



EUROPEAN PARLIAMENT

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Committee on Foreign Affairs

2010/2073(INI)

28.10.2010

OPINION

of the Committee on Foreign Affairs

for the Committee on Budgets

on the Interinstitutional Agreement on cooperation in budgetary matters
(2010/2073(INI))

Rapporteur: María Muñoz De Urquiza

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SUGGESTIONS

The Committee on Foreign Affairs calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Regrets to note that, beyond the necessary technical adaptations, Point D. of the revised IIA fails to reach its stated goal of reinforcing the financing of the CFSP;
2. Reaffirms that a new IIA must provide more transparency in the budgetary procedure and address properly the information requirements of the budgetary authority in order for it to be fully and regularly informed on the background, context and financial implications of political decisions in this policy area; recalls Parliament's treaty-based right to be consulted and have its recommendations taken into account as well as the undertaking by the High Representative of the Union for Foreign Affairs and Security Policy (VP/HR) to ensure that it receives adequate information prior to the adoption of mandates and strategies in the area of CFSP (in particular those with financial implications);
3. Calls on the Council and the Commission, with the VP/HR, to implement their treaty commitments in accordance with Article 36 TEU; welcomes the undertaking by the VP/HR to identify CSDP missions in the budget; is determined to provide political guidance for decisions leading to the termination of CSDP missions and the revision of their mandate; reiterates its position that, in order to enhance the democratic legitimacy of the CFSP, Parliament's competent bodies should be consulted prior to the launch of CSDP missions and be able to properly monitor in particular the financing of civilian missions deployed under the CSDP; underlines the need to cooperate with the national parliaments;
4. Urges the VP/HR to ensure both an appropriate structure and adequate staffing levels with regard to programming and policy planning for Regulation (EC) No 1717/2006 (Instrument for Stability) within the future External Action Service; reminds the VP/HR that Regulation (EC) No 1717/2006 is a Community instrument and that the competent Commission services should be transferred en bloc to the EEAS in order to ensure continuity of EU programming and policy planning in the field of peacebuilding and to ensure coherence with the EU's development policy; recalls that under no circumstances is formal or informal control by CSDP structures of Stability Instrument Article 3 and 4 measures acceptable and in line with the Treaties;
5. Considers that the regular joint consultation meetings should be complemented by additional meetings should the need arise or when unforeseen events trigger a reflection that might lead to a CFSP decision or when a review of a CSDP mission is underway; insists that it be ensured that all meetings are attended, in addition to the permanent Chair of the Political and Security Committee acting on behalf of the VP/HR, by the Heads of CSDP Mission or Operation and senior officials of the European External Action Service who are responsible for particular policy areas; suggests that the meetings aim also to learn key strategic and politico-military lessons in order to improve the planning and management of future missions and help develop a forward-looking approach to future needs that encompasses all aspects (finances, implementation, administrative organisation);

6. Expects the new start-up fund to operate on the basis of transparency and openness, with regular reporting to the European Parliament which will allow Parliament to put forward recommendations; recalls also its right to be consulted and the need to be adequately informed on the urgent financing of certain initiatives launched under the CFSP in line with Article 41.3 TEU;
7. Calls for the draft IIA to be modified as follows:

Amendments

Amendment 1

Draft Interinstitutional Agreement Point 12

Text proposed by the Commission

12. The Flexibility Instrument with an annual ceiling of EUR 200 million (current prices) is intended to allow the financing, for a given financial year and up to the amount indicated, of clearly identified expenditure which could not be financed within the limits of the ceilings available for one or more other headings.

The portion of the annual amount which is not used may be carried over *up to year n+2*. If the Flexibility Instrument is mobilised, any carryovers will be drawn on first, in order of age. *The portion of the annual amount from year n which is not used in year n+2 will lapse.*

The Commission will make a proposal for the Flexibility Instrument to be used after it has examined all possibilities for re-allocating appropriations under the heading requiring additional expenditure.

