

# Procedure file

Basic information		
CNS - Consultation procedure Regulation	<a href="#">1994/0024(CNS)</a>	Procedure completed
Financial regulation of the 21.12.1977 applicable to the EC budget: amending following EUT and EEA Agreement		
Subject 8.70.02 Financial regulations		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>BUDG</b> Budgets	ARE <a href="#">DELL'ALBA Gianfranco</a>	14/11/1995
Council of the European Union	Council configuration	Meeting	Date
	<a href="#">Economic and Financial Affairs ECOFIN</a>	<a href="#">1867</a>	18/09/1995

Key events			
02/09/1992	Legislative proposal published	<a href="#">COM(1992)0358</a>	Summary
26/10/1992	Committee referral announced in Parliament		
05/11/1993	Vote in committee		Summary
05/11/1993	Committee report tabled for plenary, 1st reading/single reading	<a href="#">A3-0342/1993</a>	
16/11/1993	Debate in Parliament		Summary
17/11/1993	Decision by Parliament	<a href="#">T3-0632/1993</a>	Summary
28/01/1994	Modified legislative proposal published	<a href="#">COM(1994)0014</a>	Summary
15/06/1995	Amended legislative proposal for reconsultation published	<a href="#">05110/1995</a>	
30/06/1995	Formal reconsultation of Parliament		
18/09/1995	Act adopted by Council after consultation of Parliament		
18/09/1995	End of procedure in Parliament		
07/10/1995	Final act published in Official Journal		
14/11/1995	Vote in committee		

14/11/1995	Committee report tabled for plenary, reconconsultation	<a href="#">A4-0284/1995</a>	
17/11/1995	Decision by Parliament	T4-0568/1995	Summary

### Technical information

Procedure reference	1994/0024(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Regulation
Legal basis	EC before Amsterdam E 209; Euratom Treaty A 183; ECSC Treaty C 078n
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/3/04185

### Documentation gateway

Legislative proposal	<a href="#">COM(1992)0358</a> <a href="#">OJ C 254 01.10.1992, p. 0005</a>	02/09/1992	EC	Summary
Committee report tabled for plenary, 1st reading/single reading	<a href="#">A3-0342/1993</a> <a href="#">OJ C 329 06.12.1993, p. 0005</a>	05/11/1993	EP	
Text adopted by Parliament, 1st reading/single reading	<a href="#">T3-0632/1993</a> <a href="#">OJ C 329 06.12.1993, p. 0088-0115</a>	17/11/1993	EP	Summary
Modified legislative proposal	<a href="#">COM(1994)0014</a> <a href="#">OJ C 056 24.02.1994, p. 0005</a>	28/01/1994	EC	Summary
Amended legislative proposal for reconconsultation	<a href="#">05110/1995</a>	15/06/1995	CSL	
Committee final report tabled for plenary, reconconsultation	<a href="#">A4-0284/1995</a> <a href="#">OJ C 323 04.12.1995, p. 0022</a>	14/11/1995	EP	
Text adopted by Parliament after reconconsultation	<a href="#">T4-0568/1995</a> <a href="#">OJ C 323 04.12.1995, p. 0141-0145</a>	17/11/1995	EP	Summary

### Additional information

European Commission	<a href="#">EUR-Lex</a>
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### Final act

- [Regulation 1994/1923](#)  
[OJ L 198 30.07.1994, p. 0004](#) Summary
- [Regulation 1995/2333](#)  
[OJ L 240 07.10.1995, p. 0001](#) Summary

## Financial regulation of the 21.12.1977 applicable to the EC budget: amending following EUT and EEA Agreement

This proposal for a regulation sought to amend the Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities in order to adapt it to: - the amendments to the Treaties made at Maastricht; - the Agreement on the European Economic Area (EEA); - the new financial system in the form given to it by Parliament and the Council in response to the 'Delors II Package'. The main amendments concerned: - the additions to be made to the financial statement in connection with the implementation of the 'subsidiarity' principle; - the principle of the use of the ECU for budget execution; - the new statuses of the Court of Auditors, the ESC and the creation of the Committee of the Regions; - adaptation of the provisions governing discharge; - new provisions to be inserted in the regulation

to cover implementation of the EEA Agreement (budgetary presentation, entering appropriations, conditions for execution) and to cover third party financial participation in Community activities; - adjustment of provisions governing the award of contracts; - presentation of borrowing and lending operations and their assessment by Parliament and the Council.?

## Financial regulation of the 21.12.1977 applicable to the EC budget: amending following EUT and EEA Agreement

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The committee adopted two reports by Mr Zavvos on amendments to the Financial Regulation, calling for borrowings and lendings to be entered in the budget and for the ecu to be used systematically, and raising the problem of spending by the Committee of the Regions and the Ombudsman and the European Institutions' staffing policy.?

