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REPORT

on the proposal for a European Parliament and Council decision on adopting a Community programme to improve the operation of taxation systems in the internal market (Fiscalis 2007 programme)
(COM(2002) 10 – C5-0027/2002 – 2002/0015(COD))

Committee on Economic and Monetary Affairs

Rapporteur: José Manuel García-Margallo y Marfil

Symbols for procedures

- * Consultation procedure
majority of the votes cast
- **I Cooperation procedure (first reading)
majority of the votes cast
- **II Cooperation procedure (second reading)
*majority of the votes cast, to approve the common position
majority of Parliament's component Members, to reject or amend
the common position*
- *** Assent procedure
*majority of Parliament's component Members except in cases
covered by Articles 105, 107, 161 and 300 of the EC Treaty and
Article 7 of the EU Treaty*
- ***I Codecision procedure (first reading)
majority of the votes cast
- ***II Codecision procedure (second reading)
*majority of the votes cast, to approve the common position
majority of Parliament's component Members, to reject or amend
the common position*
- ***III Codecision procedure (third reading)
majority of the votes cast, to approve the joint text

(The type of procedure depends on the legal basis proposed by the Commission)

Amendments to a legislative text

In amendments by Parliament, amended text is highlighted in ***bold italics***. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the legislative text for which a correction is proposed, to assist preparation of the final text (for instance, obvious errors or omissions in a given language version). These suggested corrections are subject to the agreement of the departments concerned.

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PROCEDURAL PAGE

By letter of 17 January 2002 the Commission submitted to Parliament, pursuant to Article 251(2) and Article 95 of the EC Treaty, the proposal for a European Parliament and Council decision on adopting a Community programme to improve the operation of taxation systems in the internal market (Fiscalis 2007 programme) (COM(2002) 10 - 2002/0015 (COD)).

At the sitting of 4 February 2002 the President of Parliament announced that he had referred this proposal to the Committee on Economic and Monetary Affairs as the committee responsible and the Committee on Budgets and the Committee on Budgetary Control for their opinions (C5-0027/2002).

The Committee on Economic and Monetary Affairs appointed José Manuel García-Margallo y Marfil rapporteur at its meeting of 19 February 2002.

It considered the Commission proposal and draft report at its meetings of 20 March 2002 and 22 May 2002.

At the last meeting it adopted the draft legislative resolution by 27 votes with 1 against.

The following were present for the vote: Christa Randzio-Plath, chairman; Alejo Vidal-Quadras Roca (for José Manuel García-Margallo y Marfil, rapporteur, pursuant to Rule 153(2)); Generoso Andria, Richard A. Balfe (for John Purvis pursuant to Rule 153(2)), Luis Berenguer Fuster (for Mary Honeyball), Pervenche Berès, Hans Blokland, Renato Brunetta, Hans Udo Bullmann, Bert Doorn (for Ioannis Marinos), Harald Ettl (for Bernhard Rapkay), Robert Goebbels, Lisbeth Grönfeldt Bergman, Christopher Huhne, Othmar Karas, Piia-Noora Kauppi, Astrid Lulling, Thomas Mann (for Christoph Werner Konrad), Hans-Peter Mayer, Fernando Pérez Royo, Mikko Pesälä (for Carles-Alfred Gasòliba i Böhm), Alexander Radwan, Mónica Ridruejo, Karin Riis-Jørgensen, Olle Schmidt, Peter William Skinner, Bruno Trentin and Jaime Valdivielso de Cué (for Ingo Friedrich).

The opinions of the Committee on Budgets and the Committee on Budgetary Control are attached;

The report was tabled on 23 May 2002.

The deadline for tabling amendments will be indicated in the draft agenda for the relevant part-session.

