2006 budget: Section III, Commission

2005/2001(BUD) - 05/12/2005

The committee adopted the second-reading report by the co-rapporteurs on the budget, Giovanni PITELLA (PES,IT) and Valdis DOMBROVSKIS (EPP-ED, LV), following the agreement reached between the European Parliament delegation and the Council presidency on the level of payments for 2006 and special financing arrangements for the EU's external action. MEPs expressed disappointment that the Council was not willing to raise the level of payment appropriations for the 2006 budget any higher than 1.01% of Community GNI (representing only a slight increase compared to 2005), but added that they were willing to accept this payment level as part of the "global compromise" on the 2006 budget.

In its general remarks, the committee reiterated the fundamental priorities reflected in the 2006 budget, including the contribution to the Lisbon and Göteborg strategy, EU information policy engaging with citizens and funding of crucial international commitments. It also underlined the priority given to young people and the major European programmes which concerned them.

- **Heading 1: agriculture and rural development:** although it regretted the Council's reductions to various budget lines, the committee nevertheless welcomed the reinforced funding for the food programme for deprived persons and the agreement reached to revise the financial sub-ceilings of heading 1, thereby making possible the modulation measures related to CAP reform;

- **Heading 2: structural actions:** MEPs were disappointed that, due to start-up problems, implementation in the new Member States in 2005 had not developed as well as hoped**.** They expressed Parliament's determination "to ensure the effective implementation of structural actions and to provide the necessary budgetary means". They also approved the draft Joint Declaration of Parliament and the Council stipulating that further payment appropriations can be made available, if needed, by an amending budget in 2006;

- **Heading 3: internal policies:** in view of the need to provide "adequate budgetary means" for the implementation of the Lisbon and Göteborg strategy, MEPs decided to reinstate a number of Lisbon-related amendments amounting to some EUR 130 million. They highlighted the importance, inter alia, of the Erasmus programme and decided to reinforce funding for student exchanges and individual allowances. They also decided to reinforce a number of budgetary lines for information policy and to lift part of the reserve in 2nd reading;

- **Heading 4: external policies:** the committee welcomed the decision to mobilise the flexibility instrument for a total of EUR 275 million for reconstruction in Iraq and in the tsunami-affected countries, new support measures for the ACP countries affected by the EU sugar reform, and the Common Foreign and Security Policy (CFSP). It agreed to a substantial increase for CFSP actions in order to respond to the international situation, especially the need for conflict prevention and resolution. It welcomed the draft Joint Declaration in which Parliament and the Council agreed that the significantly higher funding for CFSP from the EU budget would be accompanied by improved information and consultation measures, including representation of the Council at ambassador level in the political consultation process;

- **Other headings:** the committee confirmed Parliament's 1st reading position on administrative expenditure, restoring all posts not approved by Council while maintaining the reserve of EUR 16 million "until all conditions are fulfilled". For heading 7 (pre-accession strategy), it confirmed Parliament's decision to provide for greater budgetary transparency.