Incorporation of the EDF in the EC budget

1994/2139(INI) - 12/07/1995 - Text adopted by Parliament, single reading

Adopting the report by Mr BAGGIONI (UPE, F), the European Parliament, convinced that the inclusion of the EDF in the Union budget was more of a political than a budgetary issue, considered that the prolonged absence of this Fund in the Community budget was perpetuating the democratic deficit of the Union. It reiterated that the European Parliament had been calling, with the Commission's support, for the EDF to be included in the budget since 1973 and particularly deplored the fact that, contrary to the Council's undertaking to examine the possibility of the definitive inclusion of the eighth EDF in the Union budget from 1995 onwards (declaration no. 7 of the 1993 interinstitutional agreement), no measures had been taken to do so. According to Parliament, the advantages of including the EDF in the budget (there were no disadvantages) were proper budgetary control and greater flexibility. Under no circumstances would it directly or indirectly reduce the Union's financial commitment to ACP countries or imply any unilateral modification or weakening of the Lom Convention. Nor would it result in an increase in overall costs or a change in individual costs borne by the Member States. Including the EDF in the budget would also be an application of the principle of subsidiarity and would make development policy an example of a policy which, because of its nature and dimension, could be implemented at Community level. At the same time, Parliament advocated classifying EDF appropriations as "non-compulsory" budget expenditure. While admitting the need for transitional arrangements (lasting a maximum of 5 years) before the final inclusion of the EDF in the budget, the European Parliament considered that funding expenditure should be replaced by recourse to own resources thereafter. Finally, it called on the Commission to propose decentralized management of budget appropriations and multi-annual planning in connection with the inclusion of the EDF in the budget.