

COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT

PRESS RELEASE

7451/91 (Presse 132)

1510th Council meeting

- Budget -

Brussels, 25 July 1991

President: Mr Piet DANKERT

State Secretary for Foreign Affairs
of the Kingdom of the Netherlands

25.VII.91

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

Belgium

Mr H. SCHILTZ
Deputy Prime Minister,
Minister for the Budget and for
Science Policy

Denmark

Mr Jørgen ØRSTRØM MØLLER
State Secretary,
Ministry of Foreign Affairs

Germany

Mr Horst KÖHLER
State Secretary, Federal Ministry
of Finance

Greece

Mr Ioannis PALAIOKRASSAS
Minister for Finance

Spain

Mr Antonio ZABALZA MARTI
State Secretary for Finance

France

Mr Michel CHARASSE
Minister for Economic Affairs,
Finance and the Budget, with responsibility
for the Budget

Ireland

Mrs Máire GEOGHEGAN-QUINN
Minister of State with special
responsibility for EEC matters

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Italy

Mr Emilio RUBBI

State Secretary for the Treasury

Luxembourg

Mr Jean-Claude JUNCKER

Minister for the Budget

Netherlands

Mr Piet DANKERT

State Secretary for Foreign Affairs

Portugal

Mrs Maria Manuela FERREIRA LEITE

State Secretary for the Budget

United Kingdom

Mr Francis MAUDE

Financial Secretary to the Treasury

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Commission

Mr Antonio CARDOSO E CUNHA

Member

Mr Peter SCHMIDHUBER

Member

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1. 1992 BUDGET PROCEDURE

Before embarking upon discussion of the preliminary draft general budget for 1992, the Council met a delegation from the European Parliament, headed by Mr CATHERWOOD, Vice-President of the European Parliament, and made up of Mr VON DER VRING, Chairman of the Committee on Budgets, Mr LAMASSOURE, 1st Vice-Chairman of the Committee on Budgets, Mr CORNELISSEN, 2nd Vice-Chairman of that Committee and Rapporteur on Section III of the budget, Mr WELSH, 3rd Vice-Chairman of that Committee, Mr TOMLINSON, Rapporteur on the budget for Sections I, II, IV and V, Mr COLOM I NAVAL, Mr LO GUIDICE, Mrs THEATO, Mr COCHET, Mr PASTY, Mr MIRANDA DA SILVA, Mrs NAPOLITANO and Mr BLOT, members of the Committee on Budgets, and Mr PRICE, Chairman of the Committee on Budgetary Control.

That meeting gave the Members of the European Parliament an opportunity to put forward their initial thoughts on the main issues arising from the budget for the financial year 1992 and to point to the European Parliament's own priorities.

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The Council went on to hold the first reading of the 1992 budget. Following its discussions, the Council established the draft budget for 1992, to be submitted to the European Parliament under the budget procedure.

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The main points in the draft are as follows:

AGGREGATE EXPENDITURE AS A RESULT OF THE COUNCIL'S DISCUSSIONS
(ECU million - provisional, rounded figures)

Appropriations for commitments (C/A)	65 606
Appropriations for payments (P/A)	62 407
including non-compulsory expenditure of:	
	C/A 27 058
	P/A 23 932

The breakdown of appropriations is as follows (ECU million - provisional, rounded figures):

	C/A	P/A
EAGGF Guarantee Section	35 008,0	35 008,0
Set-aside/income aid	280,0	280,0
Agricultural stock depreciation	810,0	810,0
Monetary reserve	1 000,0	1 000,0
Structural Funds	17 585,3	16 039,6
PEDIP (Specific Programme for Industrial Development in Portugal)	127,7	121,6
IMPs (Integrated Mediterranean Programmes)	466,9	302,4
Research (framework programme)	2 037,9	1 562,7
Other policies	5 085,6	4 077,2
incl.: Food aid	518,0	552,7
Aid to Latin America and Asia	553,9	349,0
Mediterranean	397,7	280,3
Central/Eastern Europe	1 025,0	570,0
USSR	400,0	320,0
Administration - Commission	1 908,9	1 908,9
- Other institutions	1 023,1	1 023,1
Refunds to Member States	82,0	82,0

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With regard to external aid in various parts of the world, the Council was concerned to continue action already undertaken in the preceding financial year:

In particular, it entered substantial appropriations (ECU 992 million in c/a and ECU 537 million in p/a) for aid for economic restructuring in Central and East European countries (the PHARE programme), also taking into consideration the possible extension of that programme to other East European recipient countries.