## Financial regulation of the 21.12.1977 applicable to the EC budget: amending following EUT and EEA Agreement

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## Financial regulation of the 21.12.1977 applicable to the EC budget: amending following EUT and EEA Agreement

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The European Parliament tabled amendments on the following: having an ad-hoc section in the Commission budget for borrowing and lending operations; including in the definition of the European Communities budget the possibility that it might allow borrowing and lending activities contracted by the Community to be guaranteed; providing for the Ombudsman to forward to the European Parliament by 1 May an estimate of his expenditure and revenue for the coming financial year, and for his revenue and expenditure to be entered in the European Parliament section; providing for the appointment of a single financial controller and a single accountant for the Economic and Social Committee and the Committee of the Regions; easing the procedure for transfers within chapters for the Court of Justice, the Court of Auditors, the Economic and Social Committee and the Committee of the Regions by abolishing the requirement for prior notification of the budget authority; asking the Commission to supply additional information on staff management with its preliminary draft budget, highlighting mobility and redeployment measures and giving a breakdown by sphere of activity; in the field of the award of contracts, specifying the conditions for varying prices; giving the Court of Auditors powers regarding borrowing/lending operations. ?

## Financial regulation of the 21.12.1977 applicable to the EC budget: amending following EUT and EEA Agreement

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The Commission amended its original proposal to take account of the European Parliament's amendments. The main changes related to the following points: - the provisions on the financial statement were tightened up in order to provide greater discipline and transparency (the financial statement would also give economic details and information on synergies with other financial instruments); - provisions were added to create a budget framework for the Ombudsman (the Ombudsman was to forward to the European Parliament by 1 May an estimate of his expenditure and revenue for the coming financial year, and his revenue and expenditure were to be entered in the European Parliament section); - the provisions on the Economic and Social Committee and the Committee of the Regions were made more explicit on the subject of the implementation of the budget (in particular: appointment of a single financial controller and a single accountant); - the procedure for transfers within chapters for the Court of Justice, the Court of Auditors, the Economic and Social Committee and the Committee of the Regions was eased (the requirement for prior notification of the budget authority was abolished); - the Commission was to supply additional information on staff management with its preliminary draft budget, highlighting mobility and redeployment measures and giving a breakdown by sphere of activity; - in the field of the award of contracts, provision was made to specify the conditions for varying prices; - details were added concerning financial contributions from third parties to Community activities (indication of estimated amounts and estimated administrative costs, where appropriate); - finally, a new provision enshrined the powers of the Court of Auditors in the field of borrowing/lending operations. However, the Commission was unable to accept Parliament's amendments proposing that all borrowing/lending operations should be entered in the budget, and that the estimated amounts of third-party contributions should be formally registered by way of prior authorisation. ?

## Financial regulation of the 21.12.1977 applicable to the EC budget: amending following EUT and EEA Agreement

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OBJECTIVE: to amend the Financial Regulation of 21.12.1977, following the strengthening of the role of the Economic and Social Committee and the setting up of the Committee of the Regions, with a view to guaranteeing the independence of the European Ombudsman.

SUBSTANCE: Council Regulation (ECSC, EC, Euratom) 1923/94 provides primarily that: - Parliament, the Council, the Court of Justice, the European Court of Auditors, the Economic and Social Committee and the Committee of the Regions, shall draw up an annual estimate of their expenditure and revenue for the forthcoming year, this to be done before the 1 July of each year; - the Ombudsman shall submit to Parliament, before 1 May, an annual estimate of his expenditure and revenue for the forthcoming year; - the budget shall comprise a general estimate of revenue, together with sections which are divided into estimates of revenue and expenditure for Parliament, the Council, the Commission, the Court of Justice and the European Court of Auditors; - the revenue and expenditure of the Ombudsman are entered in the section for Parliament in the form of an estimate of revenue and expenditure; - the Ombudsman, the ESC and the COR are placed in the same category

as the Community institutions for the application of the Regulation; - each institution shall appoint a financial controller. The ESC and the COR shall appoint a financial controller by mutual agreement. They shall also nominate an accountant by mutual agreement. - The Regulation is to enter into force on 02.08.1994 and will apply as from 01.09.1994. ?

## Financial regulation of the 21.12.1977 applicable to the EC budget: amending following EUT and EEA Agreement

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- OBJECTIVE: to amend the Financial Regulation of 21.12.1977 applicable to the EC budget in order to bring it into line with changes made to the Maastricht Treaties and to the EEA (European Economic Area) agreement and to provide a framework for the financial participation of non-member countries in Community activities. - SUBSTANCE: Council Regulation (EC, Euratom, ECSC) No 2333/95 introduces the following amendments concerning: - the additions to be made to the financial statement in connection with the application of the principle of subsidiarity; - the principle of using the ECU in the implementation of the budget; - new statutes for the Court of Auditors and the ESC and the creation of the Committee of the Regions; - the adaptation of measures relating to budget discharge; - additions to be included in the regulation in order to provide for the implementation of the EEA agreement (presentation of the budget, opening of appropriations, conditions of implementation) and to provide a framework for the financial participation of non-member countries in Community activities; - the adaptation of measures relating to public tendering; - the presentation of transactions in respect of loans and borrowings and their assessment by the European Parliament and the Council. - ENTRY INTO FORCE: 10.10.1995. ?