2000 budget : other sections

1998/2187(BUD) - 07/12/1999

The committee adopted the report by Jean-Louis BOURLANGES (EPP/ED, F) for Parliament's second reading on the 2000 budget. It put forward a solution which would provide funding for the four priorities highlighted by Parliament at first reading (Kosovo, the fisheries agreement with Morocco, aid for Turkey following the earthquake and East Timor) without breaking through the ceiling laid down in the Financial Perspective for external action. It proposed that the entire figure of EUR 4627m envisaged in the Interinstitutional Agreement (IIA) of 6 May be entered in the 2000 budget. This scenario would provide EUR 125m for the fisheries agreement with Morocco, EUR 30m in aid for Turkey (as against the EUR 50m advocated by Parliament at first reading) and EUR 20m (instead of 30m) for East Timor. It would also confirm the EUR 15m in preaccession aid for Cyprus and Malta. To provide this funding, the committee wanted to redeploy appropriations within Category 4. This would involve a combination of selective cuts in appropriations for certain external action headings (EUR 120m) and across-the-board cuts of around 1% (less than EUR 30m), which would not affect development cooperation. However, for reconstruction in Kosovo, instead of agreeing to the EUR 360m suggested by Council (much of which would come from cuts in other external action areas), the committee proposed that a supplementary and amending budget (SAB) be drawn up at a later date to find the necessary funding. This could be adopted in the spring after the Commission had made a proper appraisal of the medium-term requirements of Kosovo and the Balkans, and after negotiations had started on a revision of the Financial Perspective for Category 4 (external action). The 2000 budget would thus only include the funds needed for reconstruction in Kosovo the first 5 months of the year, i.e. EUR 115m. The committee's aim in revising the ceiling for Category 4 was to ensure that the amounts to be entered in the budget for measures in Kosovo (initially the 2000 budget but also subsequent ones up to the year 2006) were realistic and reasonable, based on accurate assessments and reflected an effort to plan the EU's contribution, while also taking account of financial burden-sharing among the various actors on the international stage. On the other major issue for Parliament in the 2000 budget procedure, namely the gradual abolition of the Technical Assistance Offices (TAOs), the committee welcomed the constructive response of the new Commission, which was willing to review its existing organisational set-up and, to a large extent, follow Parliament's recommendations. In the light of the acceptance of the separation between operating appropriations and administrative appropriations in order to ensure transparency (something which had also been accepted by Council), the committee proposed, for the second budget reading, a transfer of 10% of the amounts earmarked for administrative expenditure in order to increase operating expenditure. Given its convergence of views with the Commission, it also wanted only 10% of the appropriations for administrative costs to be placed in reserve (at first reading Parliament had voted for 90% of these appropriations to be kept in reserve).