

**FINAL ADOPTION**  
**of supplementary and amending budget No 4 of the European Union**  
**for the financial year 1999**

(1999/863/EC, ECSC, Euratom)

THE PRESIDENT OF THE EUROPEAN PARLIAMENT,

Having regard to the Treaty establishing the European Community, and in particular Article 272 (4), third paragraph, and (7) thereof,

Having regard to the Treaty establishing the European Atomic Energy Community, and in particular Article 234 (7) thereof,

Having regard to the Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities, as last amended by Regulation (EC) No 2779/98<sup>(1)</sup>, and in particular Article 15 thereof,

Having regard to the Interinstitutional Agreement on budgetary discipline and improvement of the budgetary procedure<sup>(2)</sup>,

Having regard to the general budget of the European Union for the financial year 1999<sup>(3)</sup>,

Having regard to preliminary draft supplementary and amending budget No 4 of the European Union for the financial year 1999 submitted by the Commission,

Having regard to draft supplementary and amending budget No 4 of the European Union for the financial year 1999 established by the Council on 13 September 1999,

Having regard to the debates and deliberations of the European Parliament of 16 September 1999, at the conclusion of which it approved supplementary and amending budget No 3 of the European Union for the financial year 1999,

Having regard to the resolution adopted by the European Parliament on 16 September 1999,

The procedure laid down in Article 272 of the Treaty establishing the European Economic Community and Article 234 of the Treaty establishing the European Atomic Energy Community having thus been completed,

DECLARES:

*Sole Article*

Supplementary and amending budget No 4 of the European Union for the financial year 1999 as set out in the annex has been finally adopted.

Done at Strasbourg, 16 September 1999.

*The President*  
Nicole Fontaine

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<sup>(1)</sup> OJ L 347, 23.12.1998, p. 3.

<sup>(2)</sup> OJ C 172, 18.6.1999, p. 1.

<sup>(3)</sup> OJ L 39, 12.2.1999, p. 1.



**SUPPLEMENTARY AND AMENDING BUDGET No 4  
OF THE EUROPEAN UNION  
FOR THE FINANCIAL YEAR 1999**

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## C. STAFF

## Section III — Commission

Category and grade	1999		Supplementary and amending budget No 4		Total	
	Permanent posts	Temporary posts	Permanent posts	Temporary posts	Permanent posts	Temporary posts
A 1	28	—	1	—	29	—
A 2	194	22	—	—	194	22
A 3	554	32	1	—	555	32
A 4	1 323	154	—	—	1 323	154
A 5	1 240	133	2	—	1 242	133
A 6	898	41	1	—	898	41
A 7	998	—	2	—	1 000	—
A 8	100	—	—	—	100	—
Total	5 335	382	7	—	5 342	382
LA 3	54	—	—	—	54	—
LA 4	527	1	—	—	527	1
LA 5	486	2	—	—	486	2
LA 6	352	2	—	—	352	2
LA 7	448	8	—	—	448	8
LA 8	36	—	—	—	36	—
Total	1 903	13	—	—	1 903	13
B 1	786	46	—	—	786	46
B 2	668	52	—	—	668	52
B 3	852	85	3	—	855	58
B 4	526	31	2	—	528	31
B 5	467	—	—	—	467	—
Total	3 299	187	5	—	3 304	187
C 1	1 351	24	—	—	1 351	24
C 2	1 274	42	—	—	1 274	42
C 3	1 362	20	1	—	1 363	20
C 4	710	9	—	—	710	9

**Section III — Commission**  
(cont'd)

C 5	514	13	2	—	516	13
Total	5 211	108	3	—	5 214	108
D 1	463	—	—	—	463	—
D 2	230	—	—	—	230	—
D 3	70	—	—	—	70	—
D 4	—	—	—	—	—	—
Total	763	—	—	—	763	—
<b>Grand total</b>	<b>16 511</b>	<b>690</b>	<b>15</b>	<b>—</b>	<b>16 526</b>	<b>690</b>

SECTION III

**COMMISSION**





COMMISSION

## General summary

Title	Heading	CA PA	1999 budget	Supplementary and amending budget No 4	New amount
B1-3 7	Clearance of previous years' account	CA PA	- 510 000 000 - 510 000 000	- 95 000 000 - 95 000 000	- 605 000 000 - 605 000 000
B4-3 4 0 0	Decommissioning of nuclear installations and waste management	CA PA	— —	p.m. p.m.	p.m. p.m.
B7-2 1 0	Aid, including emergency food aid, to help the populations of the developing countries and others hit by disasters or serious crises	CA PA	162 850 000 162 850 000	30 000 000 —	192 850 000 162 850 000
B7-5 0 0	Aid for economic restructuring of the countries of central and eastern Europe	CA PA	1 188 500 000 658 990 000	— 60 000 000	1 188 500 000 718 990 000
B7-5 0 2	Transfrontier cooperation in the field of structural operations	CA PA	180 000 000 120 000 000	— 15 000 000	180 000 000 135 000 000
B7-5 2 0	Assistance to economic reform and recovery in the New Independent States and Mongolia	CA PA	399 650 000 332 700 000	— 75 000 000	399 650 000 407 700 000
B7-5 3 2	Macrofinancial assistance to the countries of the western Balkans region	CA PA	p.m. p.m. —	p.m. p.m.	p.m. p.m.
B7-5 4 1	Measures for the reconstruction of the Republics formerly part of Yugoslavia	CA PA	170 000 000 80 000 000	— 20 000 000	170 000 000 100 000 000
B7-5 4 6	Aid for the reconstruction of Kosovo	CA PA	— —	92 000 000 30 000 000	92 000 000 30 000 000
B0-4 0	Provisions	CA PA	277 610 000 141 670 000	- 90 000 000 - 105 000 000 (1)	187 610 000 36 670 000
	<b>Total</b>	CA PA	1 868 610 000 986 210 000	- 63 000 000 —	1 805 610 000 986 210 000