LEGISLATIVE PROPOSAL

Proposal for a European Parliament and Council decision on adopting a Community programme to improve the operation of taxation systems in the internal market (Fiscalis 2007 programme) (COM(2002) 10 – C5-0027/2002 – 2002/0015(COD))

The proposal is amended as follows:

Text proposed by the Commission ¹	Amendments by Parliament
<hr/>	
Amendment 1	
Recital 2	
(2) Decision No 888/98/EC of the European Parliament and the Council of 30 March 1998 establishing a programme of Community action to ameliorate the indirect taxation systems of the internal market (Fiscalis programme) ² has significantly contributed to the achievement of those overall objectives for the period 1998 to 2002. It is therefore considered desirable to continue the Fiscalis programme for another five-year period. Decision No 888/98/EC should accordingly be repealed.	(2) Decision No 888/98/EC of the European Parliament and the Council of 30 March 1998 establishing a programme of Community action to ameliorate the indirect taxation systems of the internal market (Fiscalis programme) ³ has significantly contributed to the achievement of those overall objectives for the period 1998 to 2002. It is therefore considered desirable to continue the Fiscalis programme for another five-year period. Decision No 888/98/EC should accordingly be repealed. <i>Funding beyond 2006, however, shall be subject to the approval of the Budgetary Authority.</i>

Justification

Although the Budgetary Authority does not want to block all programmes at the end of the current financial perspective (2006), at present it can in no way guarantee funding beyond this date.

Amendment 2 Article 1, paragraph 1

¹ OJ C 103 E, 30.4.2002, p. 361.

² OJ L 126, 28.4.1998, p. 1.

³ OJ L 126, 28.4.1998, p. 1.

Fiscalis 2007 programme

1. A multiannual Community action programme (Fiscalis 2007) hereinafter referred to as ‘the programme’, is hereby established for the period 1 January 2003 to 31 December 2007 to improve the operation of the taxation systems of the internal market

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1. A multiannual Community action programme (Fiscalis 2007) hereinafter referred to as ‘the programme’, is hereby established for the period 1 January 2003 to 31 December 2007 to improve the operation of the taxation systems of the internal market. ***Funding beyond 31 December 2006, however, shall be subject to the approval of the Budgetary Authority.***

Justification

See justification under amendment 1.

Amendment 3
Article 3.2 (a)

2 (a) For value added tax to support the European Union VAT strategy as outlined in the Communication from the Commission to the Council and the European Parliament, entitled “A Strategy to improve the operation of the VAT System within the context of the Internal Market”, or any future such strategy adopted by the Commission;

2 (a) For value added tax to support the European Union VAT strategy as outlined in the Communication from the Commission to the Council and the European Parliament, entitled “A Strategy to improve the operation of the VAT System within the context of the Internal Market”, or any future such strategy adopted by the Commission; ***to facilitate the gradual move to the definitive system of VAT based on the country-of-origin principle, by for example studying and pooling information on methods for tax revenue sharing, and, if appropriate, support the development and/or establishment of systems for information exchange;***

Justification

The definitive VAT system based on the taxation of transactions in the country of origin is

hardly mentioned in the Commission Communication mentioned in the proposal. At the same time Parliament attaches great importance to such a move, as this would simplify the regulatory environment for companies and reduce fraud considerably. One of the main stumbling blocks on the road towards the definitive system has been the fear of loss of revenue by the Member States due to incorrect allocation of revenue between the Member States. It is therefore proposed that studies, information exchanges and possibly deployment of IT systems and models for revenue sharing could be financed under the programme.

Amendment 4
Article 3.2 (c)

2 (c) For direct taxation to raise awareness of Community policies in the field of direct taxation and providing support for pooling experiences, information exchange and other administrative co-operation;

2 (c) For direct taxation to raise awareness of Community policies in the field of direct taxation, ***as well as other Community policies and general principles of Community law which affect the tax treatment of individuals and companies***, and providing support for pooling experiences, information exchange and other administrative co-operation, ***in particular as regards the tax treatment of savings belonging to non-residents***;

