


Procedure file

Basic information		
BUD - Budgetary procedure	1998/2175(BUD)	Procedure completed
1999 budget: other sections		
Subject 8.70.60 Previous annual budgets		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	BUDG Budgets		19/01/1998
		PPE VIOLA Vincenzo	
	Former committee responsible		19/01/1998
	BUDG Budgets	PPE VIOLA Vincenzo	
			19/01/1998
	BUDG Budgets	PPE VIOLA Vincenzo	
Former committee for opinion		25/02/1998	
JURI Legal Affairs, Citizens' Rights	UPE JANSSEN VAN RAAY James L.		
PECH Fisheries			
PETI Petitions		05/02/1998	
	PSE SCHMIDBAUER Barbara		
Council of the European Union	Council configuration	Meeting	Date
	Budget	2150	08/12/1998
	Budget	2138	24/11/1998
	Economic and Financial Affairs ECOFIN	2136	23/11/1998

Key events			
18/03/1998	Vote in committee		
18/03/1998	Preparatory budgetary report tabled for plenary	A4-0099/1998	
01/04/1998	Debate in Parliament		
02/04/1998	Decision by Parliament	T4-0203/1998	

30/05/1998	Commission preliminary draft budget published	SEC(1998)0800	Summary
09/09/1998	Council draft budget published	10544/1998	Summary
09/09/1998	Formal reconsultation of Parliament		
13/10/1998	Vote in committee		Summary
13/10/1998	Budgetary report tabled for plenary	A4-0361/1998	
20/10/1998	Debate in Parliament		
22/10/1998	Decision by Parliament	T4-0615/1998	Summary
23/11/1998	Debate in Council	2136	
24/11/1998	Amended budget adopted by Council		
24/11/1998	Council amended draft budget published	13403/1998	Summary
08/12/1998	Debate in Council	2150	
08/12/1998	Vote in committee, 2nd reading		
08/12/1998	Budgetary report tabled for plenary, 2nd reading	A4-0500/1998	
14/12/1998	Committee referral announced in Parliament, 2nd reading		
15/12/1998	Debate in Parliament		
17/12/1998	Decision by Parliament, 2nd reading	T4-0749/1998	Summary
17/12/1998	End of procedure in Parliament		
12/02/1999	Final act published in Official Journal		

Technical information

Procedure reference	1998/2175(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Budget
Legal basis	EC before Amsterdam E 203; ECSC Treaty C 078; Euratom Treaty A 177
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/4/10653; BUDG/4/09891

Documentation gateway

Preparatory budgetary report tabled for plenary	A4-0099/1998 OJ C 138 04.05.1998, p. 0005	18/03/1998	EP	
Parliament's opinion on budgetary estimates/guidelines	T4-0203/1998 OJ C 138 04.05.1998, p. 0138-0153	02/04/1998	EP	
Commission preliminary draft budget	SEC(1998)0800	30/05/1998	EC	Summary
Council draft budget	10544/1998	09/09/1998	CSL	Summary
Budgetary report tabled for plenary, 1st reading	A4-0361/1998	13/10/1998	EP	

		OJ C 341 09.11.1998, p. 0002			
Budgetary text adopted by Parliament		T4-0615/1998 OJ C 341 09.11.1998, p. 0100-0118	22/10/1998	EP	Summary
Council amended draft budget		13403/1998	24/11/1998	CSL	Summary
Budgetary report tabled for plenary, 2nd reading		A4-0500/1998 OJ C 098 09.04.1999, p. 0006	08/12/1998	EP	
Final budget adopted by Parliament		T4-0749/1998 OJ C 098 09.04.1999, p. 0193-0212	17/12/1998	EP	Summary

Final act

[Budget 1999/105](#)
[OJ L 039 12.02.1999, p. 0001](#)

1999 budget: other sections

OBJECTIVE: To submit the preliminary draft budget of the Communities for the 1999 financial year - other sections. SUBSTANCE: There is a ceiling of EUR 4435 m on administrative and human resources expenditure in the projected budget for 1999 - a very slight increase on the 1998 budget (1.88%). As regards human resources, the Commission asks only for the last batch of 110 posts for officials in connection with the last enlargement. The PDB stresses the extreme strictness with which the Commission has made its choices regarding staffing, making every effort to link resources to the degree of political priority of the operations for which the staff have been requested. In this connection the main priorities for allocating resources are the impact of the accession negotiations, consolidation of the internal market, restructuring of the external relations DGs, WTO dispute settlement, strengthening of DG XXIV and development of 'third-pillar' activities following the Amsterdam Treaty (communitisation of Schengen). Operating appropriations are increased by a moderate amount (+1.3%) on 1998, the absolute figure being EUR 2407 m excluding pensions. Pensions for all the institutions increase by 6.7%. Operating expenditure (buildings etc) has been reduced by 2% thanks to the renegotiation of leases, investment in 1997 and the reduction of voice telephony tariffs. ¿