(<sup>1</sup>) This amount breaks down as follows

B1-1 5 0 1	Compensation for withdrawals and buying- in				- 20 000 000
B1-1 5 0 2	Operational fund for producer organisations				- 20 000 000
B1-3 0 1 0	Cereals and rice (non-Annex I products)				- 20 000 000
B1-3 1 0	Distribution of agricultural products to deprived persons in the Community				- 10 000 000
B1-3 8 0 0	Promotion measures - Payments by the Member States				- 10 000 000
B1-3 8 0 1	Promotion measures - Direct payments by the European Community				- 5 000 000
B1-5 0 1 1	Environment				- 20 000 000
B7-5 3 2	Macrofinancial assistance to the countries of the western Balkans region				15 000 000



PART B

OPERATING APPROPRIATIONS



*SUBSECTION B1*

**EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND,  
GUARANTEE SECTION**

COMMISSION  
 Subsection B1  
 (EAGGF Guarantee Section)

**TITLE B1-3**  
**ANCILLARY EXPENDITURE**

**CHAPTER B1-3 7 — CLEARANCE OF PREVIOUS YEARS' ACCOUNTS**

**B1-3 7 0**      *Clearance of previous years' accounts*

1999 budget	Supplementary and amending budget No 4	New amount
– 510 000 000	– 95 000 000	– 605 000 000

*Remarks*

Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy (OJ L 94, 28.4.1970, p. 13), as last amended by Regulation (EC) No 1287/95 (OJ L 125, 8.6.1995, p. 1).

Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities (OJ L 356, 31.12.1977, p. 1), as last amended by Regulation (EC) No 2548/98 (OJ L 320, 28.11.1998, p. 1).

This article is intended to cover the application of Article 102 of the Financial Regulation under which the difference between the expenditure charged to the accounts of a financial year and that established by the Commission when clearing the accounts as provided for in Article 5 (2) (b) of Regulation (EEC) No 729/70 shall be charged as expenditure to the financial year during which the accounts are cleared.

*SUBSECTION B4*

**ENERGY, EURATOM NUCLEAR SAFEGUARDS AND ENVIRONMENT**

COMMISSION

Subsection B4

(Energy, Euratom nuclear safeguards and environment)

## TITLE B4-3

## ENVIRONMENT

## CHAPTER B4-3 4 — WEIGHT OF THE NUCLEAR PAST FROM ACTIVITIES CARRIED OUT BY THE JRC UNDER THE EURATOM TREATY

**B4-3 4 0** *Weight of the nuclear past from activities carried out by the JRC under the Euratom Treaty*

B4-3 4 0 0 Decommissioning of nuclear installations and waste management

1999 budget		Supplementary and amending budget No 4		New amount	
Commitments	Payments	Commitments	Payments	Commitments	Payments
—	—	p.m.	p.m.	p.m.	p.m.

*Remarks*

The appropriations entered in this item are intended to finance operations undertaken by the Commission on the basis of the powers specifically conferred on it by Article 8 of the Euratom Treaty, in accordance with the Interinstitutional Agreement of 6 May 1999 on legal bases and implementation of the budget.

Communication from the Commission to the European Parliament and the Council of 17 March 1999, Historical liabilities resulting from nuclear activities carried out at the JRC under the Euratom Treaty - Decommissioning of obsolete nuclear installations and waste management [COM(1999) 114 final].

This item is intended for the possible entry of appropriations to finance an action programme to reduce and dispose of nuclear liabilities resulting from activities not directly linked to research conducted by the Joint Research Centre since its establishment, relating to plants that have been shut down and their wastes.

The likely schedule of payments vis-à-vis commitments is as follows:

Commitments		Payments				
		1998	1999	2000	2001	Subsequent years
Pre-1998 commitments still outstanding						
Commitment appropriations made available again and/or carried over from 1997						
Appropriation for 1998						
Appropriation for 1999	p.m.		p.m.			
Total	p.m.		p.m.			



*SUBSECTION B7***EXTERNAL ACTIONS**

All contracts for outside staff charged to operating expenditure should be centralised and harmonised by a unit for the management and supervision of outside contracts under the responsibility of the Commissioner responsible for the budget.

COMMISSION  
Subsection B7  
(External Actions)

## TITLE B7-2

### HUMANITARIAN AND FOOD AID

#### CHAPTER B7-2 1 — HUMANITARIAN AID

##### B7-2 1 0 *Aid, including emergency food aid, to help the populations of the developing countries and others hit by disasters or serious crises*

1999 budget		Supplementary and amending budget No 4		New amount	
Commitments	Payments	Commitments	Payments	Commitments	Payments
162 850 000	162 850 000	+ 30 000 000	—	192 850 000	162 850 000

#### Remarks

Council Regulation (EC) No 1257/96 of 20 June 1996 concerning humanitarian aid (OJ L 163, 2. 7. 1996, p. 1).

The Cannes European Council of 26 and 27 June 1995 reached an agreement on the amount and on the financing arrangements for the eighth European Development Fund (EDF) under which an increase is provided for in emergency humanitarian aid to the African, Caribbean and Pacific States of EUR 160 000 000 from the general budget.

The Community declaration on Article 2 (d) of the Second Financial Protocol to the fourth Lomé Convention stipulates, moreover, that the specific resources provided for in that Protocol for emergency assistance may be supplemented, for the duration of the Protocol, by an additional amount of EUR 160 000 000 from the Community budget.

