

## AMENDMENT FORM

**Suggestion for amendment of Article :** Article 40 : The Union's budgetary procedure

**Suggestion for protocol :**

**By** ~~Ms~~/ Mr : Hain

**Status :** - Member -~~Alternate~~

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The European Parliament and the Council shall, ~~on a proposal from the Commission and in~~ accordance with the arrangements laid down in Article W (*ex-272 TEC, Part II of the Constitution*), jointly adopt the Union's annual budget having regard to a preliminary draft budget drawn up by the Commission.

The Union's budget shall be established in compliance with the multiannual financial perspective adopted by the European Council in accordance with arrangements laid down ~~referred to in~~ Article Y (*Part II of the Constitution*).

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### **Explanation (if any) :**

*The amendment to the first paragraph makes clear that the Commission's right of initiative is not extended into the budgetary procedure.*

*The predominant role of the European Council in establishing the financial perspective is a key requirement for the UK, and should be reflected as a Part I Constitutional provision.*

*The UK is willing to consider simplification of the budgetary procedure, including the classification of compulsory/non-compulsory expenditure. However appropriate treatment of expenditure where third parties have a legal claim on the budget is an important issue for the UK.*