2002 budget: section III, Commission

2000/2324(BUD) - 16/10/2001

Having already completed its votes on the amendments, the committee adopted the draft resolution contained in the report by Carlos COSTA NEVES (EPP-ED, P), thereby finalising its position with regard to the first reading of the 2002 general budget - section III. Among the general points raised in the report, the committee stressed that, given Council's refusal to contemplate a revision of the Financial Perspective (FP), the current ceilings of the FP no longer allowed the legitimate needs and expectations of the EU's citizens to be met. Moreover, the Council's and Commission's approach of leaving "artificial margins" beneath the ceilings meant in practice that programmes were being cut back in real terms while at the same time new requirements, for example justice and home affairs (JHA) and preparations for enlargement, needed to be accommodated. However, the committee reaffirmed its support for the reform of the Commission, while voicing concern as to whether the initial timetable could still be adhered to, in particular as regards the staff reforms. It therefore advocated a prudent approach. On the question of payment appropriations, the committee proposed increases for a range of budget lines where the ratio of payment appropriations (PA) to commitment appropriations (CA) was too low to ensure effective implementation and sound financial management. For agriculture and rural development (Heading 1), the committee rejected the Council's across-the-board cuts and restored the amounts in the preliminary draft budget (PDB) against most lines in Heading 1a (market expenditure). It declared its willingness to find an appropriate solution to the question of additional funding needed to deal with the BSE and FMD crises on the basis of updated estimates in the Commission's Letter of Amendment. With regard to Heading 2 (Structural Actions) it called for an increase of around EUR 1.5bn in PA, making a total of EUR 33.657 bn. For Heading 3 (Internal Policies) the committee proposed increasing the CA to EUR 6.534bn (as opposed to 6.447bn). It pointed out that new measures were needed in the field of justice and home affairs in response to the terrorist attack on the USA on 11 September 2001. Regarding Heading 4 (External Actions) the committee noted that the amount available under the FP was actually lower than in 2001 because of the use that had been made of the flexibility instrument to provide funding for the Balkans. It recommended increasing the CA (to 4.872bn) and the PA (to 4.788bn). The committee also underlined the need for the EU to review its approach to external actions following the terrorist attacks in America and called on the Commission to submit a report before the second reading of the Council on reinforcing the Community's humanitarian aid to cope with the refugee crisis in Afghanistan and diversifying development cooperation. It also endorsed the principle of sectoral targets as a means of improving the reporting system and called on the Commission to make proposals in discussion with Parliament's specialist committees prior to second reading. As regards administrative expenditure (Heading 5) the committee opted in general to reinstate the funding levels requested in the PDB. The margin left by the Council under Heading 5 did not reflect the needs already generated by preparations for enlargement. Lastly, on Heading 7 (Pre-accession Expenditure), the committee called for an increase in payment appropriations for the ISPA, SAPARD and PHARE programmes. It noted that pre-accession assistance for Cyprus and Malta should be included under Heading 7 of the Financial Perspective.