If the need arises, therefore, part of that aid may be covered by appropriations entered in this article.

This appropriation is also intended to cover the financing of assistance, relief, protection and emergency food aid operations to help people in the developing countries, the ACP countries and other third countries hit by natural disasters, man-made crises (wars, outbreaks of fighting, etc.) or comparable emergencies for as long as is necessary to meet the humanitarian needs that such situations give rise to.

The aid is granted to victims without discrimination on the grounds of race, ethnic origin, religion, sex, age, nationality or political affiliation.

Also charged to this article are the purchase and delivery of any product or equipment needed for the implementation of such operations, including the building of homes or shelters for affected groups of people, short-term rehabilitation and reconstruction work, notably of infrastructure and facilities, the costs associated with external, expatriate or local staff, storage, international or national shipment, logistic support and distribution of relief and any other action aimed at facilitating freedom of access to the recipients of the aid.

This appropriation also covers:

- feasibility studies into humanitarian operations and the evaluation of humanitarian aid projects and plans,
- monitoring of humanitarian aid projects and plans, promotion and development of initiatives intended to increase coordination and cooperation so as to make aid more effective and improve monitoring of projects and plans,
- supervision and coordination of the implementation of aid operations forming part of the aid concerned,
- measures to strengthen Community coordination with the Member States, other donor countries, international organizations, non-governmental organizations and organizations representing the latter,
- public awareness and information campaigns,
- the technical assistance necessary for the preparation and implementation of humanitarian projects up to a maximum amount of EUR 7 000 000,
- the financing of technical assistance contracts to facilitate the exchange of technical know-how and expertise between European humanitarian organizations and agencies or between such bodies and those of non-member countries
- humanitarian mine clearance operations including public awareness campaigns for local communities on anti-personnel mines.

A maximum amount of EUR 2 550 000 may cover justified expenditure on studies, meetings of experts, information and publications directly linked to the achievement of the objectives of the measure, of which they form an integral part.

COMMISSION  
Subsection B7  
(External Actions)

**CHAPTER B7-2 1 — HUMANITARIAN AID** (cont'd)

**B7-2 1 0** (cont'd)

It will also fund technical and administrative assistance, to both the Commission and the beneficiaries of the measures, which does not fall within the standing remit of public administration, covering the identification, preparation, management, monitoring, audit and supervision of the programme or project. Such technical and administrative assistance may only continue as long as the programme or project itself.

A maximum amount of EUR 10 000 000 is authorized for such expenditure.

The likely schedule of payments vis-à-vis commitments is as follows:

Commitments		Payments				
		1998	1999	2000	2001	Subsequent years
Pre-1998 commitments still outstanding	237 624 000	120 000 000	110 000 000	7 624 000		
Commitment appropriations made available again and/or carried over from 1997						
Appropriation for 1998	158 100 000	38 100 000	40 000 000	70 000 000	10 000 000	—
Appropriation for 1999	192 850 000	—	12 850 000	60 000 000	60 000 000	60 000 000
Total	588 574 000	158 100 000	162 850 000	137 624 000	70 000 000	60 000 000

COMMISSION  
Subsection B7  
(External Actions)

### TITLE B7-5

## COOPERATION WITH COUNTRIES OF CENTRAL AND EASTERN EUROPE, THE NEW INDEPENDENT STATES AND MONGOLIA

### CHAPTER B7-5 0 — COOPERATION WITH COUNTRIES OF CENTRAL AND EASTERN EUROPE

#### Remarks

Conclusions of the European Council in Lisbon on 26 and 27 June 1992.

Conclusions of the European Council in Copenhagen on 21 and 22 June 1993.

Conclusions of the European Council in Essen on 9 and 10 December 1994.

Conclusions of the European Council in Cannes on 26 and 27 June 1995.

Conclusions of the European Council in Madrid on 15 and 16 December 1995.

In accordance with the provisions of the abovementioned acts, the European Union pursues a policy of cooperation with the countries of central and eastern Europe, which is part of a European Union pre-accession strategy towards these countries. Furthermore, the appropriations of this Chapter are intended to cover the financing of accompanying measures for the pact for stability in Europe.

#### B7-5 0 0

#### *Aid for economic restructuring of the countries of central and eastern Europe*

1999 budget		Supplementary and amending budget No 4		New amount	
Commitments	Payments	Commitments	Payments	Commitments	Payments
1 188 500 000 ( <sup>1</sup> )	658 990 000 ( <sup>2</sup> )	—	+ 60 000 000	1 188 500 000 ( <sup>3</sup> )	718 990 000 ( <sup>4</sup> )

(<sup>1</sup>) An appropriation of EUR 54 690 000 is entered in Chapter B0-4 0.

(<sup>2</sup>) An appropriation of EUR 54 690 000 is entered in Chapter B0-4 0.

(<sup>3</sup>) An appropriation of EUR 54 690 000 is entered in Chapter B0-4 0.

(<sup>4</sup>) An appropriation of EUR 54 690 000 is entered in Chapter B0-4 0.

#### Remarks

Treaty establishing the European Community, and in particular Article 118b thereof.

Treaty of Amsterdam.

Council Regulation (EEC) No 3906/89 of 18 December 1989 on economic aid to the Republic of Hungary and the Polish People's Republic (OJ L 375, 23.12.1989, p. 11).

Council Regulation (EEC) No 2698/90 of 17 September 1990 amending Regulation (EEC) No 3906/89 in order to extend economic aid to other countries of central and eastern Europe (OJ L 257, 21.9.1990, p. 1) (Bulgaria, Romania, Czechoslovakia, Yugoslavia, German Democratic Republic).

