2005 budget: others sections

2004/2002(BUD) - 28/10/2004 - Budgetary text adopted by Parliament

Parliament adopted the report by Anne Elisabet JENSEN (ALDE, DK) by 455 votes in favour, 66 against with 6 abstentions, on the first reading of the 2005 draft general budget with regard to the European Parliament, the Council, the Court of Justice, the Court of Auditors, the Economic and Social Committee, the Committee of the Regions, the European Ombudsman and the European Data Protection Supervisor.

The Parliament agrees with the committee responsible in that extra posts in the administration for enlargement, requested by the various institutions, should be provided. However, the committee insists on the importance of clear justification for the new spending (activity-based budgeting). The House also insists on developing, on top of reforming administrative structures, an institutional redeployment and co-ordination in order to make further savings. Parliament is in favour of leaving a significant margin under the ceiling of heading 5 (Administrative expenditure), but is obliged, at this stage, to opt for a limited margin. It proposes to restore some EUR 10 million out of the EUR 15 million cut made by the Council in its first reading on the budgets of the other institutions. It also requests the institutions to report to the budgetary authority by 15 November 2004 on the possibilities for further savings, reprogramming and frontloading to adjust the ! appropriations in order to create a more substantial margin in heading 5.

Parliament expects that the salary adjustment for officials of the European institutions will have less of an impact on administrative expenditure under the 2005 general budget than foreseen therefore it will adjust the appropriations for officials' salaries in its second reading accordingly.

The Parliament makes the following recommendations:

Section I - European Parliament: noting the budgetary decision to set the global level of Parliament's budget for 2005 at EUR 1 272 million corresponding to 20% of the ceiling of heading 5. On the other hand, it deplores the fact, however, that in the 2004 budget an amount of 10% could not be spent according to the foreseen allocation. It reiterates its support for the Members' Statute; considers, however, that even with a swift conclusion of the negotiations, the entry into force and the implementation of the Members' Statute could take place at the earliest towards the end of 2005 and is therefore in favour of keeping a token entry for the Members' Statute in Parliament's budget. It also notes that no final agreement has yet been reached with the Belgian authorities on the financial arrangements concerning the D4/D5 building project in Brussels and it points out that the Committee on Budgets has nevertheless decided, under certain conditions, not to rais! e an objection regarding the signature of the contract with the constructor. It has decided to enter EUR 17,5 million of the appropriations entered against Item 3910 (Secretarial assistance allowance) in the reserve until the Bureau has clarified the internal rules on the use of the secretarial allowance to take the increased amount into account. Moreover, Parliament has decided to make the necessary appropriations available for the following establishment plan measures: include the appropriations corresponding to the 140 enlargement-related posts, create 39 posts in the general secretariat, chiefly in order to meet requirements in connection with the new Financial Regulation, the new Staff Regulations and management of MEPs' entitlements, create 19 'passerelle' posts in the general secretariat in order to give established status to around 125 long-standing temporary staff members in political groups during the current parliamentary term, create 37 temporary posts in politi! cal groups and 9 temporary posts for the non-attached Members.

Section II – Council: Parliament points out that the Council's budget for 2005 increases by 4,9% compared to 2004 and hence shows a higher rate of increase on average than heading 5 (3,2%); notes that some EUR 8 million of the increase relates to the establishment of a civilian/military cell, a small EU cell at SHAPE and an operation centre, relating to the European Security and Defence Policy. It calls on Council to

improve the transparency of its budgetary procedure and to set a self-imposed ceiling for its budget; expects the Council to adopt its estimates at the same time as all other institutions and to forward to the Commission the estimates to be included in the PDB. It calls on the Council to act in accordance with budgetary rigour when evaluating its own and other institutions' budgetary needs.

Other institutions : Parliament has created most of the new posts requested by the institutions to ensure that enlargement-related needs are met and has increased appropriations especially for salaries by introducing lower standard abatement rates to enable swift recruitment from the new Member States. Parliament also intends to anticipate especially rent and lease payments from 2005 to 2004 and to reduce the appropriations for 2005 in its second reading at the latest and has introduced amendments to allow for frontloading.

Section IV - Court of Justice: Parliament considers that the possible establishment in 2005 of a judicial panel with jurisdiction to deliver judgments at first instance on disputes between the Community and its staff should be financed inside the budget of the Court of Justice for 2005.

Section V - Court of Auditors: Parliament calls on the Council to provide in writing, and before 15 December 2004, justifications for ignoring the European Parliament's negative opinion on the appointment of a Member of the European Court of Auditors.

Section VIII (A) - European Ombudsman: Parliament takes note of the significant increase in the number of complaints received by the Ombudsman during 2004.