION OF 21 APRIL 1970  
ON THE REPLACEMENT OF THE FINANCIAL CONTRIBUTIONS FROM MEMBER STATES BY THE  
COMMUNITIES' OWN RESOURCES

(in units of account)

Art.	Item	HEADING	Revenue		
			Budget 1976	Supplementary Budget No 1/76	New total Financial year 1976
		<u>Chapter 50</u>			
500		Contributions provided for in Article 4(2) or 4(3) of the Decision of 21 April 1970 on the replacement of the financial contributions from Member States by the Communities' own resources			
5000		Belgium	213.013.713	+ 5.419.202	218.432.915
5001		Denmark	76.013.041	+ 1.223.026	77.236.067
5002		Germany	1.073.312.557	+ 16.834.233	1.090.146.790
5003		France	989.231.389	+ 21.848.003	1.011.079.392
5004		Ireland	-	-	-
5005		Italy	628.895.603	- 4.465.652	624.429.951
5006		Luxembourg	7.586.933	+ 156.448	7.743.381
5007		Netherlands	225.951.065	+ 9.749.068	235.700.133
5008		United Kingdom	-	-	-
		<u>Article 500 - Total</u>	3.214.004.301	+ 50.764.328	3.264.768.629
		<u>Chapter 50 - Total</u>	3.214.004.301	+ 50.764.328	3.264.768.629



B. CONTRIBUTIONS

TITLE 5

CHAPTER 50 - CONTRIBUTIONS PROVIDED FOR IN ARTICLE 4(2) OR (3) OF THE DECISION OF 21 APRIL 1970 ON THE REPLACEMENT OF THE FINANCIAL CONTRIBUTIONS FROM MEMBER STATES BY THE COMMUNITIES' OWN RESOURCES

Art.	Item	REMARKS

CHAPTER 51 - CONTRIBUTIONS PROVIDED FOR IN ARTICLE 3(4) AND 4(6) RESPECTIVELY OF THE DECISION OF 21 APRIL 1970 ON THE REPLACEMENT OF THE FINANCIAL CONTRIBUTIONS FROM MEMBER STATES BY THE COMMUNITIES' OWN RESOURCES

(in units of account)

Art.	Item	HEADING	Revenue		
			Budget 1976	Supplementary Budget No 1/76	New total Financial year 1976
510		<u>Chapter 51</u> Contributions provided for in Article 3(4) and 4(6) respectively of the Decision of 21 April 1970 on the replacement of the financial contributions from Member States by the Communities' own resources			
	5100	Belgium	222.914	-	222.914
	5101	Germany	4.109.372	-	4.109.372
	5102	France	518.077	-	518.077
	5103	Italy	243.489	-	243.489
	5104	Luxembourg	5.428	-	5.428
	5105	Netherlands	3.433.768	-	3.433.768
	5106	Denmark	82.797	-	82.797
	5107	Ireland	20.663	-	20.663
	5108	United Kingdom	552.945	-	552.945
		<u>Article 510 - Total</u>	9.189.453	-	9.189.453
		<u>Chapter 51 - Total</u>	9.189.453	-	9.189.453
		<u>TITLE 5 - TOTAL</u>	3.223.193.754	+ 50.764.328	3.273.958.082
		<u>TITLE 9 - TOTAL</u>	8.616.114	-	8.616.114
		<u>GRAND TOTAL</u>	7.576.859.148	+ 61.026.185	7.637.885.333

CHAPTER 51 - CONTRIBUTIONS PROVIDED FOR IN ARTICLE 3(4) AND 4(6) RESPECTIVELY OF THE DECISION OF 21 APRIL 1970 ON THE REPLACEMENT OF THE FINANCIAL CONTRIBUTIONS FROM MEMBER STATES BY THE COMMUNITIES' OWN RESOURCES

Art.	Item	REMARKS
510		<p>This revenue represents the contributions of the Member States to be used to finance complementary programmes within the framework of the research and investment projects. Details of the calculation of these contributions are attached to the statement of revenue in Annex 1 to Section III.</p>



B. CALCULATION OF THE RELATIVE SHARES OF THE MEMBER STATES

## COMMISSION

TABLE 1

Appropriations to be covered during the financial year 1976 in accordance with Articles 3 and 4 of the Decision of 21 April 1970 relating to own resources, Article 10 of the Treaty of 22 April 1970 amending certain budgetary provisions of the Treaties establishing the European Communities and of the Treaty establishing a Single Council and a Single Commission of the European Communities, and Articles 129 and 130 of the Act of Accession