Justification

The EU has to date made little progress in the field of direct taxation, mostly because of the unanimity requirement in Council. It has therefore become increasingly clear that discriminatory and/or distorting tax measures must be challenged on other grounds, in particular on general principles of community law such as the ban on discrimination on the ground of nationality. The Commission has recently indicated that this approach will be more important in the future. An example of this is the Communication on the tax treatment of occupational pensions (COM(2001)260) which sets out a number of primarily non-legislative measures to avoid the unfavourable tax treatment of cross-border pension issues. It could therefore be useful to raise awareness amongst tax officials that not only tax measures affect the tax treatment of taxable persons, but also a wider spectrum of rules and norms within the EU legal order. As for the second half of the proposed amendment, it could be useful if discussions and methods for co-operation on the taxation of savings could be brought within the scope of the programme as it is likely to be some time before an agreement on the proposed directive is reached and implemented.

Amendment 5
Article 14, paragraph 2

2. Each year the Commission shall submit to the Committee referred to in Article 13(1) a follow-up report setting out the progress of all the programme's activities in terms of implementation and results.

2. Each year the Commission shall submit to the Committee referred to in Article 13(1) a follow-up report setting out the progress of all the programme's activities in terms of implementation and results. ***This report shall also be forwarded to the European Parliament.***

Justification

It is important that Parliament too receives the annual progress reports.

Amendment 6
Article 15 a (new)

Similar programmes

1. The Commission, in its yearly follow-up reports as well as in the mid-term evaluation report, should examine the possibility of developing synergy between similar Community programmes with a view to best serving the shared objectives of those programmes. The mid-term evaluation of each programme should indicate the progress made in pursuit of the shared objectives of the programmes so as to have a “score board” across the programmes.

2. The Commission shall examine the possibility of organising the joint use or development, on the Community side, of information systems or infrastructure serving similar Community programmes. The Commission shall make, where appropriate, a proposal for the necessary adjustment or modification of the programme.

Justification

Developing synergy between similar Community programmes that are making extensive use of information technology (IT) with a view to enhancing cooperation and facilitating communication through the information exchange infrastructure is in line with the programme's objectives. The Commission is invited to examine how this could be best developed. The possibility of identifying strong points (i.e. where the necessary progress is achieved) and weak points (i.e. where there are delays and difficulties to overcome) through a "score board " approach could prove useful and is in line with the objective of introducing best practices. Furthermore, taking into consideration that information technology (IT) accounts for a substantial share of the financial framework proposed for the programme, the Commission is requested to examine the possibility, on the Community side of IT systems, of organising the best joint use and/or development of information systems and infrastructures.

DRAFT LEGISLATIVE RESOLUTION

European Parliament legislative resolution on the proposal for a European Parliament and Council decision on adopting a Community programme to improve the operation of taxation systems in the internal market (Fiscalis 2007 programme) (COM(2002) 10 – C5-0027/2002 – 2002/0015(COD))

(Codecision procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to the European Parliament and the Council and the amendments to the proposal (COM(2002) 10¹),
 - having regard to Article 251(2) of the EC Treaty and Article 95 of the EC Treaty, pursuant to which the Commission submitted the proposal to Parliament (C5-0027/2002),
 - having regard to Rule 67 of its Rules of Procedure,
 - having regard to the report of the Committee on Economic and Monetary Affairs and the opinions of the Committee on Budgets and the Committee on Committee on Budgetary Control (A5-0182/2002),
1. Approves the Commission proposal as amended;
 2. Asks to be consulted again should the Commission intend to amend the proposal substantially or replace it with another text;
 3. Instructs its President to forward its position to the Council and Commission.

¹ OJ C 103 E, 30.4.2002, p. 361

EXPLANATORY STATEMENT

The Fiscalis Programme was adopted by the European Parliament and the Council of Ministers in early 1998. It had a five year life span and is thus set to expire by the end of this year. Article 12 of the Fiscalis Decision (888/98/EC) calls on the Commission to before 30 June 2001 submit a communication on the desirability of continuing the programme, and, if appropriate, a proposal to that effect.

That Communication was finally adopted by the Commission in early January 2002, and the conclusion is that it is desirable to continue the programme as the results so far have been encouraging. Attached to the communication is therefore a proposal for a decision establishing the Fiscalis 2007 programme.

