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For Michael

Le Mór Ghrá

Contents

<i>List of Boxes, Figures and Tables</i>	viii
<i>Preface</i>	xi
<i>List of Acronyms, Abbreviations and Glossary of Terms</i>	xiii
1 Introduction	1
2 Public Finance and European Integration	15
3 Budget Rules and Where the Money Comes From	36
4 Making Budgets	62
5 Building a Union: Internal EU Expenditure	94
6 The External Reach of the Union	137
7 Managing the Finances of the Union	176
8 The Second Financial Arm of the Union: Borrowing and Lending	217
9 An Elusive Budgetary Peace?	245
<i>Bibliography</i>	265
<i>Index</i>	278

List of Boxes, Figures and Tables

Boxes

1.1	Principal developments in EU finances	6
2.1	Reports on the role of public finance in European integration	30
3.1	Budgetary rules in the European Union	37
3.2	The evolution of own resources	38
4.1	The financial perspective, 1993–99	71
4.2	The annual budgetary cycle	72
4.3	The 1995 budgetary procedure	80
5.1	The European Guidance and Guarantee Fund (EAGGF)	98
5.2	The dual green currency system	107
5.3	Community initiatives for structural spending	114
5.4	Regions covered by Objective 1 status	115
5.5	Controversial environmental projects funded by structural fund monies	120
6.1	A medley of external financial instruments	144
6.2	Overview of Poland's indicative programme signed in 1994	153
6.3	Summary of the main features of the Lomé conventions	162
7.1	The role of a technical bureau	179
7.2	The system of financial management in the Union	183
7.3	The Commission's reform project	189
7.4	Internal organisation of the Court of Auditors	195
7.5	The Community's legal framework to protect its financial interests	212
8.1	Borrowing and lending instruments of the Union	218

Figures

1.1	Community expenditure from 1958 to 1995	3
3.1	Composition of 'own resources' in the 1995 budget	42
3.2	Changing composition of 'own resources'	43
5.1	Breakdown of structural monies by fund, 1995	111
5.2	R&D fourth framework programme	125
6.1	Map of financial flows from the Union around the world	139
6.2	Geographical distribution of EU aid, 1995	146
6.3	EC humanitarian aid, 1990–93	172
8.1	Financing provided by the European Investment Bank, 1987–94	226
8.2	European Investment Bank loans by sector, 1994	229
8.3	European Investment Bank loan financing outside the Union, 1990–94	231
9.1	European Union: the unfolding agenda	247

Tables

1.1	Delors I – financial perspective 1988–92	10
1.2	Delors II – financial perspective, 1995–99	12
3.1	'Own resources' by member state, 1990 and 1994, ECU	50
5.1	The 1995 budget by category of expenditure	96
5.2	EAGGF guarantee budget, 1995	99
5.3	Problems of budgetary management in the CAP	101
5.4	Distribution of monies for structural operation by objective, 1995	111
5.5	Internal expenditure other than CAP and structural operation, 1995	122
5.6	R&D fourth framework programme, 1994–98	125
6.1	External action 1995 budget	145
6.2	Assistance to the Central and Eastern Countries (CEEC) by donor, 1990–92	148

x *List of Boxes, Figures and Tables*

6.3	Breakdown of Phare commitments by partner country, 1990–94	151
6.4	Breakdown of Phare commitments by sector, 1990–94	151
6.5	TACIS programme breakdown by country, 1991–94	152
6.6	Agreements and protocols with Mediterranean states	157
6.7	Financial flows to the CEEC and Mediterranean, 1995–99	160
6.8	Financial resources contributed by the member states to the 8th European Development Fund (EDF)	165
8.1	Breakdown of EIB loans by member state, 1990–94	230
8.2	Amounts outstanding on Community borrowing and lending activities	232
8.3	Lending activities of the EBRD, 1990–94	243
9.1	Countries of East Central Europe: basic data	255
9.2	Estimated costs of enlargement	256

Preface

This volume was researched and largely written while I was on sabbatical in the Netherlands during the academic year 1994/95. I very much appreciated the opportunity to work on the book in a consistent manner over eight months without the diversions of my home university. I carry warm memories of my attic study in a farmhouse in the Dutch countryside. Proximity to Brussels and Luxembourg was a great help in interviewing MEPs, auditors, Commission officials and bankers. My thanks to Professor Tom Garvin, who released me from the day-to-day routines of teaching and administration and to Professor Peter Mair who welcomed me in Leiden.

I must thank many others who provided the material on which this volume is based. Numerous MEPs, EP officials, Commission officials, members of the Council's Budget Committee, members and officials of the Court of Auditors, officials in the EIB, the EBRD, the EIF, representatives of Brussels-based regional offices and umbrella groups of one kind or another gave me insights into the Byzantine world of EU finances. Special thanks are due to Mr A. Bletsas (DG 20), Mr Jean-Pierre Bache (DG19), Mr H. Oksanen in the Liikanen Cabinet, Mr Peters in UCLAF, Mr P. Zangel in DG5, Mr James Elles MEP, Mr John Tomlinson MEP, Mr Tillich MEP, Mr Brinkhorst MEP, Mr P. Dankert MEP, Mr James Spence EP Budget Committee, Ms Clare Wells EP Budgetary Control Committee, Mr Bernhard Friedmann Member Court of Auditors, Mr John Wiggins Member Court of Auditors, Mr Barry Desmond Member Court of Auditors, Mr Hubert Weber Member Court of Auditors, Mr Chris Kok Chef de Cabinet, Court of Auditors and numerous other officials in the Court, Mr Peter Brennan Irish Business Bureau, and Ms Mary Sutton Trocaire.

