

European Communities

EUROPEAN PARLIAMENT

Working Documents

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DOCUMENT 1-896/83

Report

drawn up on behalf of the Committee on Budgets

on Section II - COUNCIL - of the draft
general budget of the European Communities for the
financial year 1984 (Doc. 1-800/83)

Rapporteur: Mr G. PFENNIG

PE 86.763/fin.



On 29 November 1982 the Committee on Budgets appointed Mr PFENNIG rapporteur on Section II - Council - of the draft general budget of the European Communities for the financial year 1984.

At its meeting of 17 October 1983 it adopted the following motion for a resolution with 19 votes in favour and one abstention.

The following were present at the time of the vote: Mr Lange, chairman; Mr Notenboom, first vice-chairman; Mrs Barbarella, second vice-chairman; Mr Pfennig, rapporteur; Mr Abens, Mr Arndt, Mr Balfour, Mr Barbagli, Mrs Boserup, Mr Chanterie (deputizing for Mr Konrad Schön), Lord Douro, Mr Kellett-Bowman, Mr Key (deputizing for Mr Fich), Mr Langes, Mrs Nebout, Mr Newton Dunn, Mr Kalliopi Nikolaou, Mr O'Mahony, Mr Saby and Mr Simonnet.

The report was tabled on 19 October 1983.

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The Committee on Budgets hereby submits to the European Parliament the following motion for a resolution together with explanatory statement:

MOTION FOR A RESOLUTION

on Section II ' Council' of the draft general budget of the European Communities for the financial year 1984

The European Parliament,

- having regard to the draft general budget drawn up by the Council for the 1984 financial year, Section II - Council - and the accompanying explanatory memorandum (Doc. 1-800/83),
 - having regard to the report of the Committee on Budgets (Doc. 1-896/83),
1. Approves the draft budget for Section II - Council -, with a total volume of 112,138,420 ECU representing an increase over the previous year of some 4.9%;
 2. Urges the Council to adopt the standard format for remarks on certain budget items proposed for the budgets of the other institutions with a view to greater transparency; similarly asks the Council to consider whether it can as a matter of principle also agree to deleting the contingency reserve (Chapter 101).

EXPLANATORY STATEMENT1. General considerations

The rate of increase in the total Council budget over recent years has been as follows:

| | |
|--|------|
| from 1980 to 1981 | 3.6% |
| from 1981 to 1982 | 6.2% |
| from 1982 to 1983 | 9.5% |
| increase planned from 1983 to 1984 (preliminary draft 9.7%) | 4.9% |

Against this it should be noted that in 1980, 1981 and 1982 the short-fall in expenditure has been as much as 9.6 m ECU.

Expressed as a percentage this represents surplus appropriations

| |
|-------------------|
| in 1980 of 10.9% |
| in 1981 of 5.15% |
| in 1982 of 6.75%. |

2. Comments

The Committee on Budgets was pleased to note that the Council had also exercised the utmost stringency in drawing up its own budget.

As regards cuts in individual budget items, particularly the items in Chapters 11 and 12, it will be observed that the reductions here have been the lowest of all institutions (according to the Council's own figures: 3% in Chapter 11 and 2% in Chapter 12). The evident cuts as compared with the preliminary draft are, however, lower. But it must be conceded that, like the European Parliament, the Council had clearly made significant cuts even before drawing up the preliminary draft. Moreover, the relatively small cuts can be justified by the fact that the percentage of non-used appropriations in 1982 was the lowest of all the institutions and to this extent the Council budget, based on the actual expenditure of 1982, appears to have the least 'padding'.

The Committee on Budgets nevertheless feels it should make a number of critical observations on the Council budget:

- Article 120 'Miscellaneous expenditure on staff recruitment'

Unlike the other institutions, particularly the Economic and Social Committee, the Council apparently does not take part in the joint competitions for the institutions. One wonders if such participation might not reduce considerably these costs which are relatively high despite the fact that the establishment has not changed.

- Article 208 'Other expenditure preliminary to the construction of buildings or to the acquisition of immovable property'

Article 260 'Limited consultations, studies and surveys'

The Council remarks on the Commission preliminary draft of Chapter 26 as follows: 'The Council was concerned at the increase in appropriations for studies in recent years. It wondered how useful some of these studies were. It also felt that some other studies should be carried out by Commission officials.'¹

It might be argued that these remarks equally apply to the Council budget: Article 208 in the Council budget represents an increase of 25% compared with 1982; expenditure since 1981 for experts' contributions to the studies on the new Council building either carried out or planned, amounts, with the 1984 appropriations, to 1,187,300 ECU!

Article 260 represents a rate of increase compared with 1982 of 438%. Of this, 57,000 ECU or some 81% of the overall amount of 70,000 ECU is also for fees for architects and experts, i.e. similar expenditure as under Article 208.

¹ Volume 7, Explanatory Memorandum from the Council to the draft general budget, p. 32

