

# EUROPEAN PARLIAMENT

1999



2004

---

*Session document*

FINAL  
**A5-0269/2004**

13 April 2004

## **REPORT**

on the 2005 budget: the Commission's Annual Policy Strategy report (APS)  
(2004/2001(BUD))

Committee on Budgets

Rapporteur: Salvador Garriga Polledo



## CONTENTS

	<b>Page</b>
PROCEDURAL PAGE .....	4
MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION.....	5
OPINION OF THE COMMITTEE ON FOREIGN AFFAIRS, HUMAN RIGHTS, COMMON SECURITY AND DEFENCE POLICY .....	12
OPINION OF THE COMMITTEE ON CITIZENS' FREEDOMS AND RIGHTS, JUSTICE AND HOME AFFAIRS .....	15
OPINION OF THE COMMITTEE ON INDUSTRY, EXTERNAL TRADE, RESEARCH AND ENERGY.....	17
OPINION OF THE COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS .....	20
OPINION OF THE COMMITTEE ON THE ENVIRONMENT, PUBLIC HEALTH AND CONSUMER POLICY .....	22
OPINION OF THE COMMITTEE ON AGRICULTURE AND RURAL DEVELOPMENT .....	25
OPINION OF THE COMMITTEE ON FISHERIES.....	29
OPINION OF THE COMMITTEE ON REGIONAL POLICY, TRANSPORT AND TOURISM .....	34
OPINION OF THE COMMITTEE ON DEVELOPMENT AND COOPERATION	37
OPINION OF THE COMMITTEE ON WOMEN'S RIGHTS AND EQUAL OPPORTUNITIES.....	40

## PROCEDURAL PAGE

For the budgetary procedure for the financial year 2005, the Committee on Budgets appointed Salvador Garriga Polledo rapporteur at its meeting of 25 November 2003.

At its meetings of 16 and 30 March and 5 April 2004, the Committee on Budget examined the draft report.

At the last meeting the committee adopted the motion for a resolution unanimously.

The following were present for the vote: Terence Wynn (chairman), Anne Elisabet Jensen (vice-chairwoman), Franz Turchi (vice-chairman), Salvador Garriga Polledo (rapporteur), Ioannis Averoff, Den Dover, Bárbara Dührkop Dührkop, Göran Färm, Catherine Guy-Quint, Jutta D. Haug, Constanze Angela Krehl, Armin Laschet for Reimer Böge, John Joseph McCartin, Juan Andrés Naranjo Escobar, Elena Ornella Paciotti (for Neena Gill), Joaquim Píscarreta, Paul Rübige for James E.M. Elles, Per Stenmarck, Rijk van Dam for Michel Raymond, Kyösti Tapio Virrankoski, Ralf Walter and Brigitte Wenzel-Perillo.

The opinions of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy, the Committee on Citizens' Freedoms and Rights, Justice and Home Affairs, the Committee on Industry, External Trade, Research and Energy, the Committee on Employment and Social Affairs, the Committee on the Environment, Public Health and Consumer Policy, the Committee on Agriculture and Rural Development, the Committee on Fisheries, the Committee on Regional Policy, Transport and Tourism, the Committee on Development and Cooperation and the Committee on Women's Rights and Equal Opportunities are attached.

The report was tabled on 13 April 2004.

## MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

### on the Communication from the Commission to the European Parliament and the Council on the Annual Policy Strategy for 2005 (2004/2001(BUD))

*The European Parliament,*

- having regard to the Communication from the Commission (COM(2004) 133),
  - having regard to the Interinstitutional Agreement of 6 May 1999 between the European Parliament, the Council and the Commission on budgetary discipline and improvement of the budgetary procedure<sup>1</sup>,
  - having regard to Article 272 of the EC Treaty and Article 177 of the Euratom Treaty,
  - having regard to the report of the Committee on Budgets and the opinions of the other committees concerned (A5-0269/2004),
- A. whereas 2005 will be the first full year of a European Union of 25 countries,
- B. whereas the political and budgetary priorities of the European Union for 2005 must respond to the new challenges of an extended Union, and meet the needs and concerns of the citizens of Europe, whilst at the same time respecting budgetary rigour and aiming to achieve best value for money,
- C. whereas the benefits of the new activity-based budgeting (ABB) approach should be further consolidated and improved, including increased transparency and parliamentary control over the Union's expenditures,
- D. whereas the entry into force of the new Financial Regulation has progressed relatively smoothly, but has led to decision and implementation problems due to the rigidity of certain rules and an approach of the administration which consists of not taking a decision,
- E. whereas the technical adjustment of the Financial Perspective<sup>4</sup> will restrict the margin of manoeuvre under some budgetary headings and fix the expenditure ceilings for these at a level considerably lower than foreseen in the Commission's financial programming for 2005,
- F. whereas the Commission's Annual Strategy Communication is the first step in the process of formulating the political and budgetary priorities for 2005,