Council Regulation (EEC) No 3800/91 of 23 December 1991, amending Regulation (EEC) No 3906/89 in order to extend economic aid to include other countries in central and eastern Europe (OJ L 357, 28.12.1991, p. 10) (Albania, Estonia, Latvia, Lithuania, excluding the German Democratic Republic).

Council Regulation (EEC) No 2334/92 of 7 August 1992 amending Regulation (EEC) No 3906/89 in order to extend economic aid to include Slovenia (OJ L 227, 11.8.1992, p. 1).

Council Decision 93/246/EEC of 29 April 1993 adopting the second phase of the trans-European cooperation scheme for higher education (Tempus II) (1994 to 1998) (OJ L 112, 6.5.1993, p. 34), as extended for the period 1998 to 2000 by Decision 96/663/EC (OJ L 306, 28.11.1996, p. 36).

Council Regulation (EEC) No 1764/93 of 30 June 1993 amending Regulation (EEC) No 3906/89 on economic aid for certain countries of central and eastern Europe (OJ L 162, 3.7.1993, p. 1) (Czech and Slovak Republics).

**CHAPTER B7-5 0 — COOPERATION WITH COUNTRIES OF CENTRAL AND EASTERN EUROPE** (cont'd)**B7-5 0 0** (cont'd)

Council Decision 94/179/Euratom of 21 March 1994 amending Decision 77/270/Euratom, to authorize the Commission to contract Euratom borrowings in order to contribute to the financing required for improving the degree of safety and efficiency of nuclear power stations in certain non-member countries (OJ L 84, 29.3.1994, p. 41).

Council Regulation (EC) No 1366/95 of 12 June 1995 amending Regulation (EEC) No 3906/89 in order to extend economic aid to Croatia (OJ L 133, 17.6.1995, p. 1).

Council Regulation (EC) No 463/96 of 11 March 1996 amending Regulation (EEC) No 3906/89 with a view to extending economic assistance to the Former Yugoslav Republic of Macedonia (OJ L 65, 15.3.1996, p. 3).

Council Regulation (EC) No 753/96 of 22 April 1996 amending Regulation (EEC) No 3906/89 with a view to extending economic aid to Bosnia and Herzegovina (OJ L 103, 26.4.1996, p. 5).

Council Regulation (EC) No 622/98 of 16 March 1988 on assistance to the applicant States in the framework of the pre-accession strategy, and in particular on the establishment of Accession Partnerships (OJ L 85, 20.3.1988, p. 1).

Council Decisions 98/259/EC to 98/268/EC of 30 March 1998 on the principles, priorities, intermediate objectives and conditions contained in the accession partnerships with the Republic of Hungary, the Republic of Poland, Romania, the Slovak Republic, the Republic of Latvia, the Republic of Estonia, the Republic of Lithuania, the Republic of Bulgaria, the Czech Republic and the Republic of Slovenia respectively (OJ L 121, 23.4.1998, p. 1).

During the period 1990 to 1994, this appropriation was intended to assist the countries of central and eastern Europe in their transition to a market economy and democracy.

Following the Essen European Council, the role of the PHARE programme has gradually evolved into that of an instrument of support to the applicant countries in their bid for accession. In implementing the PHARE programme, therefore, the Commission must ensure that the beneficiaries of these measures respect European social policy and the fundamental social rights enshrined in the Social Charter on the basis of the *acquis communautaire*.

With a view to stepping up the pre-accession strategy as a whole, and in accordance with the guidelines laid down in Agenda 2000, PHARE operations will be geared to two main priorities:

- institution building, so as to develop an effective capacity to implement the *acquis communautaire*, in particular by means of:
  - the approximation of legislation,
  - promoting consumer organizations,
  - structural reforms and regional policies,
  - promoting democracy and civil society and active cooperation in the fields of justice and home affairs,
  - opening up Community programmes (see Article B7-5 0 3),
- investment financing, notably in order to help the candidate states comply with Community legislative standards.

This appropriation will also ensure the financing of a systematic gender impact assessment of operations under this article targeted at institution building and investment support.

Three types of operation are planned:

- contributions to a national fund to promote investments involving the *acquis communautaire*,
- co-financing of major infrastructure projects involving notably the European Investment Bank, the European Bank for Reconstruction and Development and the World Bank and, in the framework of the trans-European networks, the restructuring and modernization of industry, energy, telecommunications, the environment and inter-regional cooperation projects,
- a horizontal facility for SMEs.

Approximately 30 % of the PHARE budget is thus earmarked for the first priority, institution building, and some 70 % for infrastructure financing. These figures are for indicative purposes only and may vary according to the particular circumstances of the beneficiary state concerned, in particular as regards its requirements and absorption capacity.

The Commission will provide a breakdown four times a year by country and by sector of commitments and payments made.

Operations which until 1996 were financed under Article B7-8 4 0 are included under transport.

Measures taken in the area of nuclear security are intended in particular to cover the financing of technical and legal assistance necessary for the evaluation of the safety, environmental, economic and financial aspects of the projects for which financing in the form of a Euratom loan has been requested; the measures are also intended to enable loan contracts to be finalized and carried out. The Commission shall provide the budgetary authority with itemized information on the costs of this technical and legal assistance.

In accordance with the Sole Article of Decision 94/179/Euratom, any proceeds from undertakings in receipt of a loan under that decision will be entered against Item 6 1 9 1 of the statement of revenue and may be used to grant additional loans in line with the provisions of Article 96 (1) of the Financial Regulation.

