2001 Budget: section III

1999/2190(BUD) - 30/03/2000 - Parliament's opinion on budgetary estimates/guidelines

The European Parliament adopted its resolution drafted by Ms. Jutta HAUG (PES, D) on the budgetary guidelines for 2001 (Section III - Commission). The Parliament points out that the structure of the EU budget has to be clear, transparent and easy for the public to understand to reflect the political objectives of the EU and to facilitate supervision of the implementation of the policy measures; the budget document itself must be the practical expression of EU policy. 1) With regard to the budgetary structure, the EP welcomes the Commission's efforts to present the PDB in parallel in the form of an Activity-Based Budget (ABB) the objectives of which are: - to improve administrative performance, transparency and the level of evaluation, and thus to enhance its scope for exerting more clearly targeted and stronger political guidance, - to foster sound management, efficiency and cost-effectiveness in the administration and to reinforce flexibility of the management of Community actions by the Commission. It asks the Commission to ensure that Parliament's horizontal priorities, such as the mainstreaming of green and gender issues, are duly taken into account and highlighted, and that the ABB exercise be applied to all EU expenditure, including the European Development Fund (EDF). It points out that the administrative reform and the introduction of the ABB must not prevent the budgetary authority from exerting its powers over the allocation of the resources it considers necessary to implement EU policies, and must prevent the Commission from binding the implementation of new political priorities to extra human resources or administrative spending. The Parliament welcomes current Commission thinking as regards adding a detailed breakdown of EDF appropriations in an annex, as an important first step towards its integration in the budget; such a step will only be useful if the information includes performance targets to enable the budgetary authority to monitor the efficiency of implementation. 2) On the subject of the implementation of the budget, the EP emphasises the need to strengthen instruments for monitoring not only the quantitative, but in particular the qualitative aspects of the implementation of expenditure, and instructs its committees to continue their efforts concerning the monitoring of budget expenditure, and to develop further their close cooperation; it also instructs its committees to examine quarterly the implementation of the budget on the basis of detailed reports from the Commission. It stresses the need to establish in cooperation with the Council and the Commission, a procedure linking the implementation of the current budget to the establishment of the budget for the following year. It considers that the conclusions from the exercise of the 1998 discharge for Section III (Commission) need to be reflected in the decisions taken in the 2001 budget for the Commission. It calls for a detection and evaluation procedure for identifying non-compliance with the conditions of implementation establishedin the budget and stresses that a procedure should be established to freeze the execution of budget lines if those conditions are not met. 3) The Parliament's Resolution then goes on to highlight a number of specific problems that will need to be dealt with. Some of these relate to: a) Pilot projects and preparatory actions - it expects the Commission to give a positive follow-up to those projects and actions entered in the Budget 2000 by 30/04/2000 and to those entered in future budgets; b) Classification of appropriations - expenditure resulting from international agreements with non-EU countries; c) Natural disasters - the Commission is requested to pay special attention to structural problems of an economic or social character caused by natural disasters and to look favourably on measures to help solve these problems; d) Heading 1: it considers it undesirable that this should be used as a primary financial source for financial needs in the field of external policy; it wants the Commission to put forward a proposal to bring appropriations under sub-heading 1b under differentiated appropriations; with regard to ancillary expenditure, it urges the Commission to make an effort to implement the EP's priorities even when they involve compulsory expenditure; in view of the importance of fisheries, it calls on the Commission to include among its priorities not only resource conservation but also the consolidation and extension of international fisheries agreements and the improvement of working conditions and safety standards in the sector; e) Heading 2: the need for in-depth analysis of the management of the Structural Funds, in particular the externalisation of financing decisions; it urges the Commission and the Member States urgently to review the decision-making procedures in order to avoid a slow start in the implementation of the new funds in 2000, which would inevitably begin to store up

problems for the 2001 budget and for future budgets. It also urges the Commission, in view of the large accumulated backlog of appropriations from the previous programming period, to take the necessary action to achieve a significant reduction in the payment period for committed appropriations; f) Heading 3: With regard to the employment initiative, the EP asks the Commission to submit to it, before its first reading of the 2001 budget, a qualitative evaluation of the employment initiative launched in 1998 demonstrating its impact on job creation; it calls on the Commission to concentrate further initiatives on measures to ensure greater integration of micro-enterprises and SMEs into the Information Society in order to strengthen their competitiveness in an international environment, as well as the incorporation of modern IT highways and networks within the TENs programme. Parliament also underlines the importance of appropriate funding for the areas newly introduced or reinforced by the Amsterdam Treaty concerning internal policies and other new common policies in the field of justice and home affairs; it also calls on the Commission to simplify and decentralise procedures for small-scale projects, such as human rights and democratisation projects, which offer high value for little money; g) Heading 5: with respect to OLAF (the anti-fraud office),the Commission is asked to indicate the level of occupancy of the new posts created in 1999 and 2000; h) Heading 6: the EP expresses concern about the future capacity of the reserve for guarantees to finance all requirements for EU lending interventions and suggests that the EU's priorities in terms of future loan interventions should be discussed jointly by the budgetary authority and the Commission to ensure a degree of advance planning of needs.