A. Category of appropriations	U.A.		
	Budget 1976	Amendments	New total 1976
1. Appropriations for administrative and operational expenditure (Titles 1-4 and Chapters 98 and 99)	548.968.548	-	548.968.648
2. Appropriations for payment in respect of EAEC research and investment (Chapter 33)	135.182.526	-	135.182.526
3. (a) European Social Fund (Chapters 50-54)	441.000.000	-	441.000.000
(b) European Regional Development Fund (Chapters 55 and 56)	300.000.000	-	300.000.000
(c) Community aid to the Friuli disaster area	-	+ 60.000.000	60.000.000
4. EAGGF - Guarantee Section (Titles 6 and 7)	5.160.300.000	-	5.160.300.000
- Guidance Section (Title 8)	325.000.000	-	325.000.000
5. Expenditure on cooperation with the developing countries (Chapters 90, 92, 93 and 94)	237.222.000	-	237.222.000
6. Repayment to the Member States of 10% of amounts paid by way of own resources (Chapter 29)	429.186.074	+ 1.026.185	430.212.259
Total expenditure	7.576.859.148	61.026.185	7.637.885.333
B. Category of revenue			
1. Miscellaneous revenue:			(1)
- under the General Budget	38.387.658	-	38.387.658
- under research and investment	5.417.000	-	5.417.000
2. Contributions of the Member States to the additional EAEC programmes	9.189.453	-	9.189.453
3. ECSC levies allocated to administrative expenditure	18.000.000	-	18.000.000
Total revenue	70.994.111	-	70.994.111
Appropriations to be covered pursuant to the Decision of 21 April 1970	7.505.865.037	+ 61.026.185	7.566.891.222

(1) This amount includes the 900.000 u.a. entered under Item 9311 of the statement of revenue (COST contributions).

Financial Year 1976

ESTIMATE OF OWN RESOURCES TO BE PAID BY EACH

MEMBER STATE

(in u.a.)

Member State	Agricultural levies		Common Customs Tariff duties	T o t a l
	Levies on sugar	Other levies		
	1	2	3	4
Belgium	8.000.000	48.700.000	210.200.000	266.900.000
Germany	23.700.000	157.900.000	815.600.000	997.200.000
France	38.500.000	40.200.000	561.500.000	640.200.000
Italy	14.400.000	172.200.000	450.800.000	637.400.000
Luxembourg	-	100.000	4.000.000	4.100.000
Netherlands	7.600.000	73.900.000	323.000.000	409.500.000
T o t a l s	92.200.000	498.000.000	2.365.100.000	2.955.300.000

III/23

TABLI 2

Financial Year 1976

(in u.a.)

Type of resource	Denmark	Ireland	United Kingdom	TOTAL
1. Levies on sugar	4.700.000	2.600.000	12.500.000	19.800.000
2. Agricultural levies	4.600.000	10.200.000	150.000.000	164.900.000
3. Customs duties	84.300.000	40.800.000	4.447.100.000 (1)	4.572.200.000
4. Total	93.600.000	53.600.000	4.609.700.000	4.756.900.000
5. Application of Articles 3 and 4 of the Decision of 21 April 1970 and 130 of the Act of Accession	74.412.000	38.931.655	1.233.478.938	1.346.822.593
<u>Breakdown</u>				
(a) Levies on sugar	(3.736.500)	(2.067.000)	(9.937.500)	(15.741.000)
(b) Agricultural levies	(3.657.000)	(8.109.000)	(119.329.500)	(131.095.500)
(c) Customs duties	(67.018.500)	(28.755.655)	(1.104.211.938)	(1.199.986.093)

Total of own resources to be paid (Tables 2(A) and 2(B)): 4.302.122.593

(1) Including the "fiscal duties" on tobacco - charges of a fiscal nature imposed by the customs services.

Fiscal duties are approximately 73% of the customs duties.



NOTE ON TABLE 2(B)

Where Ireland and the United Kingdom are concerned (point 4), the own resources exceed by far the sums actually due from those countries despite the fact that the "abatement factor" has been applied (cf. Article 130 of the Act of Accession).

This being so, the amount of own resources to be paid (point 5) has been fixed on the basis of the maximum permissible relative share for those two countries (Articles 3 and 4 of the Decision of 21 April 1970 and Article 130 of the Act of Accession) applied to the total outlay.

- relative share in 1975		13,5691%
- conversion of 1975 "abatement factor" (67,5%) to 1976 factor (79,5%)		
$\frac{79,5}{67,5} \times 13,5691 =$		15,9814%
- upper limit of bracket laid down in Articles 3 and 4 of the Decision of 21 April 1970 (+ 2%) (1)		16,3010%
- own resources to be paid		
$\frac{16,3010}{100} \times 7.566.891.222 =$		1.233.478.938 u.a.