What is new in Fiscalis 2007

Fiscalis 2007 for the most part mirrors the programme currently in operation. Some changes have however been made in the light of the interim evaluation carried out last year, as well as, in the light of developments in Community policies in general, and in the field of taxation in particular. Six main changes and/or innovations can be distinguished:

The scope of the 2007 programme is considerably wider than that of its predecessor. The latter only covered indirect taxation, in particular VAT, while the new programme also seeks to involve officials dealing with direct taxation.

The scope is also more focussed by directly linking the objectives with the objectives set by other community policies in the field of taxation. The objective for VAT under Fiscalis 2007 is for example specifically to support the VAT strategy adopted by the Commission in 2000 (COM(2000)348), whereas the current programme merely seeks *“to achieve a high common standard of Community law, in particular in the field of indirect taxation”*. A specific objective concerning the needs of the applicant countries has also been added.

As for the activities supported under the programme, they remain the same: seminars, exchanges, training activities, multilateral controls and development and co-ordination of communication and information-exchange systems. The scope and functioning of some of these have however been modified somewhat. As for the many communication and information-exchange systems (CCN/CSI, VIES and SEED to name just a few), a greater emphasis is placed on achieve a better co-ordination on the many existing systems. The other change to the scope of the activities is that the maximum length of exchanges of officials has been reduced to one month, from today's six months. Experience from the current programme has shown that exchanges in practice rarely exceed two weeks.

Provision is also made for a more structured evaluation of the programme. This has been a key shortcoming in the 1998 programme, s it has taken too long to get the necessary evaluation data from the Member States. A mid-term evaluation report on the programme's effectiveness and efficiency shall be submitted by 30 June 2005, as well as, a communication on the desirability of continuing the programme accompanied, if appropriate, by a suitable proposal.

Finally, the budget is proposed to increase from €40 million for 1998-2002 (€ 8 million/year) to € 56 million for the period 2003-2007 (€11.2 million/year). This is deemed necessary to better involve the applicant states and to take into account the broader objectives of the new programme.

Critical Appraisal

Your rapporteur wholeheartedly supports the Commission proposal to continue the Fiscalis programme for another five years. Increased co-operation and better mutual understanding are crucial given the difficulties the EU has encountered in trying to prevent tax discrimination and tax fraud in the internal market.

To that end, he would like to propose a small number of amendments to the programme's objectives.

First, as regards *indirect taxation*, your rapporteur remains convinced that the EU must continue to strive towards the definitive VAT system, ie. a system that is based on the country of origin principle. As is well documented by now, one of the main stumbling blocks in the process towards the definitive system is the reallocation of VAT revenue. This aspect is however not addressed in the Communication on a new VAT strategy. It is therefore proposed to also include this in the programme.

Second, as regards *direct taxation*, two further aspects need to be stressed. The stated objective in the proposal is to “*raise awareness of Community policies in the field of direct taxation*”. There are however to this date, nor are there likely to be in the near future, many EU policies in this field. This has also been recognised by the Commission, most recently in its Communication on the tax treatment of occupational pensions (COM(2001)260). In that communication, the Commission points out that significant progress is unlikely and that it instead intends to rely on other instruments to improve the situation, in particular the application of general principles of Community law (notably non-discrimination) also as regards taxation. It would therefore seem appropriate to include this dimension in the programme.

A specific area of direct taxation that should also be included is the tax treatment of savings. Although a directive is in the pipeline, it still remains unclear as to from when it will be applied. It would therefore be a good idea to include also this aspect in the proposal so that discussions and exchanges of views on the modalities of the information exchange could be launched at an early stage.

Conclusion

The Fiscalis programme has proved to be a valuable tool for promoting mutual understanding between tax officials across the EU and should be continued as has been proposed by the Commission, albeit with the two small changes outlined above.