The proposal will identify the needs to be covered and the amount. It may be presented, for any given financial year, during the budgetary procedure.

The decision to deploy the Flexibility Instrument will be taken jointly by the two

Amendment

12. The Flexibility Instrument with an annual ceiling of EUR 200 million (current prices) is intended to allow the financing, for a given financial year and up to the amount indicated, of clearly identified expenditure which could not be financed within the limits of the ceilings available for one or more other headings.

The portion of the annual amount which is not used may be carried over *throughout the period of duration of the Multiannual Financial Framework*. If the Flexibility Instrument is mobilised, any carryovers will be drawn on first, in order of age.

The Commission will make a proposal for the Flexibility Instrument to be used after it has examined all possibilities for re-allocating appropriations under the heading requiring additional expenditure.

The proposal will identify the needs to be covered and the amount. It may be presented, for any given financial year, during the budgetary procedure.

The decision to deploy the Flexibility Instrument will be taken jointly by the two

arms of the budgetary authority in accordance with Point 3.

Agreement will be reached in the framework of the annual budgetary procedure.

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Agreement will be reached in the framework of the annual budgetary procedure.

Amendment 2

Draft Interinstitutional Agreement Point 18 – paragraph 1

Text proposed by the Commission

18. As regards CFSP expenditure which is charged to the general budget of the European Union in accordance with Article 41 of the Treaty on European Union, the institutions will endeavour, in the *conciliation committee*, and on the basis of the draft budget established by the Commission, to secure agreement each year on the amount of the operating expenditure to be charged to the budget of the European Union and on the distribution of this amount between the articles of the CFSP budget chapter ***suggested in the fourth paragraph of this Point. In the absence of agreement, it is understood that the European Parliament and the Council will enter in the budget the amount contained in the previous budget or the amount proposed in the draft budget, whichever is the lower.***

Amendment

18(1) As regards CFSP expenditure which is charged to the general budget of the European Union in accordance with Article 41 of the Treaty on European Union, the institutions will endeavour, in the *Conciliation Committee*, and on the basis of the draft budget established by the Commission, to secure agreement each year on the amount of the ***administrative and*** operating expenditure to be charged to the budget of the European Union and on the distribution of this amount between the articles of the CFSP budget chapter.

Amendment 3

Draft Interinstitutional Agreement Point 18 – paragraph 2

Text proposed by the Commission

The total amount of operating CFSP expenditure will be distributed between the articles of the CFSP budget chapter ***as suggested in the fourth paragraph of this***

Amendment

18(2) The total amount of ***administrative and*** operating CFSP expenditure will be distributed between the articles of the CFSP budget chapter. Each article will

Point. Each article will cover instruments already adopted, instruments which are *foreseen* but not yet adopted and all future – that is unforeseen – instruments to be adopted by the Council during the financial year concerned.

cover instruments already adopted, ***expenditure of the major missions in specific items***, instruments which are *provided for and require consultation with the European Parliament* but *have* not yet *been* adopted and all future – that is unforeseen – instruments to be adopted by the Council during the financial year concerned.

Amendment 4

Draft Interinstitutional Agreement Point 18 – paragraph 3

Text proposed by the Commission

18(3) Since, under the Financial Regulation, the Commission has the authority to transfer appropriations autonomously between articles within the CFSP budget chapter, the flexibility deemed necessary for speedy implementation of CFSP actions will accordingly be assured. In the event of the amount of the CFSP budget chapter during the financial year being insufficient to cover the necessary expenses, the European Parliament and the Council will seek a solution as a matter of urgency, on a proposal from the Commission, taking into account Article 2 of the MFF regulation and Point 10 of this Agreement.

Amendment

18(3) Since, under the Financial Regulation, the Commission has the authority to transfer appropriations autonomously between articles within the CFSP budget chapter, the flexibility deemed necessary for speedy implementation of CFSP actions will accordingly be assured. ***The Commission should inform the budgetary authority of its intention to transfer appropriations and the rationale behind the decision.*** In the event of the amount of the CFSP budget chapter during the financial year being insufficient to cover the necessary expenses, the European Parliament and the Council will seek a solution as a matter of urgency, on a proposal from the Commission, taking into account Article 2 of the MFF regulation and Point 10 of this Agreement.