(This assumption that the United Kingdom would be at the upper limit of the bracket is borne out in the tables which follow.)

The breakdown which appears under points 5(a), (b) and (c) is obtained by applying the single "abatement factor" of 79,5% to sugar levies (point 1) and agricultural levies (point 2). It is thus customs duties which make up the difference between the global sum to be paid and the total of the two figures just mentioned.

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(1) From 1 January 1975, the variation in the relative share compared with that of the previous year may reach 2%.

Financial Year 1976DISTRIBUTION OF EXPENDITURE NOT COVERED BY OWN RESOURCES

Expenditure to be financed	7.566.891.222
Own resources to be paid (Tables 2A and 2B)	<u>4.302.122.593</u>
Difference to be covered by contributions from the Member States	3.264.768.629

(in u.a.)

Member State	Contribution of the Member States according to the GNP scale (1), (Article 4(3) of the Decision of 21 April 1970)		Contribution of the Member States according to the GNP scale (1) taking into account Article 130 of the Act of Accession	
	amount	%	amount	%
	(1)		(2)	
Belgium	132.794.464	4,0675	140.936.797	4,3169
Denmark	82.334.200	2,5219	65.455.346	2,0049
Germany	965.698.972	29,5794	1.024.921.875	31,3934
France	752.591.200	23,0519	798.745.234	24,4656
Ireland	22.866.439	0,7004	18.178.232	0,5568
Italy	483.094.344	14,7972	512.722.119	15,7047
Luxembourg	5.246.483	0,1607	5.569.695	0,1706
Netherlands	173.571.424	5,3165	184.214.570	5,6425
United Kingdom	646.571.103	19,8045	514.024.761	15,7446
<b>TOTALS</b>	<b>3.264.768.629</b>	<b>100,-</b>	<b>3.264.768.629</b>	<b>100,-</b>

Using the same method as in Table 2(B) (point 4), contributions are initially distributed without taking the abatement factor into account (column 1).

However, in the second column, the distribution of the contributions is based upon the scale obtained by the following procedure:

- for the new Member States, the GNP scale is reduced to 79,5% (Article 130);
- for the original Member States, the difference between 100% and the portion covered by the new Member States is distributed in proportion to the GNP scale.

(1) The statistical data used in arriving at the GNP scale are contained in Annexes C and D.

Financial Year 1976THE RELATIVE SHARES OF THE MEMBER STATES BEFORE ADJUSTMENT

(in u.s.)

Member State	Own resources to be paid	Contributions due (Column 2 of Table 3)	Total (Columns 1 + 2)	Relative share before adjustment %
	1	2	3	4
Belgium	266.900.000	140.936.797	407.836.797	5,3898
Denmark	74.412.000	65.455.346	139.867.346	1,8484
Germany	997.200.000	1.024.921.875	2.022.121.875	26,7233
France	640.200.000	798.745.234	1.438.945.234	19,0163
Ireland	38.931.655	18.178.232	57.109.887	0,7547
Italy	637.400.000	512.722.119	1.150.122.119	15,1994
Luxembourg	4.100.000	5.569.695	9.669.695	0,1278
Netherlands	409.500.000	184.214.570	593.714.570	7,8462
United Kingdom	1.233.478.938	514.024.761	1.747.503.699	23,0941
Total	4.302.122.593	3.264.768.629	7.566.891.222	100,-

The appropriations shown in Table 1 are covered firstly by own resources and then by contributions. The total per Member State obtained in this way determines the relative share in column 4, to be subsequently adjusted as laid down in Articles 3 and 4 of the Decision of 21 April 1970.

ADJUSTMENT OF THE RELATIVE SHARE OF THE MEMBER STATES FOR THE FINANCIAL YEAR 1976

Articles 3 and 4 of the Decision of 21 April 1970

(in u.a.)

