Financial programming 2002-2006: financial perspective headings 3 and 4

2001/2162(COS) - 07/06/2001 - Non-legislative basic document

PURPOSE : to adopt and transmit to the budgetary authority the financial programming of headings 3 and 4 for the period 2000-2006. CONTENT: the allocations for 2000-2006 were agreed following the Berlin European Council on Agenda 2000 as an integral part of the Interinstitutional Agreement on improvement of the budgetary procedure. 1) Internal policies, heading 3, the following points should be noted: · Research and technological development (RTD) remains the single largest area of spending (over 60% of heading 3). The allocations for the period 2000-2002 correspond to the programming laid down for the 5th framework programme, plus the amount deducted in 1999 (EUR 120 million) to meet the urgent needs of the reconstruction of Kosovo; · 2002 is not only the last year of the 5th framework programme, but will also see the launch of a new framework programme, for which the Commission is proposing an overall allocation of EUR 17.5 billion for the period 2003-2006; · A number of financially significant programmes (averaging over EUR 30 million a year) have been adopted since the first year of the present financial perspective: Socrates 2000-2006, Youth 2000-2006, Culture 2000-2004, Trans-European Networks 2000-2006 (Transport, Energy, Telecoms, LIFE III 2000-2004; European Refugee Fund 2000-2004. Allowance has been made for the high political priority accorded to measures in the field of public health. A new programme for 2001-2006 was proposed in May 2000. Pending the adoption of this new strategy for health, the six programmes which were due to terminate at the end of 2000 and the end of 2001 have been extended to the end of 2002. The same political priority has been given to food safety, with plans to create a European Food Safety Authority), and safety in air and maritime transport, with the proposed creation of two agencies. There is a downward trend in this financial programming for a number of areas as certain operations will be completed. This is the case, for instance, from 2003, for the information and communication lines, mainly because of the completion of the euro information campaign. 2) External action, heading 4, it should be noted that the financial programming that accompanied the 2001 PDB included a proposal for revising the financial perspective in order to cope with the significant needs for financing the programme for the Balkans region. The budgetary authority failed to reach an agreement on this revision. Moreover, the adoption · or renewal · in 2000 of important assistance programmes, such as CARDS, MEDA and TACIS, has undoubtedly marked the programming of heading 4. - The new programming is compatible with the financial reference amounts, determined by the Council, for the MEDA (EUR 5.35 billion) and CARDS (EUR 4.65 billion) programmes; for the other financial operations, thefinancial programming has relatively minor changes compared with what was adopted by the Commission in May 2000; - For the NIS, the overall allocation is programmed at a level of EUR 3.66 billion, which is higher than the financial framework adopted by the Council (EUR 3.138 billion) for the TACIS programme; - The total amount proposed for heading 4 in 2002 is EUR 4.82 billion, which is lower than the one adopted for the 2001 budget. This is due to the mobilisation of the flexibility instrument (EUR 200 million) for 2001, which has allowed proper assistance to the Balkans without significantly affecting all the other external programmes. - The external priorities set out by the Commission for 2002, the Mediterranean and development cooperation also represent medium-term objectives; - For other regional operations, such as technical and economic cooperation with Asia and Latin America, the focus is on poverty alleviation, with specific support for the health and education sectors; - With respect to the Balkans region, the CARDS programme aims to consolidate the legal and budgetary basis for the EC's activities in Albania, Bosnia Herzegovina, Croatia, FYROM and the FRY (Serbia, Kosovo and Montenegro). The programme provides for stable or decreasing (BiH) country allocations except for Montenegro, Croatia, Kosovo and Serbia, where the political change justifies increased support; - The assistance programme for South Africa has both high political relevance and a significant poverty focus: that is why the financial effort will be continued at the present level for the whole period; - Humanitarian aid should be spared cuts because of its good performance, visibility and targeting of the poorest crisis-hit populations. Annual average growth will be 1%. Finally, the pre-

accession assistance to Cyprus, Malta and Turkey will continue to be financed in heading 4. In conclusion, the present programming offers scope for gradually building up over the entire period a margin that leaves some room for unforeseeable events in the area of external relations, reinforcement of programmes when necessary, and possible deflator fluctuations. The multiannual programming is indicative.