

## AMENDMENT FORM

### Suggestion for amendment of Article : 306 (ex Article 272), part III of the Constitution

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**Status :      Tiilikainen, Kiljunen, Vilén - Members  
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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 Par-

liament, 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 **Commission shall within ten days give a reasoned opinion on the amendment of the Parliament. The** Parliament may, within fourteen days, acting by a majority of its component members and three fifths of the votes cast, confirm its amendments **if the Commission has supported them. If the Commission has not supported the amendments, the Parliament may within fourteen days, acting by two thirds majority of its component members, confirm them.** 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.

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 abolition of the distinction between compulsory and non-compulsory expenditure strengthens considerably the position of the European Parliament. To maintain the institutional balance between the two arms of the budgetary authority and to safeguard the respect of the legal commitments of the Union for third parties and the fair representation of different interests, the approval of the amendments should be tied to a reasoned opinion of the Commission which could be overruled only by a particularly strong majority of the Parliament. It is also important that it is the Council which first lays down its position on the draft budget law.*