Member State	Relative share for reference (1)	Upper limit + 2%	Lower limit - 2.0%	Relative share before adjustment (2)	Differences		First distribution	Second distribution	Relative share after adjustment
					Below the lower limit	Above the upper limit			
	1	2	3	4	5	6	7	8	9
Belgium	6,5483	6,6793	6,4173	5,3898	+ 1,0275	-	---	+ 0,0211	6,4394
Denmark	2,0350	2,0757	1,9943	1,8484	+ 0,1459	-	-	+ 0,0098	2,0041
Germany	27,1439	27,6868	26,6010	26,7233	-	-	+ 0,9635	-	27,6858
France	22,2333	22,6730	21,7886	19,0163	+ 2,7723	-	-	+ 0,1192	21,9078
Ireland	0,5044	0,5145	0,4943	0,7547	-	- 0,2402	-	-	0,5145
Italy	17,0040	17,3441	16,6639	15,1994	+ 1,4645	-	-	+ 0,0765	16,7404
Luxembourg	0,1595	0,1627	0,1563	0,1278	+ 0,0285	-	-	+ 0,0008	0,1571
Netherlands	8,3902	8,5580	8,2224	7,8462	+ 0,3762	-	-	+ 0,0275	8,2499
United Kingdom	15,9814	16,3010	15,6618	23,0941	-	- 6,7931	-	-	16,3010
	100,-	102,0001	97,9999	100,-	+ 5,8149	- 7,0333	+ 0,9635	+ 0,2549	100,-

Balance to be distributed:

- 1.2184

+ 1.2184

(1) For the new Member States  $\frac{79,5}{67,5}$  of the relative share for 1975 (see Annex A).

For the original Member States: the remainder in proportion to the relative share for 1975 (see Annex B).

The reduction provided for under Article 130 of the Act of Accession brings the share of the new Member States to a fixed percentage of the share which would result from implementing the Decision of 21 April 1970; this percentage is 67,5% for 1975 and 79,6% for 1976. The relative share appearing in Column 1 of Annex A is raised from 67,5 one-hundredths to 79,5.

(2) Cf. Table 4, Column 1.

Financial Year 1976CONTRIBUTIONS OF THE NEW MEMBER STATES TO THE FINANCING OF THE 1976 BUDGET

(in u.a.)

Member State	Relative share of the State after adjustment		Breakdown of relative share into	
	%	Amount	Own resources	Contributions
Denmark	2,0041	151.648.067	74.412.000	77.236.067
Ireland	0,5145	38.931.655	38.931.655	-
United Kingdom	16,3010	1.233.478.938	1.233.478.938	-
Total contribution of the Three	18,8196	1.424.058.660	1.346.822.593	77.236.067
BUDGET TOTAL	100,-	7.566.891.222	4.302.122.593	3.264.768.629

The sole purpose of Tables 3 to 5 is to bear out the assumption that Ireland's and the United Kingdom's own resources would be at the upper limit of the possible bracket and to establish the contributions to be paid by Denmark.

Financial Year 1976

**A. THE CONTRIBUTIONS TO BE PAID BY THE  
SIX ORIGINAL MEMBER STATES**

Total amount of own resources from the Member States (Tables 2A and 2B)	4.302.122.593
Contributions to be paid by two acceding States (Table 6)	<u>77.236.067</u>
	4.379.358.660
 <u>Total expenditure</u>	 <u>7.566.891.222</u>
 Contributions to be paid by the six original Member States	 3.187.532.562 =====

**B. THE RELATIVE SHARES OF THE SIX ORIGINAL  
MEMBER STATES BEFORE ADJUSTMENT**

(in u.a.)

Member State	Contribution of the Member State (1)		Own resources to be paid (Table 2A)	Total share of the Member State	Relative share %
	%	Amount			
Belgium	4,0675	168.438.998	266.900.000	435.338.998	7,0870
Germany	29,5794	1.224.910.757	997.200.000	2.222.110.757	36,1740
France	23,0519	954.600.846	640.200.000	1.594.800.846	25,9620
Italy	14,7972	612.765.961	637.400.000	1.250.165.961	20,3516
Luxembourg	0,1607	6.654.738	4.100.000	10.754.738	0,1751
Netherlands	5,3165	220.161.262	409.500.000	629.661.262	10,2503
TOTAL	76,9732	3.187.532.562	2.955.300.000	6.142.832.562	100,-

(1) GNP scale - the statistical data used in arriving at this scale are contained in Annexes C and D.

NB: This table, which deals with the original Member States, corresponds to Tables 3 and 4; the expenditure taken into consideration equals the total expenditure to be covered minus the portion borne by the new Member States.

Financial Year 1976

ADJUSTMENT OF THE RELATIVE SHARES OF THE ORIGINAL MEMBER STATES FOR THE  
1976 FINANCIAL YEAR

(Applying Articles 3 and 4 of the Decision of 21 April 1970)

(in u.a.)

