2004 Budget: section III, Commission

2003/2001(BUD) - 23/10/2003 - Budgetary text adopted by Parliament

By adopting the report by M Jan MULDER (ELDR, NL), the European Parliament has given, in its first reading, its opinion on the 2004 draft budget. Parliament closely followed the decision of the committee responsible (please refer to the summary dated 9 October 2003) and adopted a series of budgetary amendments. In particular, the Parliament has included in Annex 2 the proposed adjustment of the reference amounts of programmes adopted under the co-decision procedure for the period 2004-2006 and in view of the enlargement process. The following programmes are therefore strengthened: IDA (2001-2004); actions combating and preventing exclusion (2002-2006); Forest Protection (2003-2006); Community Action Programme to promote NGOs primarily active in the field of environmental protection (2002-2006); LIFE III (Financial Instrument for the Environment (2000 to 2004) ; Community cooperation in the field of marine pollution (2001-2006); Action against illegal and harmful content on the Internet (2003-2004); Socrates (2000-2006); Community activities in favour of consumers (2004-2007); Daphne II (2004-2008); Public health (2003 to 2008) for an additional total amount of EUR 43,070 million. The parliament approves the above as a basis for discussion and possible agreement with Council. It also stresses that the amounts beyond 2006 will be decided by the budgetary authority. Parliament reiterates that the main goal of the 2004 budget is to make provision for all those measures that will contribute to making enlargement a success and it considers that integrating 10 new Member States is an unprecedented challenge for the European Union's budget and the most important political priority at the moment; has decided, therefore, to ensure that the appropriate level of funding to cater for enlargement is entered in the 2004 budget and to endorse a series of other measures, such as, inter alia, the targeted topping-up of EU-10 appropriations in specific cases and adapting co-decided programmes to cater for enlargement. It has also decided to endorse measures to improve the financial environment for SMEs with particular attention being paid to needs in the new Member States, to which great importance is attached, since such measures will contribute to achieving more social and regional cohesion. Parliament, on the other hand, notes with great concern the ongoing discussion in the Commission about future political priorities for a revised financial framework post 2006. It considers that this debate is relevant but that no decision should be taken at this stage, particularly in view of the imminence of the enlargement of the Union on 1 May 2004 and of the European elections in June 2004. Parliament believes the decision should be the prerogative of an incoming Commission once constituted and with its own priorities established, with the final decision being taken by the budgetary authority. - Heading 1 : other than the issues set out in the decision of the committee responsible, the Parliament is also aware that, in recent years, animal diseases have had a huge impact on the agricultural sector, with adverse effects for consumers, farmers and other operators. Therefore, it has decided to make appropriations available to study the possibility of introducing, on the basis of the experience of a number of Member States,European-level insurance schemes to cover a share of the cost of eradicating certain contagious animal diseases; - Heading 2 : Parliament: the Parliament has decided to increase the payment appropriations in heading 2 to better reflect Member States' forecasts and to take account of the level of old outstanding commitments, payments for the current year, enlargement-related requirements and the outstanding commitments situation concerning the previous period. It invites the Commission to present a fresh estimate of what is needed for 2004, including for completion of 1994-1999 payments. The Commission is also invited to examine the extent to which 1994-1999 commitments are still valid. - Heading 3 : Parliament underlines the importance of Community support to small and medium-sized enterprises especially in view of the completion of the internal market, the realisation of the Lisbon strategy and the requirements of the Basel II rules. The Parliament also notes that the share of heading 3 given over to the decentralised agencies has been growing as the number of new agencies has increased recently; is of the opinion that the level of subsidy entered in the DGB by the Council should allow the agencies to fulfil their tasks in the enlarged Union; proposes in this context to accept the Commission's forecasts for EU-10. It proposes to enter 10% of the operational expenditure in the reserve pending the evaluation of the preliminary work programme by the competent committee, so as to ensure that the policy in relation to agencies reflects a rigorous

