




# Procedure file

Basic information		
BUD - Budgetary procedure	1998/2187(BUD)	Procedure completed
2000 budget : other sections		
Subject 8.70.60 Previous annual budgets		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>BUDG</b> Budgets		13/10/1998
		ELDR <a href="#">VIRRANKOSKI Kyösti</a>	13/10/1998
		PPE <a href="#">BOURLANGES Jean-Louis</a>	
	Former committee responsible		
	<b>BUDG</b> Budgets		28/07/1999
		ELDR <a href="#">VIRRANKOSKI Kyösti</a>	
	<b>BUDG</b> Budgets		13/10/1998
		V <a href="#">MÜLLER Edith</a>	
	Former committee for opinion		
<b>ECON</b> Economic and Monetary Affairs	The committee decided not to give an opinion.		
<b>JURI</b> Legal Affairs and Internal Market	The committee decided not to give an opinion.		
<b>PETI</b> Petitions			
Council of the European Union	Council configuration	Meeting	Date
	Budget	<a href="#">2223</a>	26/11/1999
	<a href="#">Environment</a>	<a href="#">2207</a>	12/10/1999

Key events			
17/03/1999	Vote in committee		Summary
17/03/1999	Preparatory budgetary report tabled for plenary	<a href="#">A4-0120/1999</a>	
23/03/1999	Debate in Parliament		
23/03/1999	Decision by Parliament	T4-0218/1999	Summary

28/04/1999	Commission preliminary draft budget published	SEC(1999)0600	Summary
14/09/1999	Council draft budget published	<a href="#">09928/1999</a>	Summary
12/10/1999	Debate in Council	<a href="#">2207</a>	
14/10/1999	Vote in committee		Summary
14/10/1999	Budgetary report tabled for plenary	<a href="#">A5-0031/1999</a>	
26/10/1999	Debate in Parliament		
28/10/1999	Decision by Parliament	<a href="#">T5-0077/1999</a>	Summary
26/11/1999	Amended budget adopted by Council		
26/11/1999	Council amended draft budget published	<a href="#">13476/1999</a>	
07/12/1999	Vote in committee, 2nd reading		Summary
07/12/1999	Budgetary report tabled for plenary, 2nd reading	<a href="#">A5-0095/1999</a>	
13/12/1999	Committee referral announced in Parliament, 2nd reading		
14/12/1999	Debate in Parliament		
16/12/1999	Decision by Parliament, 2nd reading	<a href="#">T5-0179/1999</a>	Summary
16/12/1999	End of procedure in Parliament		
14/02/2000	Final act published in Official Journal		

### Technical information

Procedure reference	1998/2187(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Budget
Legal basis	Euratom Treaty A 177; EC Treaty (after Amsterdam) EC 272; ECSC Treaty C 078
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/4/10857; BUDG/4/10856

### Documentation gateway

Preparatory budgetary report tabled for plenary	<a href="#">A4-0120/1999</a> <a href="#">OJ C 177 22.06.1999, p. 0003</a>	17/03/1999	EP	
Parliament's opinion on budgetary estimates/guidelines	T4-0218/1999 <a href="#">OJ C 177 22.06.1999, p. 0012-0044</a>	23/03/1999	EP	Summary
Commission preliminary draft budget	SEC(1999)0600	28/04/1999	EC	Summary
Council draft budget	<a href="#">09928/1999</a>	14/09/1999	CSL	Summary
Amending/supplementary letter on draft budget	<a href="#">11568/1999</a>	29/09/1999	CSL	Summary
Budgetary report tabled for plenary, 1st reading	<a href="#">A5-0031/1999</a> <a href="#">OJ C 154 05.06.2000, p. 0006</a>	14/10/1999	EP	