Member State	Relative share for reference (cf. Annex B)	Upper limit (+ 2%)	Lower limit (- 2,0%)	Relative share for 1976 before adjustment (Table 7)	Différences		First adjustment	Second Adjustment	Relative share after adjustment
					Below the lower limit	Above the upper limit			
Belgium	8,0368	8,1975	7,8761	7,0870	+ 0,7891	-	-	+ 0,0247	7,9003
Germany	33,3139	33,9802	32,6476	36,1740	-	- 2,1938	-	-	33,9802
France	27,2871	27,8328	26,7414	25,9620	+ 0,7794	-	-	+ 0,1400	26,8814
Italy	20,8691	21,2865	20,4517	20,3516	+ 0,1001	-	-	+ 0,0898	20,5415
Luxembourg	0,1957	0,1996	0,1918	0,1751	+ 0,0167	-	-	+ 0,0010	0,1923
Netherlands	10,2974	10,5033	10,0915	10,2503	-	-	+ 0,2530	-	10,5033
TOTAL	100,-	101,9999	98,0001	100,-	+ 1,6853	- 2,1938	+ 0,2530	+ 0,2555	100,-

Balance to be distributed:

- 0,5085

+ 0,5085

III/31

CONTRIBUTIONS OF THE MEMBER STATES TO THE FINANCING OF THE BUDGET EXCLUDING THE AMOUNTS FINANCED ACCORDING TO SPECIAL SCALES

Member State	Relative share of the Member State after adjustment		Breakdown of the modified relative shares into		Relative share of the NINE %
	% (1)	Amount (u.a.)	Own resources (u.a.)	Contributions (u.a.)	
Belgium	7,9008	485.332.915	266.900.000	218.432.915	6,4139
Germany	33,9802	2.087.346.790	997.200.000	1.090.146.790	27,5853
France	26,8814	1.651.279.392	640.200.000	1.011.079.392	21,8224
Italy	20,5415	1.261.829.951	637.400.000	624.429.951	16,6757
Luxembourg	0,1928	11.843.381	4.100.000	7.743.381	0,1565
Netherlands	10,5033	645.200.133	409.500.000	235.700.133	8,5266
<b>TOTAL</b>	100,-	6.142.832.562	2.955.300.000	3.187.532.562	81,1804
Denmark		151.648.067	74.412.000	77.236.067	2,0041
Ireland		38.931.655	38.931.655	-	0,5145
United Kingdom		1.233.478.938	1.233.478.938	-	16,3010
<b>GRAND TOTAL</b>		7.566.891.222	4.302.122.593	3.264.768.629	100,-

III/32

(1) Cf. Table 8, final column.



FINANCIAL YEAR 1975

Contributions of the new Member States to the financing of the 1975 Budget  
(in u.s.)

State	Relative share of the State after adjustment		Breakdown of relative share into	
	%	Amount	Own resources	Contributions
Denmark	1,7278	103 524 957	83 970 000	19 554 957
Ireland	0,4283	25 662 541	25 662 541	—
United Kingdom	13,5691	813 022 628	813 022 628	—
Total contribution of the Three	15,7252	942 210 126	922 655 169	19 554 957
Budget Total	100,—	5 991 721 102	3 901 955 169	2 089 765 933

This table is taken from the 1975 Budget and is intended solely to provide a basis of reference (together with Annex B) for the first column of table 5.

## FINANCIAL YEAR 1975

Contributions of the Member States to the financing of the Budget excluding the amounts financed according to special scales

State	Relative share of the Member State after adjustment		Breakdown of the modified relative shares into		Relative shares of the Nine
	% (*)	Amount u.a.	Own resources u.a.	Contributions u.a.	
Belgium	8,2402	416 089 803	293 400 000	122 689 803	6,9444
Germany	33,3028	1 681 628 541	988 600 000	693 028 541	28,0659
France	27,2780	1 377 405 604	691 300 000	686 105 604	22,9855
Italy	20,4626	1 033 261 233	627 600 000	405 661 233	17,2448
Luxembourg	0,1915	9 669 814	4 100 000	5 569 814	0,1614
Netherlands	10,5249	531 455 981	374 300 000	157 155 981	8,8698
<b>Totals</b>	100,—	5 049 510 976	2 979 300 000	2 070 210 976	84 2748
Denmark		103 524 957	83 970 000	19 554 957	1,7278
Ireland		25 662 541	25 662 541	—	0,4283
United Kingdom		813 022 628	813 022 628	—	13,5691
<b>Grand Total</b>		5 991 721 102	3 901 955 169	2 089 765 933	100,—

(\*) See table 8, last column.

This table is taken from the 1975 Budget and is intended solely to provide the basis of reference for the first column of table 5.