This appropriation is intended also to cover the financing of one or more pilot projects on veterinary prevention and control in the countries bordering on the European Union.

COMMISSION  
Subsection B7  
(External Actions)

**CHAPTER B7-5 0 — COOPERATION WITH COUNTRIES OF CENTRAL AND EASTERN EUROPE** (cont'd)

**B7-5 0 0** (cont'd)

This appropriation, up to an amount of EUR 3 000 000 is also intended to support and promote the development of modern and independent industrial relations systems and social dialogue in applicant countries as part of the process of institution building in those countries in the run-up to their accession to the European Union.

Within the context of reform of PHARE towards greater decentralization and on the basis of a time-limited approach, appropriations shall, in particular, finance information and training measures for trade union and employer organizations in the countries concerned, as well as supporting dialogue and exchange with the European social partners.

A maximum amount of EUR 10 200 000 may cover expenditure on studies, meetings of experts, information and publications directly linked to the achievement of the objective of the measure of which they form an integral part.

This article will also fund technical and administrative assistance, to both the Commission and the beneficiaries of the measures, which does not fall within the standing remit of public administration, covering the identification, preparation, management, monitoring, audit and supervision of the programme or project. Such technical and administrative assistance may only continue as long as the programme or project itself.

A maximum amount of EUR 53 820 000 is authorized for such expenditure.

The likely schedule of payments vis-à-vis commitments is as follows:

Commitments		Payments				
		1998	1999	2000	2001	Subsequent years
Pre-1998 commitments still outstanding	2 587 215 439	789 600 000	684 890 000	550 000 000	540 000 000	22 725 439
Commitment appropriations made available again and/or carried over from 1997						
Appropriation for 1998	929 385 000	40 000 000	40 000 000	200 000 000	200 000 000	449 385 000
Appropriation for 1999	1 243 190 000 <sup>(1)</sup>			150 000 000	200 000 000	893 190 000
<b>Total</b>	<b>4 759 790 439</b>	<b>829 600 000</b>	<b>724 890 000</b> <sup>(2)</sup>	<b>900 000 000</b>	<b>940 000 000</b>	<b>1 365 300 439</b>

<sup>(1)</sup> Of which EUR 54 690 000 is entered in Chapter B0-4 0.  
<sup>(2)</sup> Of which EUR 5 900 000 is entered in Chapter B0-4 0.

**B7-5 0 2**

**Transfrontier cooperation in the field of structural operations**

1999 budget		Supplementary and amending budget No 4		New amount	
Commitments	Payments	Commitments	Payments	Commitments	Payments
180 000 000	120 000 000	—	+ 15 000 000	180 000 000	135 000 000

**Remarks**

Council Regulation (EEC) No 4253/88 of 19 December 1988 laying down provisions for implementing Regulation (EEC) No 2052/88 as regards the coordination of the activities of the different Structural Funds between themselves and with the operations of the European Investment Bank and the other existing financial instruments (OJ L 374, 31.12.1988, p. 1), as last amended by Regulation (EC) No 3193/94 (OJ L 337, 24.12.1994, p. 11).

**CHAPTER B7-5 0 — COOPERATION WITH COUNTRIES OF CENTRAL AND EASTERN EUROPE** (cont'd)**B7-5 0 2** (cont'd)

Council Regulation (EEC) No 3906/89 of 18 December 1989 on economic aid to the Republic of Hungary and the Polish People's Republic (OJ L 375, 23.12.1989, p. 11), as last amended by Regulation (EC) No 753/96 (OJ L 103, 26.4.1996, p. 5).

Commission Regulation (EC) No 1628/94 of 4 July 1994 concerning the implementation of a programme of cross-border cooperation between countries in central and eastern Europe and Member States of the Community in the framework of the PHARE programme (OJ L 171, 6.7.1994, p. 14).

Council Regulation (EC) No 622/98 of 16 March 1998 on assistance to the applicant States in the framework of the pre-accession strategy and in particular on the establishment of Accession Partnerships (OJ L 85, 20.3.1998, p. 1).

In accordance with the results of the cooperation procedure under the Structural Fund Regulation, the appropriation for this heading will be used to finance structural operations in the regions of central and eastern Europe which share a border with the European Union, including the member states of the Baltic Council benefiting from the PHARE programme. Border regions between countries from central Europe which are accession candidates will also be included. The projects to be financed also include environmental protection measures.

These operations, which form part of the PHARE programme, are undertaken in accordance with Interreg (Community initiative in border zones) rules. As far as possible, joint programming and monitoring structures will be established, which will formulate common cross-border programmes for border regions, and will be organized as one single socio-economic and, if possible, geographic entity.

This appropriation shall be allocated on the basis of at least two thirds for the border regions between the European Union and the applicant States in the framework of the pre-accession strategy and at most one third for the other border regions. While respecting this breakdown, 10 % of the appropriation is earmarked for small joint projects to be decided at the local level.

The likely schedule of payments vis-à-vis commitments is as follows:

Commitments		Payments				
		1998	1999	2000	2001	Subsequent years
Pre-1998 commitments still outstanding	490 388 486	180 000 000	45 000 000	50 000 000	60 000 000	155 388 486
Commitment appropriations made available again and/or carried over from 1997						
Appropriation for 1998	180 000 000	5 000 000	60 000 000	40 000 000	50 000 000	25 000 000
Appropriation for 1999	180 000 000		30 000 000	30 000 000	40 000 000	80 000 000
Total	850 388 486	185 000 000	135 000 000	120 000 000	150 000 000	260 388 486

**CHAPTER B7-5 2 — COOPERATION WITH THE NEW INDEPENDENT STATES AND MONGOLIA***Remarks*

Conclusions of the European Council in Lisbon on 26 and 27 June 1992.