budgetary approach and remains under the democratic control of the political and budgetary authorities; is willing to examine the impact of these amendments before second reading. In addition, the Parliament notes with concern that the agencies' staff levels have increased far beyond the average for the Institutions in recent years and asks the Commission, when it takes the initiative to create a new agency, to examine beforehand all risks of duplication of effort and to propose a corresponding redeployment of resources; asks the Commission to submit a report to Parliament by 1 November 2003 providing information on the impact of this development and on the medium-term consequences for heading 3. Moreover, the Commission should submit a report to Parliament by 1 November 2003 explaining the big increase in staff and in appropriations, the transformation of agency staff into officials. Parliament has decided to reinstate the amounts proposed by the Commission in the PDB for research policy, which remains a priority for Parliament; has also decided to earmark EUR 31 million for cancer research and EUR 4 million for a Member State cancer research initiative under Article 169 of the Treaty. It expresses its concern about the possible closure of the Info Points throughout the European Union as from 1 January 2004 and alerts the Working Group on Information about this issue. The conclusions of the Thessaloniki European Council concerning the management of external borders have been welcomed. The Parliament considers, however, that the Council's decision to increase the amount in the PDB to EUR 19.8 million is not justified; has decided, therefore, to enter an allocation of EUR 9 million in commitments and EUR 10 million in payments for this purpose. The parliament is concerned over the problems and irregularities at the Statistical Office and it has decided to place 50% of theadministrative expenditure for the Office in the reserve until the Commission has given Parliament sufficient reassurances that the problems have been solved, that those responsible have been identified and penalised as appropriate, and that measures have been taken to prevent any recurrence of such incidents; - Heading 4 : Parliament recalls that it is the responsibility of the Union to base its contribution (EUR 200 million) on the needs of the Iraqi people and, in the context of a political agreement, on the conditions necessary for its implementation within a United Nations framework. Parliament calls on the Commission to maintain the level of funding for East Timor, so as to take account, in particular, of the reconstruction needs and international commitments in relation to that country. The Parliament has decided to enter 5% of appropriations in the reserve for the main geographical programmes and for the NGO co-financing line, with the intention of analysing the Commission's procedures vis-à-vis NGOs. Parliament insists that the importance of protecting and promoting children's rights be taken into account when planning geographical programmes and other Commission development policy activities, and that special emphasis should be placed on the search for ways and means of including education for children affected by war or natural disasters in external aid programmes. It also considers it imperative that particular attention be paid in Union measures for poverty eradication to the special situation of disabled people. Parliament has decided to enter Common Foreign and Security Policy (CFSP) appropriations at a similar level to the 2003 budget pending the receipt of further information from the Council on, in particular, the nonprogrammed appropriations and a commitment from the Council to transmit, from now on, a separate and qualitatively improved document containing its priorities and their financial implications for 2004. It has also provided for some appropriations for the new EU Police Mission (Proxima) in FYROM; - Heading 5 : Parliament has decided to make appropriations available in the reserve for the creation of 272 new posts for the Commission's establishment plan in order to incorporate staff from the new Member States. The Parliament recalls that over the course of previous years, it has asked in several resolutions for steps to be taken towards the establishment of a European common diplomacy; points out that the draft Treaty establishing a Constitution for Europe provides for the creation of a European external action service under the authority of the future Union Minister for Foreign Affairs; therefore considers it essential that diplomats from the Member States should be closely involved with the nascent Community service by means of temporary secondment to the Commission's external service; - Heading 6 : the Parliament has invited the Council to explore the possibility of establishing a special loan facility for reconstruction measures in Iraq, but also to ensure that this facility is not provided for at the expense of other existing initiatives under the current ceiling; - Heading 7 : the Parliament has reiterated its financial commitment to Bulgaria and Romania, aimed at enabling them to complete their pre-accession work and be ready to join the European Union in 2007.