COMMISSION OF THE EUROPEAN COMMUNITES

GENERAL BUDGET FOR 1981 SECTION III - COMMISSION COM(81) 241 final

Brussels, 7th May 1981

TRANSFER OF APPROPRIATIONS No. 10/81 (non-compulsory expenditure)

GENERAL BUDGET FOR 1981 SECTION III - COMMISSION

TRANSFER OF APPROPRIATIONS NO 10/81 (Non-compulsory expenditure)

FROM CHAPTER 100 - PROVISIONAL APPROPRIATIONS

TO CHAPTER 26 - EXPENDITURE ON STUDIES, SURVEYS AND CONSULTATIONS

Article 260 - Limited consultations, studies and surveys

1 000 000 ECU

The Financial Controller approved this proposal on 5 May 1981 in accordance with Article 21(4) of the Financial Regulation and certified that appropriations are available.

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GROUNDS

- 1. Following an amendment introduced by Parliament in the context of the 1981 budget procedure, a sum of 1 000 000 ECU proposed for Article 260 in the draft budget was entered in Chapter 100. For this reason appropriations must now be transferred to Article 260.
- 2. On 4 March 1981 the Commission presented an appropriation transfer request (No 2/81) which involved, inter alia, the transfer of 1 000 000 ECU from Chapter 100 to Article 260 for the purpose of financing studies.

By letter dated 10 April 1981 Parliament's Secretary-General informed the President of the Council that the Committee on Budgets had not authorized the transfer. He indicated that the request could be reexamined if the Commission were to present it again, taking the Committee's comments into account.

The present appropriation transfer request attempts to meet the Committee's requirements.

3. The appropriations in question are earmarked, by definition, for the financing of consultations, studies and surveys, and in particular specialized studies conducted by highly-qualified experts under contract in areas where Commission staff are unable to cope.

In short the appropriations are an endowment given the Commission to enable it to attain certain objectives. An analysis of the utilization of Article 260 appropriations reveals that they were channelled to four main areas:

- I. Studies and surveys allowing the Commission (as guardian of the Treaties) to monitor compliance with Community law,
- II. Studies and surveys conducted to comply with a Community requirement.
- III. Studies and surveys conducted to honour commitments entered into by the Commission.
- IV. Collection of economic, technical and scientific data required for the preparation of proposals for regulations, decisions or directives.

Examples of studies or surveys in each of these categories conducted in 1979 and 1980 are given below.

- I. Monitoring compliance with Community law
 - (a) Statistical analysis of IBM's market position.

Priority action : investigation of the IBM dossier called for a study on user practice.

Calling for : interrogation of more than 1 000 users of EDP equipment by telephone or by letter, a task which Commission departments were unable to handle.

Cost : 9 682 ECU

(b) Study on the parallel application of Community and national competition laws

Priority action: a number of recent cases and the implementation of certain decisions adopted in application of Article 85(3) EEC have demonstrated that the parallel application of Community and national law can give rise to disputes, notably in relation to the assessment of joint undertakings and selective distribution. The study could lead to the drafting of Community rules governing the relationship between a decision in application of Article 85(3) EEC and stricter national laws.

Calling for: a thorough knowledge of the specific features of each body of law and the attitudes of each national legislature and judiciary to the relationship between Community and national law.

Cost : 29 592 ECU

(c) Periodic reports on the application of Community provisions on free movement of workers, national immigration policies and associated problems.

<u>Priority action</u>: these reports help Commission departments to discharge their duties under the Treaty and regulations on free movement to the full (opening of infringement files where appropriate).

<u>Calling for</u>: the setting up of a network of national correspondants supplying the Commission's departments with continuous information in this field — a task which could only be carried out by the Commission's departments at a much higher cost in terms of time and travelling expenses.

Cost : 12 930 ECU

Compliance with a Community requirement

(a) Studies on the social situation in the Member States.

Priority action: Article 122 EEC requires the Commission to make an annual report to Parliament on the social situation in the Community, giving the facts and figures (employment, vocational training, industrial relations, labour law, working conditions, earnings, social services and family affairs) and commenting on the main developments in each country.

These studies allow the Commission to perform its information function vis-à-vis Parliament, the other Community institutions, governments, employers' and workers' organizations, the press, and educational and research circles. The Commission uses the main developments in the Member States as a basis for social policy projections.

Calling for: recourse to experts and research institutes in each of the Member States, given the complexity and diversity of national developments.

Cost : 41 440 ECU (in 1980)

(b) Education of handicapped children.