Conclusions of the European Council in Edinburgh on 11 and 12 December 1992.

The European Union shall pursue a policy of cooperation with the New Independent States and Mongolia in accordance with the abovementioned provisions.

COMMISSION  
Subsection B7  
(External Actions)

CHAPTER B7-5 2 — COOPERATION WITH THE NEW INDEPENDENT STATES AND MONGOLIA (cont'd)

B7-5 2 0

*Assistance to economic reform and recovery in the New Independent States and Mongolia*

1999 budget		Supplementary and amending budget No 4		New amount	
Commitments	Payments	Commitments	Payments	Commitments	Payments
399 650 000 ( <sup>1</sup> )	332 700 000 ( <sup>2</sup> )	—	+ 75 000 000	399 650 000 ( <sup>3</sup> )	407 700 000 ( <sup>4</sup> )
<p>(<sup>1</sup>) An appropriation of EUR 5 900 000 is entered in Chapter B0-4 0.  (<sup>2</sup>) An appropriation of EUR 5 900 000 is entered in Chapter B0-4 0.  (<sup>3</sup>) An appropriation of EUR 5 900 000 is entered in Chapter B0-4 0.  (<sup>4</sup>) An appropriation of EUR 5 900 000 is entered in Chapter B0-4 0.</p>					

*Remarks*

Council Decision 93/246/EEC of 29 April 1993 adopting the second phase of the trans-European cooperation scheme for higher education (Tempus II) (1994 to 1998) (OJ L 112, 6.5.1993, p. 34), as extended for the period 1998 to 2000 by Decision 96/663/EC (OJ L 306, 28.11.1996, p. 36).

Council Regulation (Euratom, EEC) No 2053/93 of 19 July 1993 concerning the provision of technical assistance to economic reform and recovery in the Independent States of the former Soviet Union and Mongolia (OJ L 187, 29.7.1993, p. 1).

Council Decision 94/179/Euratom of 21 March 1994 amending Decision 77/270/Euratom, to authorize the Commission to contract Euratom borrowings in order to contribute to the financing required for improving the degree of safety and efficiency of nuclear power stations in certain non-member countries (OJ L 84, 29.3.1994, p. 41).

Council Regulation (Euratom, EC) No 1279/96 of 25 June 1996 concerning the provision of assistance to economic reform and recovery in the New Independent States and Mongolia (OJ L 165, 4.7.1996, p. 1).

This appropriation is intended to cover the financing or part-financing of assistance measures designed to support the transition to a market economy and to strengthen democracy.

Such measures involve strengthening institutions, legislation and training in fields including the financing of human resources, business restructuring and development, infrastructure, energy (including nuclear safety), the production, handling and distribution of food products, and the environment, social system, education and health, support for democracy and equal treatment for men and women in the State concerned.

Operations which until 1996 were financed under Article B7-8 4 0 are included under transport.

Measures taken in the area of nuclear security are intended in particular to cover the financing of the technical and legal assistance necessary for the evaluation of the safety, environmental, economic and financial aspects of the projects for which financing in the form of a Euratom loan has been requested; the measures are also intended to enable loan contracts to be finalized and carried out. The Commission shall provide the budgetary authority with itemized information on the costs of this technical and legal assistance.

In accordance with the Sole Article of Decision 94/179/Euratom, any proceeds from undertakings in receipt of a loan under that Decision will be entered against Item 6 1 9 1 of the statement of revenue and may be used to grant additional loans in line with the provisions of Article 96 (1) of the Financial Regulation.

Total appropriations allocated to the nuclear sector may not exceed 13 % of the total appropriations available for this programme.

This appropriation may also be intended in 1999 to cover the additional contribution by the European Union to the special fund for Chernobyl (Article B7-5 3 6).

A maximum amount of EUR 10 000 000 may cover expenditure related to the implementation of an integrated programme in Azerbaijan aiming to support the civil society and social sector, in particular the displaced population, as well as to promote democracy and human rights.

In implementing the loans, the Commission will seek to stimulate the consultancy market in the New Independent States by encouraging the involvement of local consultants in the TACIS programme.

Under the new arrangements, the Commission may propose to adapt the demand-based approach in favour of concentrating appropriations more on a limited number of projects, including private investments and infrastructure, to be identified with the partner countries.

A maximum amount of EUR 5 200 000 may cover expenditure on studies, meetings of experts, information and publications directly linked to the achievement of the objective of the measure of which they form an integral part.



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**CHAPTER B7-5 2 — COOPERATION WITH THE NEW INDEPENDENT STATES AND MONGOLIA (cont'd)**

**B7-5 2 0 (cont'd)**

This article will also fund technical and administrative assistance, to both the Commission and the beneficiaries of the measures, which does not fall within the standing remit of public administration, covering the identification, preparation, management, monitoring, audit and supervision of the programme or project. Such technical and administrative assistance may only continue as long as the programme or project itself.

A maximum amount of EUR 26 940 250 is authorized for such expenditure.

