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## PRESS RELEASE

Statement by the Spokesman in answer to numerous questions:

1. In its proposals of 31 March 1965 on financing the common agricultural policy, independent revenue for the Community, and wider powers for the European Parliament, the Commission kept strictly to the two mandates contained in the Council decision of 15 December 1964.

These read as follows:

The Council ...

- "(g) Invites the Commission to submit to it before 1 April 1965:

  ... Proposals relating to the financing of the common agricultural policy for the period 1965/70."
- "(c) Invites the Commission to submit, within the framework of its proposals on Regulation No. 25 referred to under (g) above proposals on the conditions for implementing Article 2 of Regulation No. 25 as from the entry into force of common prices for the various agricultural products."
- 2. The Commission submitted its proposals on the financing of the common agricultural policy as required under (g) above.
- 3. Article 2 of Regulation No. 25, mentioned under (c), reads as follows, under the heading "Single Market Stage":
  - "1. Revenue from levies charged on imports from third countries shall be the property of the Community and shall be appropriated to Community expenditure; the budget resources of the Community shall comprise such revenue together with all other revenues decided in accordance with the rules of the Treaty as well as contributions of Member States in accordance with Article 200 of the Treaty. The Council shall in due course initiate the procedure laid down in Article 201 of the Treaty so as to implement the above provisions."

Under this mandate, the Commission thus had first to decide when the Common Market would be completed. For this, it took 1 July 1967 as a basis (all the Council members agreed to this in principle).

Secondly, the Commission had to decide what "other revenues decided in accordance with the rules of the Treaty", apart from the contributions of Member States, should be created together with the levies. The Commission - taking up ideas that had already been under discussion for years - proposed that these should be the revenues from the common customs tariff.

The Commission also had to draw the conclusions resulting from the last sentence of article 2(1) of Regulation No. 25. Article 201 of the Treaty, which is there referred to, reads:

> "The Commission shall study the conditions under which the financial contributions of Member States provided for in Article 200 may be replaced by other resources of the Community itself, in particular, by revenue accruing from the common customs tariff when the latter has been definitely introduced.

For this purpose, the Commission shall submit proposals to the Council.

The Council, acting by means of a unanimous vote and after consulting the Essembly on such proposals, may lay down the provisions whose adoption it shall recommend to the Member States in accordance with their respective constitutional rules."

The constitutional rules to which Article 2 of Regulation No. 25 thus refers/are those that exist in most Member States stipulating /implicitly that such decisions require the approval of the national Parliament. The Commission had to take account of the fact that some national Parliaments have made such approval conditional upon a strengthening of the powers of the European Parliament. In order to ensure as far as possible that the procedure laid down in Article 2 of Regulation No. 25 would be carried out, the Commission had thus to include in its proposals this group of questions relating to the strengthening of the European Parliament.

> In doing this, it also had to consider the wish expressed  $b_{\rm v}$  the Council on 23 December 1963:

"In a discussion of the workings of the European Agricultural Guidance and Guarantee Fund, the Council emphasized the great importance it attaches to the question of strengthening the budgetary powers of the Parliament. It will deal with this question at its session in February 1964 together with the reports submitted to it on the merger and the widening of the Parliament's functions."