For technical assistance to the Soviet Union, begun in 1991 following the Rome European Council meeting, the Council entered appropriations of ECU 400 million in c/a and ECU 320 million in p/a.

In addition, in the interests of enabling the Community to continue to contribute effectively in the event of disasters, the Council earmarked substantial funds for:

- Food aid

(adjusting the Title in question by entering ECU 100 million in c/a and ECU 43 million in p/a in the "exceptional reserve");

- humanitarian aid

(providing this budget heading (B7-5000) with ECU 60 million in c/a and p/a).

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MOVE OUT OF THE BERLAYMONT BUILDING

With regard to the request for transfer No 16/91 in connection with the move out of the Berlaymont building, the Council gave a favourable opinion on a transfer of ECU 40 million within Part A of Section III of the general budget, to provide for pre-financing.

The agreement of the two arms of the budget authority was accompanied by a statement.

The budget authority also made the point that pre-financing was without prejudice to legal responsibilities or to the final breakdown between owner and tenant of the costs entailed by operations to move out of the Berlaymont building.

MISCELLANEOUS DECISIONS

Relations with the OCT

The Council adopted the Decision on the association of the OCT with the European Economic Community, and the Representatives of the Governments of the Member States that on the arrangements for trade in ECSC products. The Decisions are to come into force on 1 August 1991 and will expire on 29 February 2000.

They form the framework for the association of the overseas countries and territories with the Community and apply to the territories coming under the French Republic, to the countries and territories coming under the United Kingdom, to the non-European countries coming under the Kingdom of the Netherlands and, apart from financial aid, to Greenland.

In view of the many similarities between the OCT and the ACP, the provisions applicable to the OCT continue to run broadly parallel to the ACP-EEC Convention of Lomé. The OCT will thus benefit from the improvements under the 4th Convention regarding financial and technical co-operation as well as STABEX and SYSMIN.

Financial aid for the OCT will amount to ECU 165 million over a 5-year period from 1 March 1990:

- ECU 140 million under the EDF: ECU 106,5 million in the form of grants, ECU 25 million in the form of STABEX transfers and ECU 2,5 million in the form of SYSMIN grants;
- ECU 25 million in EIB loans from its own resources.

For the financing of projects and programmes, ECU 86 million will be apportioned among the various OCT as follows:

- United Kingdom OCT: ECU 15,5 million;
- French OCT : ECU 40,2 million;
- Netherlands OCT : ECU 30,3 million,

with ECU 11,5 million going to regional projects and programmes.

ECU 6 million will be for interest rate subsidies and ECU 3 million for emergency and refugee aid.

On trade arrangements, the Decision makes significant improvements - also as regards the rules of origin - having regard to the specific nature of the OCT and their special relationship with the Community, based on the provisions of the Treaty of Rome and in particular Part Four of it.

Agricultural policy

The Council adopted the Regulation opening for 1991, as an autonomous measure, a special import quota for high-quality, fresh, chilled or frozen meat of boven animals falling within CN codes 0201 and 0202 as well as products falling within CN codes 0206 10 95 and 0206 29 91. The quota is for 11 430 tonnes at 20% duty.

European Year of Safety, Hygiene and Health at Work (1992)

Following agreement in the Social Affairs Council on 25 June 1991, the Council formally adopted the Decision on an action programme for the European Year of Safety, Hygiene and Health at Work (1992). The estimated amount required to implement the programme is ECU 12 million (see press release 7142/91 Presse 119).

ECSC

In response to the Commission communication of 28 June 1991 on the implementation of the plan to restructure the Italian public steel industry, the Council gave its assent, under Article 95 of the ECSC Treaty, to a draft Commission Decision amending the Commission Decisions of 23 December 1988 on the closure of some Italian steel plants and the timetable for the payment of restructuring aid.

Appointment

The Council replaced a member of the ECSC Consultative Committee, who had resigned.