The likely schedule of payments vis-à-vis commitments is as follows:

Commitments		Payments				
		1998	1999	2000	2001	Subsequent years
Pre-1998 commitments still outstanding	1 530 014 768	390 100 000	294 600 000	220 000 000	280 000 000	345 314 768
Commitment appropriations made available again and/or carried over from 1997	5 000 000	5 000 000				
Appropriation for 1998	455 250 000 <sup>(1)</sup>	15 000 000	40 000 000	120 000 000	100 000 000	180 250 000
Appropriation for 1999	402 550 000 <sup>(2)</sup>		76 000 000	60 000 000	120 000 000	146 550 000
<b>Total</b>	<b>2 392 814 768</b>	<b>410 100 000<sup>(3)</sup></b>	<b>410 600 000<sup>(4)</sup></b>	<b>400 000 000</b>	<b>500 000 000</b>	<b>672 114 768</b>

(<sup>1</sup>) Of which EUR 45 000 000 is entered in Chapter B0-4 0.  
(<sup>2</sup>) Of which EUR 2 900 000 is entered in Chapter B0-4 0.  
(<sup>3</sup>) Of which EUR 38 000 000 is entered in Chapter B0-4 0.  
(<sup>4</sup>) Of which EUR 2 900 000 is entered in Chapter B0-4 0.

**CHAPTER B7-5 3 — OTHER COMMUNITY MEASURES IN FAVOUR OF THE COUNTRIES OF CENTRAL AND EASTERN EUROPE AND THE NEW INDEPENDENT STATES**

**B7-5 3 2**

**Macrofinancial assistance to the countries of the western Balkans region**

1999 budget		Supplementary and amending budget No 4		New amount	
Commitments	Payments	Commitments	Payments	Commitments	Payments
p.m.	p.m.	—	—	p.m.	p.m.

*Remarks*

Former Item B7-5320

Proposal for a Council Decision providing supplementary macro-financial assistance to the former Yugoslav Republic of Macedonia (COM(1999) 404 final).

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**CHAPTER B7-5 3 — OTHER COMMUNITY MEASURES IN FAVOUR OF THE COUNTRIES OF CENTRAL AND EASTERN EUROPE AND THE NEW INDEPENDENT STATES** (cont'd)

**B7-5 3 2** (cont'd)

The purpose of this exceptional assistance is to ease the external financial constraints on certain non-member countries experiencing macro-economic difficulties characterised by serious budgetary imbalances and/or balance-of-payments deficits.

It is directly linked to the implementation by the recipient countries of macroeconomic stabilisation and structural adjustment measures. Community action generally supplements that of the IMF coordinated with other bilateral donors.

The amounts entered in this Article are for measures on which a decision has already been taken. The amounts entered in the reserve are for other measures that have been proposed or are under preparation.

The likely schedule of payments vis-à-vis commitments is as follows:

Commitments		Payments				
		1998	1999	2000	2001	Subsequent years
Pre-1998 commitments still outstanding						
Commitment appropriations made available again and/or carried over from 1997						
Appropriation for 1998	p.m.	p.m.				
Appropriation for 1999	15 000 000 ( <sup>1</sup> )		p.m.	15 000 000		
<b>Total</b>	<b>15 000 000</b>	<b>p.m.</b>	<b>p.m.</b>	<b>15 000 000</b>		

(<sup>1</sup>) Of which EUR 15 000 000 is entered in Chapter B0-40.

**CHAPTER B7-5 4 — COOPERATION WITH THE REPUBLICS FORMERLY PART OF YUGOSLAVIA**

**B7-5 4 1**

**Measures for the reconstruction of the Republics formerly part of Yugoslavia**

1999 budget		Supplementary and amending budget No 4		New amount	
Commitments	Payments	Commitments	Payments	Commitments	Payments
170 000 000 ( <sup>1</sup> )	80 000 000 ( <sup>2</sup> )	—	+ 20 000 000	170 000 000 ( <sup>3</sup> )	100 000 000 ( <sup>4</sup> )

(<sup>1</sup>) An appropriation of EUR 30 000 000 is entered in Chapter B0-4 0.  
(<sup>2</sup>) An appropriation of EUR 30 000 000 is entered in Chapter B0-4 0.  
(<sup>3</sup>) An appropriation of EUR 30 000 000 is entered in Chapter B0-4 0.  
(<sup>4</sup>) An appropriation of EUR 30 000 000 is entered in Chapter B0-4 0.

**Remarks**

Council Regulation (EC) No 1628/96 of 25 July 1996 relating to aid for Bosnia and Herzegovina, Croatia, the Federal Republic of Yugoslavia and the former Yugoslav Republic of Macedonia (OJ L 204, 14.8.1996, p. 1), as last amended by Regulation (EC) No 851/98 (OJ L 122, 24.4.1998, p. 1).

**CHAPTER B7-5 4 — COOPERATION WITH THE REPUBLICS FORMERLY PART OF YUGOSLAVIA** (cont'd)**B7-5 4 1** (cont'd)

This appropriation is intended to cover the financing of reconstruction projects in the Republics formerly part of Yugoslavia.

It is also intended to cover expenditure relating to the return and resettling of refugees and displaced persons in Croatia, Bosnia-Herzegovina and the Federal Republic of Yugoslavia (Serbia-Montenegro), without discrimination based on the region of origin or nationality of the refugees or persons displaced as a result of the conflict on the territory of the former Yugoslavia.

This budget heading is accessible only to states and state bodies which fulfil the requirements arising from the Dayton peace agreements, notably regarding the protection of human rights, and the decisions of the special international court on the former Yugoslavia.

This appropriation may also be used for making a contribution to joint actions of police forces in order to help maintain peace and stability in Bosnia and guarantee the protection and security of civilians.

It also covers expenditure on studies, meetings of experts, information and publications directly linked to the achievement of the objective of the measure of which they form an integral part.

The Commission delegate in Bosnia, who has special powers, will be provided with a strong management team and support from technical assistance and monitoring teams which have still to be recruited. In the light of the unusual situation with regard to reconstruction in Bosnia and Herzegovina and in order to secure appropriate staff who can provide the Commission with such technical support on the spot, part of the appropriation authorized for reconstruction measures may be earmarked for staff recruitment according to the rules for technical and administrative assistance.