Priority action: a resolution adopted by the Council and the Education Ministers urged the Commission to promote equal opportunity in education systems. This was one of the priority themes of the Commission's programme for 1980. The study will enable the Commission to supplement its proposal for an action programme to be submitted to the Council in 1981, the Year of the Handicapped. The section of the study devoted to the impact of micro-processors on the education of handicapped children flows from the Commission's decision to implement the projects set out in "New information technologies — A Community response".

<u>Calling for</u>: considerable expertize in a technical field not covered within the Commission.

Cost : 22 800 ECU

III. Honouring of commitments entered into by the Commission

(a) Analysis by level III region of manning in the textile and clothing industries (level III region = Kreis in Germany, Département in France, county in the United Kingdom ...).

<u>Priority action</u>: the Council and the Commission consider assessment of the regional impact of common policies to be essential to a thorough understanding of the position of individual industries at regional level. This analysis will enable it to formulate the specific projects which will be needed, beginning with the crisis-ridden textile industry.

Calling for : a wider knowledge of level III regions than is available within the Commission.

Cost : 24 903 ECU

(b) Analysis of the use made of generalized preferences and recommendations for the system after 1980.

Priority action: the Community is committed to continuing its generalized preferences system after 1980. If its departments are to produce proposals on its form and content after 1980 they need an overall view of how the system worked during the first decade and suggestions for revision of the list of beneficiary countries and present quantitative limitations.

<u>Calling for</u>: the assistance of experts from an outside institute; this solution will cost less than the organization of an in-house study.

<u>Cost</u> : 20 846 ECU

(c) A study of the law applicable to the relationship between the Member States' competent authorities and the economic agents concerning the recovery of debts and the granting of Community aid, with particular reference to the Common Agricultural Policy.

Priority action: the difficulties in this context have attracted the Council's attention which, in October 1978, agreed to study this problem. The application of the CAP as well as the recovery of customs duties occurs within the administrative system and according to the rules of procedure of the Member States. The difference between these rules creates distortions among the economic agents and hampers recovery of unduly paid sums. The study is to produce an exact knowledge of the rules applicable enabling the Commission together with the Member States to overcome these difficulties and to pave the way towards a future approximation of legislation.

<u>Calling for</u>: the intervention of a university institute in view of the breadth of this study of comparative law.

<u>Cost</u>: 40 750 ECU (over two years - 1979 and 1980)

IV. Collection of economic and scientific data

(a) Eurolink project.

Priority action: the knowledge acquired will help to promote convergence of economic policies. This research will attempt to establish a link between models for Community countries and models for the main non-European countries (USA, Japan and Canada). The findings will be used to test the effects of economic policy measures taken by these countries on the Community. They will make it possible to formulate economic and monetary policy guidelines.

<u>Calling for</u>: basic research requiring expertize in specializations which need to be developed within the Commission.

Cost : 60 000 ECU (in 1980)

(b) Factors influencing location in Europe - FLEUR project.

Priority action: the purpose of this study is to build a dynamic inter-sectoral (70 industries), interregional (100 regions) model which will make it possible to identify, in terms of employment, the role played by various factors (transport, property market, urbanization, labour market, regional policy) in the location of industry.

The study should make it possible to integrate concrete approaches to regional economies into a coherent whole, essentially in terms of employment, to analyse economic and social change in the regions, and to assess the regional impact of various Community policies.

<u>Calling for</u>: the services of a team of highly-qualified specialists with extensive experience of model building.

Cost : 90 000 ECU (in 1980)

(c) Economic and social situation in and outlook for the fishing industry in the northern region of the United Kingdom.

Priority action: this study fits into the guideline defined by the Council. On the basis of a precise inventory of the present situation the study will analyse the economic and social impact of the 200-mile limit on the fishing industry in the northern region of the United Kingdom. The study should make it possible to define the prospects for the industry in the regional context, in terms of production and processing, and to assess alternative economic activities and employment opportunities in the region in question.

<u>Calling for</u>: recourse to highly-qualified experts with a wide knowledge of the fishing industry to carry out a field study and in-depth analysis.

Cost : 35 000 ECU

- 3. It is clear from these examples that the appropriations in question are drawn on by Commission departments to obtain, by a short deadline, the information they need to back up policies that the Commission wants to consider, propose or put into practice in line with its priorities for a given year.
- 4. The Commission therefore requests the budgetary authority to approve the transfer to Article 260 of the 1 000 000 ECU entered in Chapter 100 for limited consultations, studies and surveys.