Gross national product at market prices - at current prices

Member State	in national currency				in m.u.a.		
	Units	1971	1972	1973	1971	1972	1973
Belgium	■ Bfrs	1.391.035	1.550.097	1.754.924	27.821	31.002	35.098
Denmark	■ Dkr.	127.338	144.062	165.374	16.976	19.208	22.050
Germany	■ DM	753.910	825.810	920.120	205.986	225.631	251.399
France	■ FF	871.339	976.438	1.108.659	156.880	175.802	199.608
Ireland	■ £	1.873,1	2.214,0	2.651,5	4.495	5.314	6.364
Italy	■ Lit.	63.319	69.269	80.963	101.310	110.830	129.541
Luxembourg	■ Lfrs	54.154	60.113	71.236	1.083	1.202	1.425
Netherlands	■ Fl	129.850	147.760	166.790	35.870	40.818	46.075
United Kingdom	■ £	56.528	62.730	71.286	135.667	150.552	171.086

Calculation of the proportion of the gross national product  
of each Member State in comparison with the total of the  
gross national products

In million u.a.

Member State	1971	1972	1973	Average	%
Belgium	27.821	31.002	35.098	31.307	4,0675
Denmark	16.976	19.208	22.050	19.411	2,5219
Germany	205.986	225.631	251.399	227.672	29,5794
France	156.880	175.802	199.608	177.430	23,0519
Ireland	4.495	5.314	6.364	5.391	0,7004
Italy	101.310	110.830	129.541	113.894	14,7972
Luxembourg	1.083	1.202	1.425	1.237	0,1607
Netherlands	35.870	40.818	46.075	40.921	5,3165
United Kingdom	135.667	150.552	171.086	152.435	19,8045
EEC	686.088	760.359	862.646	769.698	100,0000

C. SUMMARY OF EXPENDITURE

(Note: the Chapters and Titles for which  
no details are given remain unchanged)



EXPENDITURE

The estimated expenditure for each of the Institutions is as follows:

in u.a.

	1976 Budget	Supplementary Budget No 1/76	New total for 1976 financial year
SECTION I : EUROPEAN PARLIAMENT	52.121.209	-	52.121.209
SECTION II : COUNCIL	64.450.658	-	64.450.658
SECTION III : COMMISSION	7.449.103.901	+ 61.026.185	7.510.130.086
SECTION IV : COURT OF JUSTICE	11.183.380	-	11.183.380
TOTAL	7.576.859.148	+ 61.026.185	7.637.885.333