Budgetary text adopted by Parliament	<a href="#">T5-0077/1999</a> <a href="#">OJ C 154 05.06.2000, p. 0069-0117</a>	28/10/1999	EP	Summary
Council amended draft budget	<a href="#">13476/1999</a>	26/11/1999	CSL	
Budgetary report tabled for plenary, 2nd reading	<a href="#">A5-0095/1999</a> <a href="#">OJ C 296 18.10.2000, p. 0018</a>	07/12/1999	EP	
Final budget adopted by Parliament	<a href="#">T5-0179/1999</a> <a href="#">OJ C 296 18.10.2000, p. 0135-0195</a>	16/12/1999	EP	Summary

## Final act

[Budget 2000/81](#)  
[OJ L 040 14.02.2000, p. 0001](#)

## 2000 budget : other sections

The report was adopted by the Committee. Ms MÜLLER's report on the budgets of the other institutions stresses that these must, in the medium term, make preparations with a view to enlargement. Transparency, mobility and constantly improving professional standards are identified as the ways to ensure increased efficiency. The report restates the need for interinstitutional cooperation, which it says has proved its worth, and calls for a consistent and concerted property policy between the institutions. As regards Parliament in particular, the report calls on the Council to approve as swiftly as possible the proposal for a Statute for Members of the European Parliament put forward by the EP itself.

## 2000 budget : other sections

The Parliament adopted the resolution drafted by Ms. Edith MÜLLER (D, Greens) concerning the budgets of Institutions other than the Commission. The resolution includes a call on Council to approve a common statute for MEPs and MEPs' assistants.?

## 2000 budget : other sections

PURPOSE: presentation of the preliminary draft budget of the European Communities for the financial year 2000 (other sections). Given the limited margin of manoeuvre available for administrative expenditure under the ceilings agreed at the Berlin European Council, the Commission has decided not to ask for any new posts (including for the Fraud Prevention Office). It will be for the new Commission to make any additional requests if the negotiations finally result in a more generous financial framework in this area. For this heading, the amounts are limited to those fixed in the context of the financial perspectives : 4,638 million euros (2,491.2 million euros for the Commission). To comply with the ceiling laid down, the rate of increase for administrative appropriations has had to be confined to the absolute minimum necessary.?

## 2000 budget : other sections

The draft budget drawn up by the Council for administrative expenditure and the other Community institutions amounts to 4.664 billion euros for all the institutions (of which 1.635 billion euros for the other institutions, including the European Parliament and the Ombudsman). The margin provided by the Council's draft budget is 157 million euros and represents an increase of 3.6% in comparison with 1999. The draft budget covers the needs for new posts of all the institutions (including the Commission), it being understood that the possible new Statute for Members of the European Parliament should be financed in part from this allocation. In particular, it provides for 63 additional permanent posts for the Council (12), the Court of Justice (45) and the ESC/CoR (6). As far as the Commission is concerned, the request for new posts will be the subject of letters of amendment to the preliminary draft budget (see BUD982186). The Council refers to the difficulties encountered by the other institutions to not exceed the 1.9% increase allowed for by the Commission for current operating expenditure that result from the need to cover expenses linked to the imperative adaptation of salaries of their officials such as provided for in the existing provisions of the Statute. As a consequence, the Council asked the Commission to propose a text seeking to revise the Statute of officials with respect to the system of remunerations. This modification would also include a chapter dealing with the reform of the pensions system with a view to including savings measures. The Council has applied the principle of budgetary rigour to the budgets of the other institutions and applied the following principles for the drawing up of its draft budget: 1) limited growth in expenses with an unavoidable exception (entry into force of the Amsterdam Treaty, renewal of the mandate of the members of certain institutions); 2) limited creating of posts which would be focused on certain sectors following maximum redeployment; 3) refusal to convert or regrade in the name of careers policy; 4) keeping the standard rate of abatement at its current level. In the Council's draft budget, the creation of posts was offset as far as possible by a reduction in C posts in favour of A posts. Lastly, measures were taken to give certain tasks to external organisations and with a view to changing certain contracts of external advisers in temporary posts. As far as the OLAF (Community Anti-Fraud Office) is concerned, the Council decided to provide for the necessary staff via redeployment within part A of the budget on headings 1, 2, 5 and 7 of the Union's budget.?