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first hand the dramas of the annual budgetary cycle. He shared this experience with the scholarly community in his many books and articles on the budget. He was unfailingly helpful and generous with his time. A shorter piece co-authored with him on the Budget provided me with the impetus I needed to embark on a longer study of EU finances.

I owe special thanks to Maura Adshead, who did the initial library search for material, my colleague Anna Murphy, who provided material on East Central Europe, Chris and Eileen, who helped with producing the text, Jonathan Williams for his red pen, and my family for putting up with the inevitable last-minute pressures of completing a book.

University College Dublin

BRIGID LAFFAN

List of Acronyms, Abbreviations and Glossary of Terms

- ACP** African, Caribbean and Pacific states linked to the EU by the Lomé Convention.
- Acquis Communautaire*** Term used to describe the corpus of Community legislation and policy commitments among the member states arising from the Treaties, subsequent legislation and policy developments.
- Action Jean Monnet** Financial instrument to support teaching on European Integration in universities.
- ADAPT** New Community initiative to promote industrial change.
- ADAR** Audit Development and Reports.
- ALA** Asia and Latin American States.
- Budgetary Authority** Council and the European Parliament.
- CAP** Common Agricultural Policy.
- CFSP** Common Foreign and Security Policy.
- Cohesion Fund** Financial instrument provided for in the Treaty on European Union.
- COMECON** Council for Mutual Economic Assistance.
- Community Initiative** EU funding under the structural funds outside the Community Support Framework.
- COREPER** Committee of Permanent Representatives.
- CSF** (Community Support Framework) statement of financial support from the structural funds.
- CEEC** Central-East European Countries.
- Delors I** Budgetary Agreement 1988–92.
- Delors II** Budgetary Agreement 1993–99.
- DG** Directorate General name of departments within the Commission.

xiv *List of Acronyms, Abbreviations and Glossary of Terms*

Dirigisme Term used to describe an interventionist economic policy.

EAGGF European Agricultural Guidance and Guarantee Fund.

EBRD European Bank for Reconstruction and Development founded in 1990.

EC European Community.

ECHO European Community Humanitarian Office.

ECOFIN EC Economic and Finance Council.

ECSC European Coal and Steel Community.

ECU European currency unit – basket of 15 EC currencies used in all matters relating to the budget.

EDF European Development Fund for aid to ACP states.

EEA European Economic Area Agreement between EU and EFTA states minus Switzerland.

EFTA European Free Trade Association.

EFTA Cohesion Fund Financial mechanism established as part of EEA Agreement.

EIB European Investment Bank.

EIF European Investment Fund.

EMS European Monetary System.

EMU Economic and Monetary Union.

EP European Parliament.

EPC European Political Co-operation.

Erasmus Mobility scheme for third-level students.

ERDF European Regional Development Fund.

ERM Exchange Rate Mechanism.

ESF European Social Fund.

ESPRIT European Strategic Programme for Research and Development.

EUA European Unit of Account Basket of Member State Currencies used from 1975 in the European Development Fund, later replaced by the ECU.

EU European Union

FIFG Financial Instrument for Fisheries Guidance.

Financial Perspective Agreement on budgetary resources over a number of years. The current agreement runs from 1993 to 1990.

Framework Programme Financial programmes to support R&D.

G24 Group of Twenty-Four Industrialised Countries.

GATT General Agreement on Tariffs and Trade.

- GDP** Gross Domestic Product.
- GNP** Gross National Product.
- HORIZON** Community initiative for the handicapped.
- IGC** Intergovernmental Conference/formal conference to negotiate Treaty change.
- IIA** Interinstitutional Agreement.
- IMP** Integrated Mediterranean Programmes.
- INTERREG** Community initiative for border regions.
- Inter-institutional Agreements** Agreements between the two arms of the Budgetary Authority on the conduct of the budgetary process and on substantive policy issues.
- KONVER** Community initiative to help regions faced with a decline in defence spending.
- LEADER** Community initiative for rural development.
- LEONARDO** Framework programme for vocational training.
- LIFE** Financial instrument for environmental measures.
- LINGUA** Teaching and learning of foreign languages in the EU.
- Lomé** Convention between EU and 69 ACP states.
- Med-Campus** Co-operation between EU universities and those in the Mediterranean.
- Med-Invest** Co-operation to encourage links between EU and Mediterranean companies.
- MED-URBS** EU-Mediterranean programme for local authorities.
- MEP** Member European Parliament.
- NATO** North Atlantic Treaty Organisation.
- NGO** Non-Governmental Organisation.
- NOW** Community initiative for Women.
- Own resources** Sources of finance for the Community budget.
- PDB** Preliminary Draft Budget.
- Phare** Programme for economic reconstruction in Eastern Europe.
- RECHAR** Community initiative for coal mining regions.
- REGIS** Programme for the Union's outermost regions.
- SEA** Single European Act.
- SINCOM** The Commission's computer system for budgetary management.
- SOCRATES** Co-operation in education.
- STABEX** System for the Stabilisation of Export Earnings in the Lomé Convention.

Structural Funds The guidance section of the EAGGF, the ESF and ERDF.

SYSMIN Mineral products in Lomé Convention.

TACIS Technical assistance for the CIS states.

TEMPUS TransEuropean Mobility Programme for Eastern Europe.

TENs TransEuropean Networks.

TEU Treaty on European Union.

UCLAF Unité de Coordination pour la Lutte Antifraude.

URBAN Community initiative for urban regions.

Youth for Europe Civic and social education of young people.

WEU Western European Union.