

COUNCIL OF THE EUROPEAN COMMUNITIES GENERAL SECRETARIAT

PRESS RELEASE 11211782 (Presse 175)

808th meeting of the Council

- Budget -

Brussels, 22 and 23 November 1982

President:

Mr Otto MØLLER,

State Secretary, Ministry of Foreign Affairs of the Kingdom of Denmark

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The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Paul de KEERSMAEKER Mr Otto MØLLER State Secretary for State Secretary, European Affairs and Agriculture Ministry of Foreign Affairs

# Germany:

Mr Hans TIETMEYER State Secretary, Federal Ministry of Finance

### France:

Mr André CHANDERNAGOR Minister attached to the Foreign Secretary, responsible for European Affairs

# Italy:

Mr Carlo FRACANZANI State Secretary, Ministry of the Treasury

#### Netherlands:

Mr W.F. van EEKELEN State Secretary, Ministry of Foreign Affairs, with responsibility for European Affairs <u>Greece</u>: Mr Panayiotis ROUMELIOTIS State Secretary, Ministry of Finance

<u>Ireland</u>: Mr John SWIFT Deputy Permanent Representative

# Luxembourg: Mr Ernest MUHLEN State Secretary, Ministry of Finance

# United Kingdom:

Mr Nicolas RIDLEY Financial Secretary to the Treasury

# Commission:

Mr Christopher TUGENDHAT Vice-President

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Denmark:

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#### MEETING WITH A EUROPEAN PARLIAMENT DELEGATION

In the course of its discussions on the drawing up of the general budget of the Communities for 1983, the Council met a European Parliament delegation led by Mr DANKERT, President of the European Parliament. The delegation also included the following persons: Mr LANGE, Chairman of the Committee on Budgets, Mr NOTENBOOM, 1st Vice-Chairman of the Committee on Budgets, Mrs BARBARELLA, 2nd Vice-Chairman of the Committee on Budgets, Mr ROSSI, 3rd Vice-Chairman of the Committee on Budgets, Mr ROSSI, 3rd Vice-Chairman of the Committee on Budgets, Mr Robert JACKSON, Rapporteur on Section III of the 1983 Budget, Mr SABY, Rapporteur on other sections of the 1983 Budget, Mr AIGNER, Chairman of the Committee on Budgets.

This meeting enabled the European Parliament delegation to outline the reasons behind its amendments and proposed modifications to the draft general budget for 1983, and also members of the Council to inform the Parliament of their views on the matter.

Following this exchange of views, the President of the Council announced that the Council would very shortly be debating the Parliament's amendments and proposed modifications to the draft budget, in the light of the points raised during the meeting.

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# DRAFT GENERAL BUDGET FOR THE FINANCIAL YEAR 1983

The Council then examined item by item the amendments and proposed modifications to the draft budget for 1983, taking account of the comments made by the European Parliament delegation.

In total, the increases decided on by the Council for noncompulsory expenditure (NCE) amount to 419 MECU in commitment appropriations and 325 MECU in payment appropriations compared with the draft budget established by the Council in July 1982.

In the case of the most important NCE items in this draft budget, the Council reached agreement on the following increases in commitment appropriations compared with the draft budget established by the Council in July 1982:

European Social Fund:	+	248.5	MECU
European Regional Development Fund:	+	100	**
Aid to the non-associated developing countries:	+	20	11
Esprit programme:	+	11.5	11
Hunger in the world:	+	10	11
Energy:	+	5	"
Transport:	+	5	"

The draft budget thus modified will be forwarded to the European Parliament for discussion at its next part-session, from 13 to 17 December in Strasbourg.

11211 e/82 (Presse 175) lds/CH/el

Bruxelles, le 19 novembre 1982 Note Bio(82)493 aux Bureaux Nationaux cc : aux Membres du Groupe du Porte-Parole Preparation Conseil Budget (R. Elphick)

Les ministres responsables pour le budget commenceront leur deuxieme lecture du projet budget 1983 lundi matin. La reunion du Conseil proprement dit, sera precedee par la rencontre habituelle a ce stade de la procedure budgetaire entre le Conseil et une delegation du Parlement, apres quoi le Conseil devrait definitivement fixer le niveau des depenses obligatoires et reexaminer les propositions du Parlement en ce qui concerne les depenses non obligatoires. La deuxieme lecture du budget par le Parlement aura lieu, selon le calendrier etabli dans les Traites, lors de la prochaine seance pleniere a Strasbourg en decembre. J'attire votre attention sur le memo no. 123 rassemblant quelques tableaux utiles qui montre l'evolution de la Commission jusqu'a present.

Amities

M. Santarelli Comeur////

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Bruxelles le 22 novembre 1982 Note BIO (82) 493 suite l aux Bureaux nationaux cc aux Membres du Groupe

Budget Council

Ministers began their second reading of the 1983 Community budget today with a restricted session after which they received a delegation from the European Parliament, led by its President Mr. Piet Dankert, for the traditional conciliation meeting. Council chairman Mr. Moeller told the parliamentarians that he could not promise too much. All governments and institutions had to pursue a policy of monetary restraint to face up to the crisis. Both delegations agreed there was a crisis to be faced up to and both agreed that priorities had to be given to the fight against unemployment and hunger in the world. It was the method which divided them. Mr. Dankert said that Parliament wanted an agreed budget by the end of the year but the Council had to show flexibility by accepting increase in the social and regioanl funds in particular. Later today the Council gets down to an examination of the budget proper line by line during which time Ministers will also be discussing what new latitude they will offer the Parliament who take their second reading in December.

More later as developments justify.

Robert Elphick comeur 14h30////

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WR: Pl Berl. 1/10 Note Bio Bruxelles, le 23 novembre 1982 Note Bio (82) 493 (suite 2 et fin) aux bureaux nationaux cc/ aux membres du Groupe du Porte Parole

Conseil Budget du 22 novembre 1982 (R. Elphick)

The Council spent much of its time in restricted session but towards half past midnight agreement emerged on a compromise put forward by the Presidency. This offered an increase on the Council's original draft budget of 419.2 mecu for commitments and 324.8 mecu for payments. Most significant increases were for 100 mecu extra for the regional fund on commitments and 30 mecu for payments. For the social fund the increases offered to the Parliament were for 248.5 mecu commitments and 192 mecu payments. For energy, a disappointing sector from the Commission's point of view, increases were scarecely more than taken at five mecu extra on commitments and one million ecu more for payments. For the esprit project increases were for 11.5 mecu commitments and 7.5 mecu on payments; for transport five mecu and ten mecu. Cooperation with non associated developing countries received an extra 20 mecu commitments and ten mecu on payments. Finally, the hunger in the world campaign was endorsed by a further ten mecu each for commitments and payments.

Several delegations expressed the concern that this scale of generosity would be insufficient to bring about an agreement forthwith with the Parliament and there was a definite risk of a disputed budget once again. (The extras amount to a sum above what the Council sees as the maximum rate of increase byt only about half way towards the level calculated <sup>1</sup> y the Commission and Parliament.)

For the Commission Mr. Tugendhat said he would have preferred to see much bigger sums accorded the energy projects among others but he was impressed by the willingsness of delegations to adjust their positions and make sacrifices. He thought the result was the best deal that could have been obtained on that occasion. He pointed out there was still a month to go before the budgetary process was completed and he hoped there could be improvements.

Amities, M. Santarell comeur ////

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