14 May 2002

OPINION OF THE COMMITTEE ON BUDGETS

for the Committee on Economic and Monetary Affairs

on the proposal for a decision of the European Parliament and of the Council adopting a Community programme to improve the operation of taxation systems in the internal market (Fiscalis 2007 programme)
(COM(2002) 10 – C5-0027/2002 – 2002/0015(COD))

Draftsman: Jutta D. Haug

PROCEDURE

The Committee on Budgets appointed Jutta D. Haug draftsman at its meeting of 28 July 1999.

It considered the draft opinion at its meeting of 13 May 2002.

At the latter meeting it adopted the following amendments unanimously.

The following were present for the vote: Terence Wynn, chairman; Anne Elisabet Jensen, vice-chairman; Francesco Turchi, vice-chairman; Jutta D. Haug, draftsman; Den Dover, Bárbara Dührkop Dührkop, Göran Färm, Salvador Garriga Polledo, Catherine Guy-Quint, María Esther Herranz García, Wolfgang Ilgenfritz, Juan Andrés Naranjo Escobar, Paul Rübig (for Ioannis Averoff), Esko Olavi Seppänen (for Chantal Cauquil), Per Stenmarck, Kyösti Tapio Virrankoski, and Ralf Walter.

SHORT JUSTIFICATION

1. Background

The original Fiscalis programme¹ was adopted by the European Parliament and the Council in 1998 as a five-year programme (1998-2002) of Community action to improve the indirect taxation systems of the internal market, with an overall funding of ECU 40 million out of budget line B5-305.

The interim evaluation² of the Fiscalis programme concluded that the short-term impact of the programme is encouraging, that it is a valuable and essential tool for the support of EU fiscal policy and that Member States have strongly supported the programme.

Based on this evaluation, in accordance with Article 12 of the Fiscalis Decision, the Commission is required to submit a communication to the European Parliament and the Council on the desirability of continuing the programme, accompanied, if necessary, by a suitable proposal. Hence the present proposal, which extends the programme to include direct taxation and also improves it to better meet the special needs of applicant countries, to adapt administrations to the e-economy, etc.

The proposed Fiscalis 2007 programme provides for another five-year programme (2003-2007) with an overall operational budget of € 56 million covered by the above-mentioned budget line (see table 1 below) and an overall financial impact on human resources and other administrative expenditure of € 13.185 million covered by the Commission's administrative expenditure.

Table 1: overall operational expenditure (B5-305)

Commitments in € million (to the 3rd decimal place)							
Breakdown	2003	2004	2005	2006	2007	N + 5 and subs. Years	Total
Joint Actions	2.750	2.750	3.000	4.000	4.500	NIL	17.000
IT Actions:						NIL	
- Current Systems	5.400	5.400	4.700	4.200	4.200		23.900
- New systems	3.000	2.600	2.800	1.400	1.400		11.200
- Enlargement	1.200	0.900	0.600	0.600	0.600		3.900
TOTAL	12.350	11.650	11.100	10.200	10.700	NIL	56.000

¹ Decision No 888/98/EC of the European Parliament and of the Council establishing a programme of Community action to ameliorate the indirect taxation systems of the internal market (Fiscalis programme), OJ L 126, 28.4.1998, p.1.

² SEC(2001) 1328.

2. Financial and legislative remarks

2.1. Proposed appropriations

Compared to the 1998 Fiscalis programme (ECU 40 million), the proposed Fiscalis 2007 programme shows a 40% increase in operational expenditure (up to € 56 million), which seems to be justified, amongst others, by enlargement measures and by the extension of the programme to include direct taxation and to adapt administrations to the e-economy (e.g. VAT declaration and collection in case of transactions via the Internet).

With regard to the administrative expenditure the draftsman would like to receive detailed information from the Commission that may justify the substantially high proportion of human resources compared to operational expenditure (about 19% of operational expenditure, where the normal level is about 5-6%).

2.2. Compatibility with the existing financial perspective

In theory, the budgetary authority should not accept a proposal which exceeds the existing financial perspective. It does not want, however, to block all programmes at the end of the current financial perspective (2006), which would bring about discontinuity in policies and create enormous bottlenecks in 2005-2006, when new programme proposals have to be presented. The draftsman therefore accepts the programme proposal, but introduces a restrictive clause for funding beyond 2006 (amendments 1 and 3).

