

## **AMENDMENT FORM**

**Suggestion for amendment of Article : III – 306**

**Suggestion for protocol :**

**By Mr : Dick Roche**

**Status : - Member**

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### Article III-306 [ex Article 272]

A European law shall establish the Union's annual budget in accordance with the following provisions:

1. Each Institution shall, before 1 July, draw up estimates of its expenditure. The Commission shall consolidate these estimates in a draft budget. It shall attach thereto an opinion which may contain different estimates.

The draft budget shall contain an estimate of revenue and an estimate of expenditure.

The Commission may amend the draft budget during the procedure until such time as the Conciliation Committee, referred to in paragraph 5 below, is convened.

2. The Commission shall submit the draft budget to the European Parliament and the Council not later than 1 September of the year preceding that in which the budget is to be implemented.

3. The Council shall adopt its position on the draft budget law and forward it to the European Parliament not later than 1 October of the year preceding that in which the budget is to be implemented. The Council shall inform the European Parliament fully of the reasons which led it to adopt its position.

4. If, within 40 days of such communication, the European Parliament:

- (a) approves the Council position or has not taken a decision, the budget law shall be deemed to have been adopted;
- (b) proposes amendments to the Council position by a majority of its component members, the amended text shall be forwarded to the Council and to the Commission. The President of the European Parliament, in agreement with the President of the Council, shall immediately convene a meeting of the Conciliation Committee.

If, within ten days, the Council informs the European Parliament that it has approved all its amendments, the Conciliation Committee shall not meet.

5. The Conciliation Committee, which shall be composed of the members of the Council or their representatives and an equal number of representatives of the European Parliament, shall have the task of reaching agreement on a joint text, by a qualified majority of the members of the Council or their representatives and by a majority of the representatives of the European Parliament within twenty-one days of its being convened, on the basis of the positions of the European Parliament and the Council.

6. The Commission shall take part in the Conciliation Committee's proceedings and shall take all the necessary initiatives with a view to reconciling the positions of the European Parliament and the Council.

7. If, within twenty-one days of its being convened, the Conciliation Committee approves a joint text, the European Parliament, acting by a majority of the votes cast, and the Council, acting by a qualified majority, shall each have a period of fourteen days from that approval in which to adopt the joint text.

~~8. If, within twenty-one days, the Conciliation Committee does not approve a joint text or if the Council rejects the joint text, the Parliament may, within fourteen days, acting by a majority of its component members and three fifths of the votes cast, confirm its amendments. Where the Parliament amendment is not confirmed, the Council position on the budget item which is the subject of the amendment shall be deemed to be adopted.~~

**If, within four weeks, the Conciliation Committee does not approve a joint text or if one of the other institutions rejects the joint text, a budget providing, in the case of each budget item which is the subject of disagreement, for the lowest amount proposed either by the Council or the Parliament or, where it is higher, the figure in the budget law for the previous year, shall be deemed to be adopted.**

**In all events, the figure in the budget deemed to be adopted shall incorporate the figure in the Commission's Preliminary Draft Budget, or any subsequent amendment by the Commission of this figure, for the means to allow the Union to meet its legal obligations in respect of third parties.**

However, if the Parliament, acting by a majority of its component members and three fifths of the votes cast, rejects the joint text, it may ask for a new draft to be submitted.

9. When the procedure provided for in this Article has been completed, the President of the European Parliament shall declare that the budget law has been finally adopted.

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**Explanation (if any) : The principal issue is the tie-break provision (Sub-Article 306.8) if Parliament and Council cannot reach agreement at Conciliation Committee. This provision is not substantially different from that in the existing EC Treaty. However, in the context of Parliament's being given an enhanced role in adopting the Budget, it is questionable whether the provision for Parliament to have the final say on the Budget is appropriate. A provision for a more balanced relationship between Council and Parliament is preferable.**