1999 budget: other sections

OBJECTIVE: presentation of the 'other sections' of the budget for 1999 as drawn up by the Council. SUBSTANCE: The Council set the total administrative appropriations for all the institutions (including the European Parliament and the Ombudsman) at EUR 4422 m, an increase of EUR 69 m or + 1.58% in relation to the allocations for 1998. The basic principle underlying the draft budget was that it should be subject to the same degree of discipline as that which the Member States were imposing on themselves. The application of this principle resulted in only a limited increase in overall expenditure and a refusal to create jobs except where certain requirements associated with enlargement or the implementation of the Amsterdam Treaty were concerned. More specifically, the Council granted the Commission 110 additional posts in connection with the last enlargement. It also agreed that 71 posts should be created at the Council to integrate the 'Schengen' secretariat and 22 posts (including 17 temporary) for the CFSP Policy Planning and Early Warning Unit (UPP). It also accepted the creation of 10 translator posts in the budget of the Court of Justice. The Council carried out a limited regrading/transformation of certain posts at the Council, Commission, Official Publications Office and other Community institutions. ?

1999 budget: other sections

The Committee agreed its position on the budgets of the EP and the other institutions (outside the general budget - Commission). In the resolution by Vincenzo VIOLA (PPE, I), the committee confirms the austerity approach and, in general terms, the policy of a freeze on staff numbers. All the institutions are invited to adopt the necessary internal rules to ensure the correct execution of their budgets for the year 2000. The draft EP budget submitted for adoption in plenary totals EUR 923.77 m. The committee calls on the political authorities, in the run-up to the implementation of the Treaty of Amsterdam, to submit proposals by the end of 1998 for the rationalisation of the structures and competences of the committees, with a view to reducing the number of parliamentary bodies and concentrating Parliament's work on legislative and budgetary matters. The plenary will be asked to take a position on this. Still to be resolved is the problem of Members' travel and subsistence allowances. The committee is awaiting the proposals for new rules on this from the Bureau, which are due to be forwarded to it on 19 October in Strasbourg. It will then integrate them into the budget for adoption in plenary. On the matter of property policy, the resolution confirms that the Belliard I and II buildings will now be occupied by the Economic and Social Committee and the Committee of the Regions. ?

1999 budget: other sections

Adopting the report by Mr Vicenzo (EPP, I), Parliament approved the Community's 'other Institutions' budget. These are rigorous budgets for

each of the Institutions concerned but which take account of some inevitable changes such as the increase in staff, expenditure on pensions and the increase in the Ombudsman's activities. The Institutions' total administrative expenditure is EUR 4 bn 710 m. Parliament's budget is EUR 927.25 m (up 1.7%). In this context, a new chapter of expenditure covers parliamentary assistants and priority is given to information technology and the European elections in June 1999 (EUR 17 m, a figure which corresponds to the average increase in expenditure in relation to other election years). With regard to the controversial question of Members' travel expenses, Parliament has decided to abide by its Bureau's decision of 19 October 1998. With regard to staffing, 10 new temporary posts will be created, five of them in the areas concerned with enlargement. EUR 2.95 m will be earmarked for information technology and telecommunications. With regard to the Ombudsman, Parliament advocates that temporary post be converted to permanent posts. It approves the creation of additional posts for the Court of Justice. With regard to the Court of Auditors, it approves funding over five years for extending the Court of Auditors' building. With regard to the Economic and Social Committee and Committee of the Regions, the Amsterdam Treaty will abolish their common organisational structure and these two Institutions will have to manage their own budgets. The ESC and the Committee of the Regions will occupy the Belliard I and Belliard II buildings. ?

1999 budget: other sections

On 24 November 1998, the Council held its second reading of the draft budget of the Communities for 1999 ('other sections'). In the case of administrative expenditure, the Council did not alter any of Parliament's measures relating to its own section of the budget. Nor did it alter those of the Court of Justice, the Court of Auditors, the Economic and Social Committee or the Committee of the Regions. However, it altered Part A of the section relating to the Commission. It reinstated its draft budget as proposed at first reading, except as regards the amendments relating to lines A-7030 and A-7033 on committee meetings. As regards the increase of EUR 50 m in the appropriations on line A-7000 (auxiliary staff) following the reduction in expenditure on research, meetings of experts, information and publications ('technical assistance office' expenditure), the Council reinstated the amount it had proposed at first reading. The Council did not accept Parliament's proposal concerning payment of arrears of pension contributions.?

1999 budget: other sections

The European Parliament adopted the Community's "other sections" budget at second reading. This budget also meets the criterion of a rigorous budget demanded of the Community's general budget. It noted with satisfaction that, apart from the amendments made by Parliament to its own budget, and to that of the Ombudsman, for the second time the Council has endorsed Parliament's first reading of the draft budget without amendment. Finally, it again underscored the vital need for Community institutions to take on ownership of the buildings used, since this would entail major savings for future Union budgets.?