# 2004 enlargement: adjustment of financial perspective for 2004-2006

2003/2025(ACI) - 09/04/2003 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution drafted by Reimer BOGE (EPP-ED, Germany) and Joan COLOM I NAVAL (PES, Spain) on the adjustment of the financial perspective. To recall, Article 32 and Annex XV of the Accession Treaty, introduced by the Member States, fixed a ceiling for additional enlargement-related appropriations for the ten candidate countries concerning heading 1, 2, 3, and 5 of the Financial Perspective over the period 2004-2006. The European Parliament stated that the provisions flouted the Interinstitutional Agreement and Parliament's role as part of the budgetary authority, as well as discriminating against the new Member States (please see INI032050). The main points in the new agreement with Council are as follows: - over the period 2004-2006, the annual ceilings for appropriations for commitments of Headings 1, 2, 3 and 5 of the Financial Perspective will be raised by the corresponding expenditure requirements resulting from the accession of the ten new Member States; - funding for Turkey is transferred from the budget category for external policy to the budget category for pre-accession strategy (heading 7). Parliament stressed that the new definition of heading 7 widens the scope of the heading, which could strengthen enhanced forms of cooperation with neighbouring countries; - a new Heading 8 is created in order to enter budgetary compensations agreed upon at the Copenhagen European Council. - as a consequence, Annex 1 of the Interinstitutional Agreement of 6 May 1999 is replaced by the adjusted financial perspective at 1999 prices for EU-25. If there is a political settlement with Cyprus, a slightly different set of figures will apply. Parliament's resolution welcomes the fact that Member States recognise that Article 32 and Annex XV do not prejudice the powers and prerogatives of the budgetary authority conferred upon it by Treaty. Parliament endorsed the adjustment of the financial perspective up to 2006 to EUR 540 million for internal policy. It welcomed the decision to adjust the perspective on the basis of the Commission's proposal in accordance with the IIA of 6 May 1999 without discriminating against the new Member States. Parliament warned the Council that in case of non-ratification of even one element of the agreement reached with the Presidency, Parliament would consider that no agreement whatsoever has taken place.