Future financing of the European union in respect of enlargement

1996/2135(INI) - 12/12/1996 - Text adopted by Parliament, single reading

In adopting the report of Mr Efthymios CHRISTODOULOU (PPE, EL) on the funding of EU enlargement, the European Parliament called for close monitoring of the progress being made by the new applicant countries towards a social market economy. It noted that the impact of enlargement would be felt both on the CAP, where adjustments would be needed, and on structural expenditure. No decision on the procedure could therefore be taken before the financial implications were known. The CAP was in need of major new reform in order to ensure the implementation of a true European policy on the rural environment and on employment in this sector, and to prepare the EU for the accession of the CEECs. As regards the Structural Funds, Parliament noted that at the present time all applicant countries would be eligible for aid. Budget expenditure should therefore be increased, while at the same time taking account of the absorption capacities of the new applicants. Furthermore, this had to be achieved while efforts towards economic and social cohesion were under way within the current European Union. Parliament stressed the need for a redefinition of the priorities of the PHARE programme and for the provision of a new Community instrument which would also make use of interest rate subsidies. Parliament also took the view that too rapid accession, combined with substantial long-term derogations of financial significance, would interfere with the smooth operation of the single market, and that consequently careful preparations would be needed. In conclusion, Parliament called on the Commission to submit proposals defining the pre-accession periods which reflected the specific needs of each applicant country. The Commission was asked to draw up a detailed study based on realistic assumptions and on comparable and reliable statistics, which were still not available. In this way, once these preparations had been completed, accession negotiations could commence six months after the end of the IGC.