#### ***General aspects***

1. Welcomes the Annual Policy Strategy (APS) as an instrument aiming to combine the budgetary and legislative cycles; underlines that it has decided to modify the traditional

---

<sup>1</sup> OJ C 172, 18.6.1999, p. 1, Agreement as amended by Decision 2003/429/EC (OJ L 147, 14.6.2003, p. 25)."

<sup>4</sup> COM(2003) 785.

procedure for establishing its budgetary priorities for 2005 (previous "guidelines") in order to further reinforce the political visibility of these priorities and, especially, to ensure better coherence between the work of the institutions by linking this report more clearly to the Commission's APS procedure;

2. Deplores the fact that the Commission postponed the presentation of the APS until the end of February; expects the Commission in future to bide by the agreed timetable in order to allow the budgetary authority to deal properly with this important document for the budgetary and legislative procedure;
3. Fully supports the budgetary provisions in the draft Constitution; deplores the suggestions brought to the Intergovernmental Conference by Ecofin that severely undermine the present Parliament's powers; considers that a fair and efficient compromise could only be based on the current interinstitutional balance as codified in the draft Constitution by the European Convention;
4. Points out that, in the compact based on trust, the Commission undertook to take all necessary measures to ensure efficient implementation of decisions adopted by the budgetary authority; calls on the Commission to explain, before 31 July 2004, how the many key initiatives are compatible with the subsidiarity principle and with the objective of simplifying the acquis and scaling it back from 80 000 to 25 000 pages; points to the significance of demographic change in the Union for welfare systems and the economy; insists that the Commission make the process of bringing European policies into line with changed circumstances a task to be carried out across the board;
5. Strongly supports the Commission's efforts to improve the Activity Statements accompanying the PDB and recalls that these should summarise in a clear and concise manner the actions and instruments for each area of the budget; asks the Commission to ensure that they include objectives and performance indicators that respect the SMART criteria (Specific, Measurable, Achievable, Relevant and Timed), and insists that these should also be included for follow-up in the annual activity reports; calls on the Commission to include in all Activity Statements a summary of the Court of Auditors' findings and of the Discharge Authority's conclusions;
6. Takes note of the opinions attached to this report and will take these into account in the course of the whole budget procedure for 2005 and, in particular, in Parliament's first reading;

### ***Financial framework***

7. Stresses that the technical adjustment carried out each year by the Commission on the basis of the most recent economic forecasts, in accordance with Point 15 of the IIA of 6 May 1999, results in a substantial reduction of the ceilings, in particular for headings 3, 4 and 5;
8. Recalls, however, that following the adjustment and the revision of the financial perspective to finance the needs of enlargement, an amount of EUR 190 million has been added to the ceiling of heading 3 of the FP for the year 2005; reminds the Commission that part of this additional amount is intended to finance not only the programmes under co-decision which have been set up in the context of the 2004 budgetary procedure but

also the European Parliament's priorities such as pilot projects, preparatory actions and other annual activities;