## 2000 budget : other sections

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PURPOSE : to present a draft letter of amendment on budgetary provisions for the 2000 fiscal year (section II - the Council). CONTENTS : the Council's draft letter of amendment for the 2000 fiscal year is presented in order to deal with the supplementary needs that will ensue following the taking up of the post of Secretary General/High Representative (CFSP). In fact, at the time that the draft budget was drawn up and the amending and supplementary budget (ASB) 2/99 was approved by the Council, account was taken of the main budgetary needs that would arise from the implementation of the Treaty of Amsterdam (Schengen, UPP, Co-decision, Transparency, appointment of a Secretary General/High Representative, of a Deputy Secretary General and the establishment of their cabinets). However, because the appointments were only made on 04.06.1999, the exceptional and specific needs of the Secretary General/High Representative were not known and have only recently been formulated. The expenditure concerned : - the conversion of 3 A5 temporary posts to A3 posts for the new Planning and Rapid Alert Unit; - the putting in place of highly qualified bodyguards (8 guards plus a Team Leader) for the close protection of the High Representative; - the High Representative's mission expenses (which include flight and air-taxi trips); - the leasing of an armoured car. The total credits registered in this amending letter amounts to 1.147.000 euros.?

## 2000 budget : other sections

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The committee adopted a report by Mr Kyösti VIRRANKOSKI (ELDR, FIN) which called for a continuation of the budgetary rigour of recent years as regards staff numbers, apart from an increase in staff for the Court of Justice. It mentioned once again the need to improve interinstitutional cooperation. As regards Parliament in particular, the report called on the Council to resume negotiations with a view to finding a quick solution to the question of the draft statute for MEPs.

## 2000 budget : other sections

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The European Parliament adopted its resolution on the draft general budget of the EU for 2000 - Section I European Parliament - Ombudsman Annex, Section II Council - Section IV Court of Justice - Section V Court of Auditors - Section VI Economic and Social Committee and Committee of the Regions. The Rapporteur was Mr. Kyösti Tapio VIRRANKOSKI (ELDR, SF). It calls on the Secretary-Generals of the Parliament, Court of Auditors, Court of Justice, Economic and Social Committee and Committee of the Regions to present before 30/06/2000, a medium-term plan of their staff needs. It proposes that all, institutions in Luxembourg, in the context of expanding interinstitutional cooperation in the buildings sector, develop a global and coherent property policy approach. It intends to address more seriously the integration of environmental requirements in the administrations of the institutions and other bodies of the EU and calls on them to consider more carefully the durability of equipment to be purchased and the sustainability of working methods within the institutions and other bodies of the Community. The following cover the main amendments relating to the individual institutions/bodies: 1) European Parliament: creation of a number of posts relating to Parliament's premises and buildings, audiovisual service, Quaestors (fulltime contracts for secretaries), legal service, and regional information offices; 2) Court of Justice: the EP points out that the Court had requested 104 posts, many of them for the translation directorate, and that the Council authorised 4A, 30 LA, 7B and 4C posts. The EP's amendment seeks to create a further 2 A7, 1 B5 and 1 C5 posts; 3) Economic and Social Committee and the Committee of the Regions: the Parliament has decided, by means of an amendment, to split up the Joint Organisational Structure in line with the abolition of Protocol 16 of the Amsterdam Treaty; it has therefore amended the nomenclature, with Section VI now covering the ESC and a new Section VII the CoR. It has decided, by means of amendment, to allow for the creation of 2 temporary posts to monitor the refitting works at the Belliard buildings; it has decided, by means of amendments, to create 2 temporary A7 posts, 2 temporary B5 posts and 1 temporary C5 post at the CoR in order to help the political groups to cope with their increased workload. It has amended the establishment plan of the CoR to make the post of Secretary-General temporary in future, which is in line with the CoR's amended Rules of Procedure. The Parliament expressed its commitment to establishing a Statute for the Members of the European Parliament as soon as possible and called upon the Council and the Member States to reopen the discussion with Parliament towards this end.?