2.3. Commitology

Last but not least, as far as commitology is concerned, your draftsman introduces the traditional approach of the Committee on Budgets by replacing the proposed management committee by an advisory committee (amendments 2 and 4).

AMENDMENTS

The Committee on Budgets calls on the Committee on Economic and Monetary Affairs, as the committee responsible, to incorporate the following amendments in its report:

Text proposed by the Commission ¹	Amendments by Parliament
<hr/>	
Amendment 1 Recital 2	
(2) Decision No 888/98/EC of the European Parliament and the Council of 30 March 1998 establishing a programme	(2) Decision No 888/98/EC of the European Parliament and the Council of 30 March 1998 establishing a programme

¹ OJ C 103 E, 30.4.2002, p. 361

of Community action to ameliorate the indirect taxation systems of the internal market (Fiscalis programme)¹ has significantly contributed to the achievement of those overall objectives for the period 1998 to 2002. It is therefore considered desirable to continue the Fiscalis programme for another five-year period. Decision No 888/98/EC should accordingly be repealed.

of Community action to ameliorate the indirect taxation systems of the internal market (Fiscalis programme)² has significantly contributed to the achievement of those overall objectives for the period 1998 to 2002. It is therefore considered desirable to continue the Fiscalis programme for another five-year period. Decision No 888/98/EC should accordingly be repealed. ***Funding beyond 2006, however, shall be subject to the approval of the Budgetary Authority.***

Justification

Although the Budgetary Authority does not want to block all programmes at the end of the current financial perspective (2006), at present it can in no way guarantee funding beyond this date.

Amendment 2 Recital 11

(11) Since the measures necessary for the implementation of this Decision are management measures within the meaning of Article 2 of Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission³, they should be adopted by use of the ***management*** procedure provided for in ***Article 4*** of that Decision,

(11) Since the measures necessary for the implementation of this Decision are management measures within the meaning of Article 2 of Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission⁴, they should be adopted by use of the ***advisory*** procedure provided for in ***Article 3*** of that Decision,

Justification

The draftsman considers that the legislative proposal should comply with the traditional approach of the Committee on Budgets as regards commitology.

¹ OJ L 126, 28.4.1998, p. 1.

² OJ L 126, 28.4.1998, p. 1.

³ OJ L 184, 17.7.1999, p. 23.

⁴ OJ L 184, 17.7.1999, p. 23.

Amendment 3
Article 1, paragraph 1

Fiscalis 2007 programme

1. A multiannual Community action programme (Fiscalis 2007) hereinafter referred to as ‘the programme’, is hereby established for the period 1 January 2003 to 31 December 2007 to improve the operation of the taxation systems of the internal market

Fiscalis 2007 programme

1. A multiannual Community action programme (Fiscalis 2007) hereinafter referred to as ‘the programme’, is hereby established for the period 1 January 2003 to 31 December 2007 to improve the operation of the taxation systems of the internal market. ***Funding beyond 31 December 2006, however, shall be subject to the approval of the Budgetary Authority.***

Justification

See justification under amendment 1.

Amendment 4
Article 13

Committee

1. The Commission shall be assisted by a committee, called the “Fiscalis Committee”, composed of representatives of the Member States and chaired by a representative of the Commission.
2. Where reference is made to this paragraph, the ***management*** procedure laid down in ***Article 4*** of Decision 1999/468/EC shall apply, in compliance with Articles 7 and 8 thereof.
3. ***The period provided for in Article 4(3) of Decision 1999/468/EC shall be three months.***

Committee

1. The Commission shall be assisted by a committee, called the “Fiscalis Committee”, composed of representatives of the Member States and chaired by a representative of the Commission.
 2. Where reference is made to this paragraph, the ***advisory*** procedure laid down in ***Article 3*** of Decision 1999/468/EC shall apply, in compliance with Articles 7 and 8 thereof.
- Deleted.***

Justification

The draftsman considers that the legislative proposal should comply with the traditional approach of the Committee on Budgets as regards commitmentology. Paragraph 3 is deleted because it does not apply to the advisory procedure.

