2004 budget: conciliation procedure

2003/2027(BUD) - 03/07/2003 - Budgetary text adopted by Parliament

The Parliament adopted the report by Jan MULDER (ELDR, NL) which sets out its priorities for the 2004 EU budget ahead of the forthcoming 1st-reading conciliation between Parliament and Council. The Parliament agrees with the decision of the committee responsible (please refer to the document dated 17/06 /03). On agriculture spending, the Parliament notes that the compulsory part of the common agricultural policy's total expenditure is cut from 40.2% in the 2003 budget to 36.8% in the 2004 PDB for EU-25 and that the share of non-compulsory expenditure is increased from 4.7% in 2003 to 5.8% in 2004. Concerning pilot projects and preparatory actions, the Parliament confirms the need to consider the continuation of existing pilot projects and preparatory actions based on their implementation; reminds the Council and Commission at this stage of the procedure of its intention to examine the introduction of new actions in the field of agriculture in heading 1a on an insurance scheme for farmers, the implementation of environmental indicators, and a quality scheme for food production. Parliament asks the Council to take a position on this issue; will consider the introduction of new actions in other policy areas at its first reading. As regards the issue of structural operations, Parliament expresses concern about the fact that the payment appropriations for the Structural Funds for the current 15 Member States have been reduced by EUR 4.2 billion, or 13.9%, compared to the 2003 budget; stresses that their volume should be assessed on the basis of not just the Member States' forecasts, but also the level of outstanding commitments and payments for the current financial year, and that the closure of programmes from the previous period (1994-1999) does not in any way justify any cuts in appropriations. The Commission is called upon to submit an assessment of the implementation of the N+2 rule and its real impact and to include an analysis of the appropriations expected to be freed up and their impact over the year. Parliament also asks the Commission to inform Parliament on Member States' forecasts for Structural Funds payments for 2004 in order to assess the appropriate level of payments. As regards subsidies, Parliament takes note of the Commission communication (COM(2003) 274) containing the different legal bases for the activities financed under former Chapter A-30 and for which a legal basis is now needed as a result of the ABB nomenclature (CNS/2003/0110 and 0116 and COD/2003/0109, 0113, 0114 and 0115). The Parliament urges the Council to cooperate closely with Parliament to adopt the legal basis before the end of the 2004 budgetary procedure and it recalls that Parliament had expressed its preference for a framework regulation in order to avoid the rigidity of specific requirements imposed by various legal bases, depending on the Treaty article concerned; reminds the Commission that the legal aspects should not undermine the principles agreed in Article 107 of the Financial Regulation concerning the implementation of Parliament's priorities. Parliament will ensure that none of the European Parliament's political priorities are lost after the change in the system of Subsidies. It also intends to examine all proposals together so as to ensure a coherent legislative framework for all activities under former Chapter A-30 in accordance with the new FinancialRegulation.