2005 budget: section III, Commission

2004/2001(BUD) - 13/10/2004

The committee adopted the report drawn up by Salvador GARRIGA POLLEDO (EPP-ED, ES) to accompany the vote on the amendments for Parliament's first reading of the 2005 budget. MEPs increased the figure for payment appropriations, which the Council had decreased by EUR 4 billion in its draft budget in July. One major change was the sizeable hike proposed for Structural Measures, largely because the funding for this policy area was spent well during the current financial year. The report said that these increases were justified by the need for the EU to "provide the necessary budgetary means to meet its stated ambitions", i.e. to speed up implementation of the Lisbon Strategy so as to boost sustainable development and employment, enhance cooperation on asylum and immigration policies, improve the information targeted at the European public by the EU and strengthen cohesion and external policies. As regards External Action, MEPs wanted funding for reconstruction in Iraq (to which the EU promised to contribute 1 billion euros over five years at the Donors' Conference in 2003) to be found by using the flexibility instrument (EUR 190 million), since the committee was proposing to leave no margin in the External Action heading. In July the Council cut a number of budget headings, thus increasing their margins so as to forestall any need to use the flexibility instrument. MEPs once again strongly opposed the idea that new commitments should be funded at the expense of old priorities, such as humanitarian aid or the fight against poverty. Another bone of contention between Parliament and Council is that there is no margin within the heading Internal Policies from which the funding proposed for the decentralised EU agencies could come. Following the explosion in the number of agencies in recent years and the subsequent impact on staff levels, the funds that need to be earmarked for this purpose are so great that they are jeopardising funding for other key areas. The committee, while keen for the agencies to have the resources to function properly, wanted their funding to be made the subject of an agreement with Council, so that the EU's priorities as described above would be observed.