SECTION III

COMMISSION



STATEMENT OF EXPENDITURE

General summary of appropriations for 1976

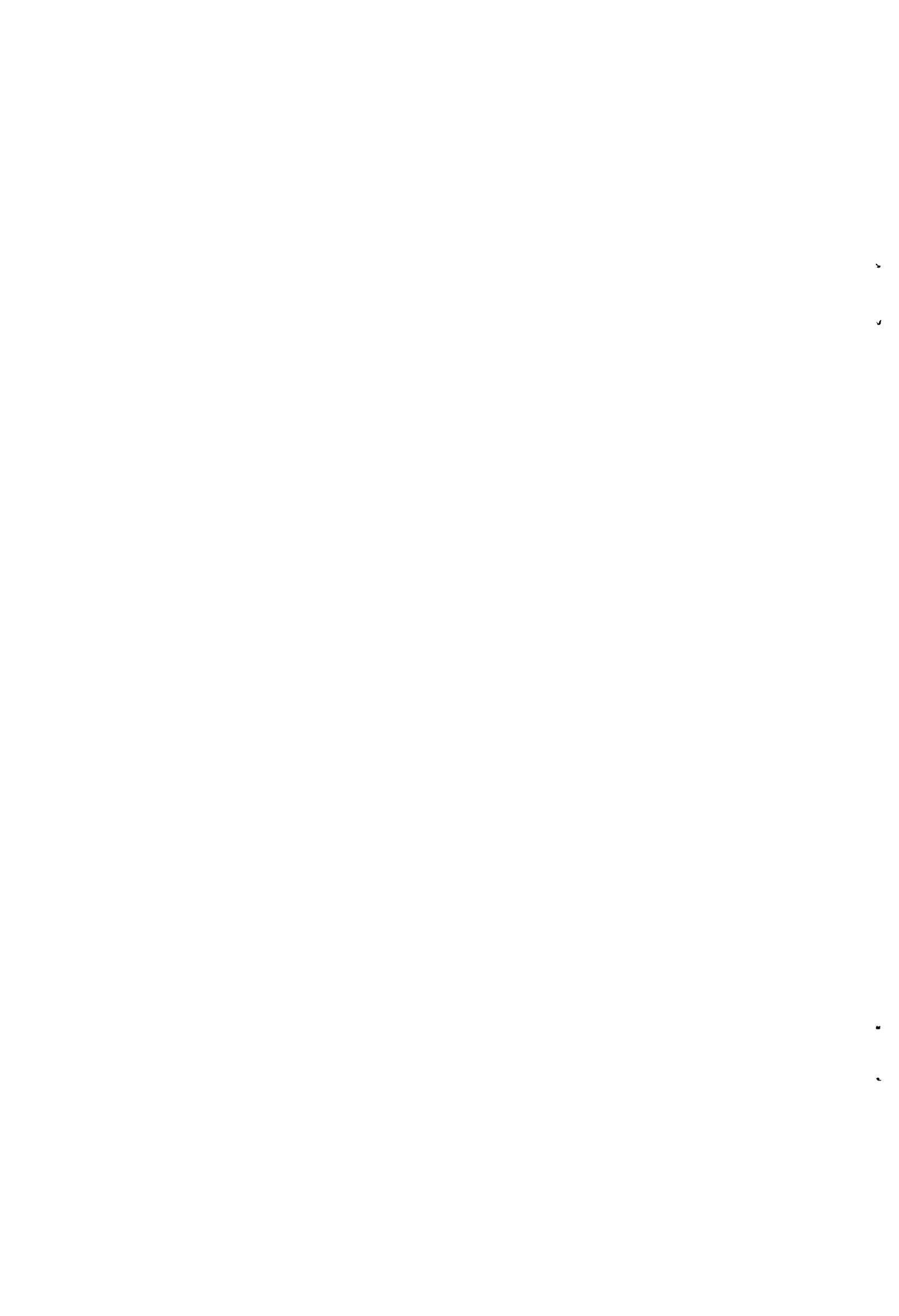
Titles Chapters	HEADING	U.A.		
		Appropriations 1976	Supplementary Budget 1/76	New total
<u>TITLE 1</u>	<u>EXPENDITURE IN RESPECT OF PERSONS WORKING WITH THE INSTITUTION</u>			
	<u>TITLE 1 - TOTAL</u>	227.889.900	-	227.889.900
<u>TITLE 2</u>	<u>BUILDINGS, EQUIPMENT AND MISCELLANEOUS ADMINISTRATIVE EXPENDITURE</u>			
Chap. 20	Immovable property investments	token entry	-	token entry
Chap. 21	Rental of buildings and incidental expenditure	29.313.057	-	29.313.057
Chap. 22	Movable property and associated expenditure	9.281.040	-	9.281.040
Chap. 23	Current administrative expenditure	10.623.010	-	10.623.010
Chap. 24	Entertainment and representation expenses	400.000	-	400.000
Chap. 25	Expenditure for formal and other meetings	7.920.000	-	7.920.000
Chap. 26	Expenditure on studies, surveys and consultations	11.300.000	-	11.300.000
Chap. 27	Expenditure on publishing and information	14.140.000	-	14.140.000
Chap. 29	Other expenditure	429.186.074	+ 1.026.185	430.212.259
	<u>TITLE 2 - TOTAL</u>	<u>512.163.181</u>	<u>+ 1.026.185</u>	<u>513.189.366</u>
<u>TITLE 3</u>	<u>EXPENDITURE RESULTING FROM THE INSTITUTION CARRYING OUT SPECIAL FUNCTIONS</u>			
	<u>TITLE 3 - TOTAL</u>	187.845.027	-	187.845.027
<u>TITLE 4</u>	<u>AID, SUBSIDIES AND FINANCIAL CONTRIBUTIONS</u>			
	<u>TITLE 4 - TOTAL</u>	34.124.900	-	34.124.900

