

Conclusions of the Dublin European Council: extract concerning the budgetary correcting mechanism (10 and 11 March 1975)

Caption: At the Dublin European Council held on 10 and 11 March 1975, the Heads of State or Government signal their agreement on the adoption of a budgetary correcting mechanism.

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http://www.cvce.eu/obj/conclusions_of_the_dublin_european_council_extract_concerning_the_budgetary_correcting_mechanism_10_and_11_march_1975-en-98a233f8-8f09-4db5-99e2-96e0384f7d24.html

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Dublin European Council (10 and 11 March 1975) Conclusions of the Presidency

[...]

Budgetary correcting mechanism

The Heads of Government meeting in Council agreed on the correcting mechanism described in the Commission communication entitled "Unacceptable situation and correcting mechanism" subject to the following provisions:

1. The criterion concerning the balance of payments deficit and the two-thirds ceiling are dropped.

2. The following provisions will be incorporated into the agreed mechanism:

(a) The correcting mechanism shall be subject to a ceiling of 250 million u.a. However, as soon as the amount of the Community budget exceeds 8 000 million u.a., the ceiling shall be fixed at an amount representing 3 % of total budget expenditure.

(b) When a moving average drawn up over three years indicates that the balance of payments on current account of the country in question is in surplus, the correction shall only affect any difference between the amount of its VAT payments and the figure which would result from its relative share in the Community GNP.

[...]