2003 budget: section III, Commission

2002/2004(BUD) - 10/10/2002

The committee adopted the report by Göran FÄRM (PES, S) finalising its position for the first reading of the 2003 budget (Section III). The breakdown by policy area is as follows (in commitment appropriations unless stated otherwise): - Agriculture (heading 1): the committee proposed 40.6 bn for market expenditure (subheading 1a) and 4.718 bn for rural development and accompanying measures (subheading 1b); this would leave a margin of 2.059 bn within heading 1. Among agricultural guidance measures, the committee wanted in particular to promote animal welfare (including a reduction in the transport of live animals) and to allocate funding to convert tobacco farms to other crops; - Structural Operations (heading 2): the committee said that the Council's cut of 525 m in payment appropriations was unacceptable and argued that full use must be made of the Structural Funds and that the way they operate must be simplified. It also pointed out that a way must be found to finance the outstanding commitments of 27 m for the programme to restructure the Community fishing fleet that used to operate in Moroccan waters. For this, the committee did not rule out the use of the flexibility instrument; - Internal Policies (heading 3): here the committee increased most of the figures in the Commission's PDB with a view to reinforcing the contribution of the EU budget to migration and asylum policy, preparations for enlargement and an EU information policy at the service of citizens. It suggested 6.793 bn in commitments and 6.233 bn in payments, leaving a margin of 2.681 m in this heading; - External Action (heading 4): this heading once again showed up the inadequate level of funding allowed under the financial perspective. The committee stressed the impossibility of funding all the EU's external action requirements because of the constraints imposed on heading 4. Indeed, in order to finance the EU's traditional funding priorities, the committee was having to reduce funding for the reconstruction of Afghanistan by 60m. However, it was keen to find the funding for this area, within the limits of the Interinstitutional Agreement (IIA) of 6 May 1999, and therefore called on the Council to start serious negotiations with Parliament on this point before 2nd reading. Elsewhere, the committee recalled that no agreement on CFSP figures was reached at the conciliation of 19 July 2002 and proposed a figure of just 30 m for Chapter B8 (CFSP), in line with the IIA. It called for an interinstitutional agreement to be reached by the second reading which provides for practical arrangements for informing and involving Parliament in foreign policy. Lastly, the committee wanted sufficient EU funding for the Global Health Fund. Thus, for heading 4, the committee proposed a total of 5.044 bn in commitments (72.082 m above the ceiling) and 4.947 bn in payments; - Administrative expenditure (heading 5): the committee welcomed the agreement reached between Council and Parliament providing for administrative expenditure for 2003 to be funded by front-loading anticipated savings from 2002 and proposed a total of 5.374 bn for this heading. It confirmed its determination to give priority to the preparation of enlargement and also urged the Commission to come forward with a proposal to establish a pension fund for EU officials; - Pre-accession aid (heading 7): the committee restored the payment appropriations for the PHARE, SAPARD and ISPA programmes, which had been cut by the Council, and also created a p.m. line for a new programme for the uptake of pre-accession measures in the field of rural and community development. It proposed a total of 3.256 bn in payments for heading 7. In its general remarks, the committee expressed concern at the continuing backlog of payments and called on the Commission to report, before the EP's second reading, on how exactly it intended to to clear the outstanding commitments and to submit a take-up plan based on a binding timetable to be approved by the budgetary authority.