Amendment 5
Article 14, paragraph 2

2. Each year the Commission shall submit to the Committee referred to in Article 13(1) a follow-up report setting out the progress of all the programme's activities in terms of implementation and results.

2. Each year the Commission shall submit to the Committee referred to in Article 13(1) a follow-up report setting out the progress of all the programme's activities in terms of implementation and results. ***This report shall also be forwarded to the European Parliament.***

Justification

It is important that Parliament too receives the annual progress reports.

23 May 2002

OPINION OF THE COMMITTEE ON BUDGETARY CONTROL

for the Committee on Economic and Monetary Affairs

on the proposal for a Council regulation adopting a Community programme to improve the operation of taxation systems in the internal market (Fiscalis 2007 programme)
(COM(2002) 10 – C5-0027/2002 – 2002/0015(COD))

Draftsman: Ole Sorensen

PROCEDURE

The Committee on Budgetary Control appointed Ole Sorensen draftsman at its meeting of 16 April 2002.

It considered the draft opinion at its meetings of 16 April and 23 May 2002.

At the latter it adopted the following amendments unanimously.

The following were present for the vote: Diemut R. Theato, chairman, Herbert Bösch, Paulo Casaca, vice-chairmen, Ole Sørensen, draftsman ; María Antonia Avilés Perea, John Joseph McCartin (for Christopher Heaton-Harris), Eluned Morgan, Ursula Stenzel (for Brigitte Langenhagen), Rijk van Dam (for Jeffrey William Titford).

AMENDMENTS

The Committee on Budgetary Control calls on the Committee on Economic and Monetary Affairs, as the committee responsible, to incorporate the following amendments in its report:

Text proposed by the Commission

Amendments by Parliament

Amendment 1
article 3a new

Fixing objectives and indicators

All actions proposed in order to achieve the objectives outlined in this programme :

- shall have defined objectives and measurable indicators to ensure monitoring through Commission yearly follow-up reports and evaluation through Member States and Commisison evaluation reports as mentioned in article 15*
- shall have a clear indication of the anticipated costs*
- and should be constructed so that the results achieve value for money and generate impacts.*

The Commission shall take account of the yearly implementation of appropriations in order to justify its proposal when presenting the Preliminary Draft Budget for the following year.

Justification

Lifted from the text of the Commission proposal on Customs 2007 and modified. It is proposed that the continuous monitoring and evaluation of the programme be organised in a more structured manner with a view to achieving value for money.

Amendment 2
Article 15 a (new)

Similar programmes

1. The Commission, in its yearly follow-up reports as well as in the mid-term evaluation report, should examine the possibility of developing synergy between similar Community programmes with a view to best serving the shared objectives of those programmes. The mid-term evaluation of each programme should indicate the progress made in pursuit of the shared objectives of the programmes so as to have a "score board" across the programmes.

2. The Commission shall examine the possibility of organising the joint use or development, on the Community side, of information systems or infrastructure serving similar Community programmes. The Commission shall make, where appropriate, a proposal for the necessary adjustment or modification of the programme.

Justification

Developing synergy between similar Community programmes that are making extensive use of information technology (IT) with a view to enhancing cooperation and facilitating communication through the information exchange infrastructure is in line with the programme's objectives. The Commission is invited to examine how this could be best developed. The possibility of identifying strong points (i.e. where the necessary progress is achieved) and weak points (i.e. where there are delays and difficulties to overcome) through a "score board " approach could prove useful and is in line with the objective of introducing best practices. Furthermore, taking into consideration that information technology (IT) accounts for a substantial share of the financial framework proposed for the programme, the Commission is requested to examine the possibility, on the Community side of IT systems, of organising the best joint use and/or development of information systems and infrastructures.