This article will also fund technical and administrative assistance, to both the Commission and the beneficiaries of the measures, which does not fall within the standing remit of public administration, covering the identification, preparation, management, monitoring, audit and supervision of the programme or project. Such technical and administrative assistance may only continue as long as the programme or project itself.

A maximum amount of EUR 18 400 000 is authorized for such expenditure.

The likely schedule of payments vis-à-vis commitments is as follows:

Commitments		Payments				
		1998	1999	2000	2001	Subsequent years
Pre-1998 commitments still outstanding	206 823 857	70 000 000	70 000 000	66 823 857		
Commitment appropriations made available again and/or carried over from 1997						
Appropriation for 1998	100 000 000 <sup>(1)</sup>	10 000 000	20 000 000	35 000 000	35 000 000	
Appropriation for 1999	200 000 000 <sup>(2)</sup>		40 000 000	40 000 000	80 000 000	40 000 000
Total	506 823 857	80 000 000 <sup>(3)</sup>	130 000 000 <sup>(4)</sup>	141 823 857	115 000 000	40 000 000

<sup>(1)</sup> Of which EUR 30 000 000 is entered in Chapter B0-4 0.

<sup>(2)</sup> Of which EUR 30 000 000 is entered in Chapter B0-4 0.

<sup>(3)</sup> Of which EUR 24 000 000 is entered in Chapter B0-4 0.

<sup>(4)</sup> Of which EUR 30 000 000 is entered in Chapter B0-4 0.

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**CHAPTER B7-5 4 — COOPERATION WITH THE REPUBLICS FORMERLY PART OF YUGOSLAVIA (cont'd)**

**B7-5 4 6 Aid for the reconstruction of Kosovo**

1999 budget		Supplementary and amending budget No 4		New amount	
Commitments	Payments	Commitments	Payments	Commitments	Payments
—	—	+ 92 000 000	+ 30 000 000	92 000 000	30 000 000

*Remarks*

New article

Proposal for a Council Regulation (EC) amending Regulation (EC) No 1628/96 relating to aid for Bosnia and Herzegovina, Croatia, the Federal Republic of Yugoslavia and the former Yugoslav Republic of Macedonia, in particular through the setting-up of the European Agency for Reconstruction [COM(1999) 312 final].

This appropriation is intended to cover the financing of reconstruction programmes in Kosovo to allow the return of refugees to their country. The programmes will also include measures to accompany the resettlement of refugees, micro-credits, loan guarantees, local economic regeneration and projects to establish and operate an administrative and legal framework for government, including local government.

These programmes form part of the EU's overall strategy to contribute to stability in the region.

This Article is also intended to finance operational expenditure aimed at following up the results of the future stability pact for South-East Europe.

Given the special circumstances, a European Agency for Reconstruction is to be established to ensure that the programme is implemented effectively. The Agency's administrative expenditure will be financed by a proportion of no more than 8% of the total multi-annual allocation for this measure.

The likely schedule of payments vis-à-vis commitments is as follows:

Commitments		Payments				
		1998	1999	2000	2001	Subsequent years
Pre-1998 commitments still outstanding						
Commitment appropriations made available again and/or carried over from 1997						
Appropriation for 1998						
Appropriation for 1999	92 000 000		30 000 000	42 000 000	20 000 000	
<b>Total</b>	<b>92 000 000</b>		<b>30 000 000</b>	<b>42 000 000</b>	<b>20 000 000</b>	

*SUBSECTION B0*

**GUARANTEES AND RESERVES**

COMMISSION  
Subsection B0  
(Guarantees and reserves)

**TITLE B0-4**  
**RESERVES AND PROVISIONS**

**CHAPTER B0-4 0 — PROVISIONS**

**B0-4 0 0 Non-differentiated appropriations**

1999 budget	Supplementary and amending budget No 4	New amount
205 000 000	– 105 000 000	100 000 000

**B0-4 0 1 Differentiated appropriations**

1999 budget		Supplementary and amending budget No 4		New amount	
Commitments	Payments	Commitments	Payments	Commitments	Payments
277 610 000	141 670 000	+ 15 000 000	—	292 610 000	141 670 000

*Remarks*

Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities (OJ L 356, 31.12.1977, p. 1) as last amended by Regulation (EC, ECSC, Euratom) No 2548/98 (OJ L 320, 28.11.1998, p. 1).

The appropriations in this chapter are purely provisional in nature and may only be utilized after having been transferred to other chapters in accordance with the provisions of the Financial Regulation. (Commitment appropriations are shown in brackets).

The breakdown is as follows:

1. *Delete*

Item	B1-1 5 0 1	Compensation for withdrawals and buying in	20 000 000 (20 000 000)
Item	B1-1 5 0 2	Operational fund for producer organizations	20 000 000 (20 000 000)
Item	B1-3 1 0	Distribution of agricultural products to deprived persons in the Community	10 000 000 (10 000 000)
Item	B1-3 8 0 0	Promotion measures — Payments by the Member States	10 000 000 (10 000 000)
Item	B1-3 8 0 1	Promotion measures — Direct payments by the European Community	5 000 000 (5 000 000)
Item	B1-5 0 1 1	Environment	20 000 000 (20 000 000)

2. *Amend*

Item	B1-3 0 1 0	Cereals and rice (non-Annex I products)	16 000 000 (16 000 000)
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3. *Add*

Article	B7-5 3 2	Macrofinancial assistance to the countries of the western Balkans region	(15 000 000)
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