Amendment 5

Draft Interinstitutional Agreement Point 18 – paragraph 4

Text proposed by the Commission

Within the CFSP budget chapter, the

Amendment

18(4) The CFSP budget chapter ***comprises***

articles *into* which the CFSP actions are to be entered ***could read along the following lines:***

- crisis management operations, conflict prevention, resolution and stabilisation, monitoring and implementation of peace and security processes,

- non-proliferation and disarmament,
- emergency measures,
- preparatory and follow-up measures,
- European Union Special Representatives.

the ***following*** articles *in* which the CFSP actions are to be entered:

- (a)*** crisis management operations, conflict prevention, resolution and stabilisation, monitoring and implementation of peace and security processes, ***including:***
 - ***EU Monitoring Mission in Georgia,***
 - ***EULEX Kosovo,***
 - ***EUPOL Afghanistan,***
 - ***other CSDP missions or operations and crisis management measures,***
- (b)*** non-proliferation and disarmament,
- (c)*** emergency measures,
- (d)*** preparatory and follow-up measures,
- (e)*** European Union Special Representatives.

In the event of the launch of new CSDP missions or operations in the course of a financial year, appropriations relating to these missions or operations will be entered under the sub-article on "other CSDP missions or operations and crisis management measures" within the CSFP budget chapter. A specific item under the relevant article of the CFSP chapter will be provided for in the following amending budget or draft budget to cover the administrative and operational expenditure of the mission concerned.

Amendment 6

Draft Interinstitutional Agreement Point 19 – paragraph 1

Text proposed by the Commission

19. Each year, the High Representative of the Union for Foreign Affairs and Security Policy will consult the European Parliament on a forward-looking

Amendment

19(1) Each year, the High Representative of the Union for Foreign Affairs and Security Policy will consult the European Parliament on a forward-looking

document, which will be transmitted by June 15 for the year in question, **setting** out the main aspects and basic choices of the CFSP, including the financial implications for the general budget of the European Union **and** an evaluation of the measures launched in the year n-1. **Furthermore**, the High Representative of the Union for Foreign Affairs and Security Policy will keep the European Parliament informed **by holding** joint consultation meetings at least five times a year, in the framework of the regular political dialogue on the CFSP, to be agreed at the latest in the Conciliation *committee*. Participation in these meetings shall be as follows:

document, which will be transmitted by June 15 for the year in question. ***This document will set*** out the main aspects and basic choices of the CFSP, including ***their consistency with European Parliament resolutions***, the financial implications for the general budget of the European Union, an evaluation of the measures launched in the year n-1, ***an evaluation of the coordination of the CFSP with other external policies of the European Union and an assessment of the further perspectives of the CFSP. The High Representative of the Union for Foreign Affairs and Security Policy will also address in this document the actions conducted under the CFSP, including those relating to the common security and defence policy, whose expenditure is not charged to the Union budget, and the implementation and the management of the start-up fund provided for in Article 41 TEU.***

(1a) The High Representative of the Union for Foreign Affairs and Security Policy will keep the European Parliament ***regularly informed and take its views duly into consideration including by means of joint consultation meetings to be held*** at least five times a year, in the framework of the regular political dialogue on the CFSP, to be agreed at the latest in the Conciliation *Committee*. ***Either party in the joint consultation meetings should be able to call for additional meetings should the need arise. The joint consultation meetings will, inter alia, address CSDP missions or operations, both those being implemented and those under preparation, assess the lessons learnt from these missions or operations, their successes and shortfalls, and help develop a strategic approach to future needs, including financial ones. In order to ensure the effective preparation of joint consultation meetings, the European Parliament will receive all relevant***

information, including the agendas, in advance of all meetings of the Political and Security Committee, as well as written summaries of the main items discussed.

