Interinstitutional agreement: legal bases and implementation of the budget, following the C-106 /96 judgment

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The rapporteur, Mr Efthymios CHRISTODOULOU (EPP, GR), proposed that the European Parliament approve the text of the interinstitutional agreement on legal bases and the implementation of the budget resulting from the consultation on 17 July. It was of the utmost importance to find a solution to the problem of implementing the appropriations from the 1998 budget which did not have any legal bases, following the Court of Justice judgment of 12 May. The actions of various NGOs active in the social sector, development cooperation, human rights and democracy had actually been blocked. The agreement reached provided for appropriate procedures for launching and financing pilot and preparatory actions. The Commission had found solutions in order to finance measures combating violence against children, actions on illicit and harmful subject matter on the Internet, support and monitoring of elections and actions to promote human rights and democracy. The President-in-Office of the Council, Mr Wolfgang RUTTENSTORFER, pointed out that Parliament and Council had undertaken to speed up the legislative procedures with regard to implementing appropriations entered in the 1998 budget for which a legal basis had been proposed but not yet adopted. The interinstitutional agreement would fully apply from the 1999 budgetary procedure. During the debate, Parliament expressed its regret at the blockage of one hundred budget lines, amounting to approximately EUR 900 million, which had ended up blocking the work of NGOs and appropriations for the fight against poverty. Commissioner Erkki LIIKANEN welcomed the agreement in July that had increased trust between the institutions. He also welcomed the fact that the British Government had withdrawn all the legal actions against the Community budget. From this point on, when sums appeared in the budget, they could be implemented. The July agreement had opened up the budget lines for the fight against violence towards women and children, human rights and democracy, the Internet, the youth voluntary service and NGOs working in third countries. As regards the fight against poverty, the Commission would present a communication to reorient these lines. Of the EUR 17 million blocked due to a lack of legal basis, only a few million would not be implemented. As regards the reserve of EUR 400 000, the Commission proposed that Parliament accept a transfer.