## 2000 budget : other sections

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The committee adopted the report by Jean-Louis BOURLANGES (EPP/ED, F) for Parliament's second reading on the 2000 budget. It put forward a solution which would provide funding for the four priorities highlighted by Parliament at first reading (Kosovo, the fisheries agreement with Morocco, aid for Turkey following the earthquake and East Timor) without breaking through the ceiling laid down in the Financial Perspective for external action. It proposed that the entire figure of EUR 4627m envisaged in the Interinstitutional Agreement (IIA) of 6 May be entered in the 2000 budget. This scenario would provide EUR 125m for the fisheries agreement with Morocco, EUR 30m in aid for Turkey (as against the EUR 50m advocated by Parliament at first reading) and EUR 20m (instead of 30m) for East Timor. It would also confirm the EUR 15m in preaccession aid for Cyprus and Malta. To provide this funding, the committee wanted to redeploy appropriations within Category 4. This would involve a combination of selective cuts in appropriations for certain external action headings (EUR 120m) and across-the-board cuts of around 1% (less than EUR 30m), which would not affect development cooperation. However, for reconstruction in Kosovo, instead of agreeing to the EUR 360m suggested by Council (much of which would come from cuts in other external action areas), the committee proposed that a supplementary and amending budget (SAB) be drawn up at a later date to find the necessary funding. This could be adopted in the spring after the Commission had made a proper appraisal of the medium-term requirements of Kosovo and the Balkans, and after negotiations had started on a revision of the Financial Perspective for Category 4 (external action). The 2000 budget would thus only include the funds needed for reconstruction in Kosovo the first 5 months of the year, i.e. EUR 115m. The committee's aim in revising the ceiling for Category 4 was to ensure that the amounts to be entered in the budget for measures in Kosovo (initially the 2000 budget but also subsequent ones up to the year 2006) were realistic and reasonable, based on accurate assessments and reflected an effort to plan the EU's contribution, while also taking account of financial burden-sharing among the various actors on the international stage. On the other major issue for Parliament in the 2000 budget procedure, namely the gradual abolition of the Technical Assistance Offices (TAOs), the committee welcomed the constructive response of the new Commission, which was willing to review its existing organisational set-up and, to a large extent, follow Parliament's recommendations. In the light of the acceptance of the separation between operating appropriations and administrative appropriations in order to ensure transparency (something which had also been accepted by Council), the committee proposed, for the second

budget reading, a transfer of 10% of the amounts earmarked for administrative expenditure in order to increase operating expenditure. Given its convergence of views with the Commission, it also wanted only 10% of the appropriations for administrative costs to be placed in reserve (at first reading Parliament had voted for 90% of these appropriations to be kept in reserve). ?

## 2000 budget : other sections

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In adopting the report by Mr Kyösti VIRRANKOSKI (ELDR, Fin), the European Parliament approved in its second reading the 2000 budget of the other institutions. The Parliament instructs the Secretary-General to adjust the new staff promotion policy to take account of the shortcomings noticed so far, in particular concerning promotion possibilities for the lowest grades in each category. It also considers that the new mobility policy for staff in the A grades is in principle a useful means of making Parliament's Secretariat more dynamic, but stresses that unless professional training in specialised areas such as the environment, transport and agriculture is stepped up, there will be huge loss of human capital. Therefore, it instructs the Secretary-General to submit a report by 31 March 2000 proposing the action intended to overcome this loss of human capital in the short and medium term. In addition, the Parliament emphatically underscores that the policy on mobility, promotion and assessment must form a coherent whole and insists that promotions, in particular of A1 and A2 grades, must be based strictly on professional performance and on personal and managerial skills. It expects its Secretary-General to submit a report by 31 March 2000 on the coherent implementation of mobility, promotion and assessment policy. Lastly, the Parliament is in favour of the continuation of the agreement between the Ombudsman and the Parliament on administrative, financial and logistic matters.?