Participation in these meetings shall be as follows:

– European Parliament: the bureaux of the *two Committees concerned*

– European Parliament: the *enlarged* bureaux of the *Committee on Foreign Affairs and Committee on Budgets, relevant rapporteurs, ensuring that all political groups are duly represented;*

– Council: *The Chairman* of the Political and Security Committee.

– Council: *the permanent Chair* of the Political and Security Committee *on behalf of the High Representative of the Union for Foreign Affairs and Security Policy, senior officials of the European External Action Service and Heads of CSDP Mission and Operation, whenever relevant.*

The Commission will be invited to participate at these meetings.

The Commission will be invited to participate at these meetings.

Amendment 7

Draft Interinstitutional Agreement Point 19 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

19(1a) Under a transparent budgetary procedure, the Council will seek the views of the European Parliament on the main aspects and basic choices of the CFSP, including by ensuring that it receives sufficient information prior to significant CFSP decisions with financial implications for it to make informed recommendations. The European Parliament may provide political guidance for decisions leading to the launch of CSDP missions, the revision of their mandate and their termination.

Amendment 8

Draft Interinstitutional Agreement Point 19 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

19(2a) The Council will consult the European Parliament on its decision establishing the specific procedures for guaranteeing rapid access to appropriations in the Union budget for urgent financing of initiatives in the framework of the CFSP and adequately inform it about such CFSP initiatives.

Amendment 9

Draft Interinstitutional Agreement Point 19 – paragraph 3

Text proposed by the Commission

Amendment

Once a quarter the Commission will inform the budgetary authority about the implementation of CFSP actions **and** the financial forecasts for the **remaining period of the year**.

19(3) Once a quarter the Commission will inform the budgetary authority about the implementation of CFSP actions, the financial forecasts for the following six months and the reasons justifying the implementation and forecasts. The Commission will also forward to the budgetary authority, on a bi-annual basis, a summary of the implementation of commitment appropriations under the CFSP budget chapter as well as the results of internal and external audits carried out in relation to CFSP actions and decisions.

Amendment 10

Draft Interinstitutional Agreement Point 19 a (new)

Text proposed by the Commission

Amendment

19a. Once a year, the High Representative

of the Union for Foreign Affairs and Security Policy, also in his or her capacity as Vice-President of the Commission, will consult the European Parliament and the Council on a forward-looking document outlining the Union's peacebuilding strategy. The document will set out the Union's peacebuilding activities in the fields of CFSP and other Union policies. It will in particular detail the policy goals pursued and diplomatic and financial means employed by the Union. This will include detailed information about the staff and the administrative and operational expenditure earmarked for peacebuilding in the financial years n, n-1 and n+1.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	28.10.2010
Result of final vote	+: 40 -: 1 0: 2
Members present for the final vote	Gabriele Albertini, Franziska Katharina Brantner, Frieda Brepoels, Arnaud Danjean, Mário David, Ana Gomes, Andrzej Grzyb, Takis Hadjigeorgiou, Anneli Jäätteenmäki, Tunne Kelam, Andrey Kovatchev, Paweł Robert Kowal, Eduard Kukan, Vytautas Landsbergis, Sabine Lösing, Ulrike Lunacek, Kyriakos Mavronikolas, Alexander Mirsky, María Muñoz De Urquiza, Raimon Obiols, Kristiina Ojuland, Pier Antonio Panzeri, Vincent Peillon, Alojz Peterle, Hans-Gert Pöttering, José Ignacio Salafranca Sánchez-Neyra, Nikolaos Salavrakos, Jacek Saryusz-Wolski, Werner Schulz, Charles Tannock, Zoran Thaler, Johannes Cornelis van Baalen, Graham Watson
Substitute(s) present for the final vote	Christian Ehler, Kinga Gál, Georgios Koumoutsakos, Barbara Lochbihler, Jacek Protasiewicz, Potito Salatto, Judith Sargentini, Marietje Schaake, Traian Ungureanu, Renate Weber