## General summary of appropriations for 1976

Titles Chapters	HEADING	U.A.		
		Appropriations 1976	Supplementary Budget 1/76	New total
<u>TITLE 5</u>	<u>FUNDS</u>			
	<u>SOCIAL FUND</u>			
Chap. 50	Expenditure under Article 4 of the Council Decision of 1 February 1971 on the reform of the European Social Fund	170.000.000	-	170.000.000
Chap. 51	Expenditure under Article 5 of the Council Decision of 1 February 1971 on the reform of the European Social Fund	270.000.000	-	270.000.000
Chap. 52	Social Fund - Pilot schemes and preparatory studies	1.000.000	-	1.000.000
Chap. 53	Social Fund - Expenditure provided for under Article 125(1)(a) of the EEC Treaty	token entry	-	token entry
Chap. 54	Social Fund - Expenditure provided for under Article 125(1)(b) of the EEC Treaty	-	-	-
	<u>SOCIAL FUND - TOTAL</u>	441.000.000	-	441.000.000
	<u>REGIONAL FUND</u>			
Chap. 55	European Regional Development Fund - Expenditure provided for under Article 4 of the Council Decision on the creation of the Fund	300.000.000	-	300.000.000
	<u>REGIONAL FUND - TOTAL</u>	300.000.000	-	300.000.000
Chap. 58	Community aid to the Friuli disaster area	-	+ 60.000.000	60.000.000
	<u>TITLE 5 - TOTAL</u>	741.000.000	+ 60.000.000	801.000.000
<u>TITLES 6 &amp; 7</u>	<u>EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND</u>			
	<u>GUARANTEE SECTION</u>			
	<u>TITLES 6 &amp; 7 - TOTAL</u>	5.160.300.000	-	5.160.300.000
<u>TITLE 8</u>	<u>EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND</u>			
	<u>GUIDANCE SECTION</u>			
	<u>TITLE 8 - TOTAL</u>	325.000.000	-	325.000.000

General summary of appropriations for 1976

Titles Chapters	HEADING	U.A.		
		Appropriations 1976	Supplementary Budget 1/76	New total
<u>TITLE 9</u>	<u>EXPENDITURE ON COOPERATION WITH THE DEVELOPING COUNTRIES - FOOD AID EXPENDITURE AND OTHER EXPENDITURE</u>			
	<u>TITLE 9 - TOTAL</u>	260.780.893	-	260.780.893
	<u>GRAND TOTAL</u>	7.449.103.901	+ 61.026.185	7.510.130.086



BREAKDOWN OF APPROPRIATIONS  
ALLOCATED FOR EXPENDITURE

TITLE 2BUILDINGS, EQUIPMENT AND OTHER OPERATING EXPENDITURE

Art.	Item	HEADING	U.A.			
			Appropriations 1976	Supplementary Budget 1/76	New total	
290		<u>Chapter 29</u>				
		Lump sum repayment to the Member States of costs incurred in collecting own resources				
	2900	Belgium	26.690.000	-	26.690.000	
	2901	Denmark	7.441.200	-	7.441.200	
	2902	Germany	99.720.000	-	99.720.000	
	2903	France	64.020.000	-	64.020.000	
	2904	Ireland	3.861.768	+ 31.398	3.893.166	
	2905	Italy	63.740.000	-	63.740.000	
	2906	Luxembourg	410.000	-	410.000	
	2907	Netherlands	40.950.000	-	40.950.000	
	2908	United Kingdom	122.353.106	+994.787	123.347.893	
			<u>Article 290 - Total</u>	429.186.074	+ 1.026.185	430.212.259
			<u>Chapter 29 - Total</u>	429.186.074	+ 1.026.185	430.212.259
		<u>TITLE 2 - TOTAL</u>	512.163.181	+ 1.026.185	513.189.366	



TITLE 2BUILDINGS, EQUIPMENT AND OTHER OPERATING EXPENDITURE

Art.	Item	REMARKS
290		This appropriation is intended to cover the cost of reimbursement to each Member State of 10% of the amounts paid in accordance with Article 3 of the Decision of 21 April 1970 (70/243/EGSC/EEC/Euratom).

COMMISSION

TITLE 5FUNDSCHAPTER 58 - COMMUNITY AID TO THE FRIULI DISASTER AREA

Art.	Item	HEADING	U.A.		
			Appropriations 1976	Supplementary Budget 1/76	New total
580		Community aid to agricultural structures	-	+ 45,000.000	45,000.000
581		Community aid for civil infrastructures	-	+ 15,000.000	15,000.000
		<u>Chapter 58 - Total</u>	-	+ 60,000.000	60,000.000
		<u>TITLE 5 - TOTAL</u>	741,000.000	+ 60,000.000	801,000.000
		<u>GRAND TOTAL</u>	7,449,103.901	+ 61,026.185	7,510,130.086

TITLE 5FUNDSCHAPTER 58 - COMMUNITY AID TO THE FRIULI DISASTER AREA

Art.	Item	REMARKS
580		This appropriation will be used under an <u>ad hoc</u> Regulation to be adopted by the Council on a Proposal from the Commission, by analogy with the arrangements for aid from the EAGGF - Guidance Section.
581		This appropriation will be used under an <u>ad hoc</u> Regulation to be adopted by the Council on a Proposal from the Commission, by analogy with the arrangements for contributions from the Regional Fund.



