Education and training : grants to bodies active at European level, 2004-2006 action programme

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This document consists of proposal for basic acts for grants currently covered by the Commission administrative autonomy (Part A of the budget) i.e. CNS/2003/0110 et 116 and COD/2003/0109, 0113, 0114 and 0115. The report highlights that a number of grants have for many years been financed on the basis of appropriations entered in part A (administrative appropriations) of the Commission section of the budget (section III). The main reason why they were located in that section was that there were no basic acts allowing them to be classified as operational appropriations. Their inclusion in part A means that they may be regarded as Commission administrative expenditure, which does not require basic acts for its implementation. Similarly, a number of grants are financed from Part B of the budget (operational appropriations) without being covered by a specific basic act. These grants are generally entered in Chapter B3-30 and thus do not require a basic act because of institutional prerogatives in the field of information. Lastly, there are a number of grants that were temporarily attached to existing basic acts, i.e. the grants relating to the Platform of European Social NGOs. Most of these grants have a common aim, namely to strengthen organisations or promote action that reinforces the European message. They are, however, applied in very different areas of activity governed by different Treaty provisions. Once it was decided to base the construction of the Commission budget on Activity-based Budgeting (ABB), which is now enshrined in Article 41 of the Financial Regulation, it became clear that there was a need to adopt proposals for basic instruments for part A grants that had none. The Commission accordingly undertook a review of the budget appropriations that should be regarded as administrative and those that were operational. Some expenditure currently classified as operational appropriations, such as the BA lines or the administrative part of the research appropriations (B6), has been placed in the administrative part of the budget (Chapter 01). Conversely, some expenditure, such as the Part A grants, which had been regarded as "administrative", has been reclassified as operational appropriations. However, Article 49(2) of the new Financial Regulation provides that, with the exception of institutional prerogatives, pilot projects, preparatory measures and the administrative appropriations for each institution, all operational expenditure requires a basic act in order to be implemented. Therefore, it was accordingly necessary to propose establishing basic acts for the grants currently in Part A. Each basic act, whether providing for operating grants or grants for actions, takes the form of funding for a programme covering a period of 2 to 6 years. Where an act is related to a Treaty article involving codecision, the Commission proposes that the Council and Parliament adopt the total funding required for the programme throughout its life, in accordance with the rules in Article 33 of the Interinstitutional Agreement of 6 May 1999 on improving the budgetary procedure. The adoption of basic acts will not alter the headings of the financial perspective to which the funding of the grants is attached, at least until expiry of the current financialperspective in 2006. In principle, the basic acts should therefore be adopted by the legislature in order to be applicable by 2004. In the event of failure to achieve that objective, the Commission will propose transitional derogations enabling grants to be awarded in 2004, pending adoption of the basic acts.