9. Recalls that the ceiling in heading 5 (administrative expenditure) has been fixed at EUR 6 185 million for the 2005 budget; stresses that, as a result of this technical adjustment of the ceiling, there will be a negative margin instead of the positive margin of EUR 28,5 million as was foreseen in the third report by the Secretaries General in July 2003; is willing to provide sufficient means to allow a proper functioning of the institutions of the enlarged Union but considers it necessary to examine further possibilities for reprogramming, frontloading and savings;
10. Recalls the efforts made by Parliament during the previous years of this Financial Perspective to further improve the budgetary allocation between permanent tasks and new priorities; reminds the Council that new needs may require new resources, if there is a risk that core activities of the Union might be significantly affected;
11. Is aware that, as a result of the additional budgetary constraints caused by the adjustment of the ceilings in heading 3,4 and 5 of the Financial Perspective, the budgetary authority may have to review the priorities set out in the Commission's annual policy strategy; expects the Commission to re-allocate budgetary and human resources in accordance with the decisions of the budgetary authority;
12. Is concerned by the increasing number of cases where decisions are not taken by the Commission services due to rigid rules in the new Financial Regulation; expects the Commission to observe the application of the Financial regulation carefully and to submit an evaluation report to the budgetary authority by 31 July 2004;
13. Recalls the Joint Declaration on financial programming of 20 July 2000; reiterates its strong interest in improving the matching of legislative and budgetary procedures; invites the Commission to provide, for each proposal, improved information concerning the overall situation of the financial impact in order to allow the Legislative and Budgetary Authorities better to assess the utility of each proposal, and its financial compatibility with the financial perspective;
14. Notices that in the presentation of the three priorities included in the APS for 2005 - competitiveness and cohesion, security and European citizenship, and external responsibility: neighbourhood and partnership - the Commission is setting similar priorities to those laid down in its Communication on the financial framework beyond 2006;

### ***Budgetary Headings***

#### *Agriculture*

15. Regrets that the largest category of the Union's expenditure has received little mention in the APS document; is aware of the need to strengthen financially rural areas, the second CAP pillar and the following areas in an enlarged Europe: subsidies to young farmers; the fight against animal diseases, boosting agricultural promotional measures for advertising and marketing within the EU and in third countries and the EU school milk programme; asks the Commission to maintain the pilot project on establishing European quality

labels; will assess whether the initiatives and projects undertaken in the 2004 budget could be continued;

#### *Structural operations*

16. Recalls the importance of structural operations as a part of achieving an effective cohesion policy and promoting sustainable growth; notes the improved implementation of structural fund payments appropriations in 2003; points to the persistently large volume of outstanding commitments - € 60 bn - within the Structural Funds and the Cohesion Fund; asks the Commission to inform the budgetary authority of the Member States forecasts to enable it to assess the appropriate level of payments for 2005;

#### *Internal policies*

17. Is worried by the recent assessment by the Commission, in the progress report on implementing the Lisbon strategy, to the effect that the strategy's mid-term objectives are unlikely to be realised; highlights the need to concentrate its efforts and, within the 2005 budget, prioritise the key Lisbon strategy measures with budget relevance in order to speed up the achievement of the objectives set; reiterates its support for Community measures targeted at SMEs especially in view of promoting competitiveness in a fully integrated single market and in the pursuit of the Lisbon strategy; urges that finance and guarantee instruments for SMEs be further developed and strengthened;
18. Requests the Commission to forward to Parliament by 30 August 2004 at the latest its study on the implementation of Basel II, including an extended impact assessment, as this implementation will profoundly influence the aforementioned instruments for SME capital;
19. Recalls the importance attached by Parliament in previous years to communication and information measures for European citizens and is deeply concerned at the way in which information policy in general is being implemented, given the lack of genuine progress in the area; stresses that the Financial Regulation cannot be invoked to defer implementation of this policy, since the decision on the new Financial Regulation has been known since June 2002; states that application of the new provisions proposed by the Commission ought therefore to have been brought forward by the departments concerned;
20. Considers that with the accession of ten new Member States special attention must be paid to strengthening European citizenship and to consolidating a European area of security, freedom and justice; states in particular the need to reinforce the common immigration/migration policy, and to accelerate the setting up of the SIS II (Schengen Information system) and the VIS (Visa Information System); expects the Commission to submit to Parliament a proposal for a Council decision establishing the Visa information System (VIS) by the 31 July 2004 at the latest; calls on the Commission to clarify its political approach on the preparatory action on the financial support for the return of illegal immigrants, the European Refugee Fund and the likely overlaps with the European Social Fund and the Community initiative EQUAL; will also, in the light of the budgetary constraints under heading III for the years 2005 and 2006, refrain from any budgetary decision until these questions are resolved;
21. Stresses its will to increase, sparing no efforts, the fight against terrorism in an enlarged EU and wishes to maintain and reinforce the existing pilot project on aid to victims of terrorist acts; welcomes the most recent Commission initiatives in this field as the



proposal of the directive on compensation to crime victims; points to the special importance of cooperation between judicial and police investigation authorities, in particular with the assistance of Europol and Eurojust; emphasises that, irrespective of the legal bases involved, Parliament expects to be fully involved in the decisions relating to the design and content of such proposal;

22. Asks the Commission to provide for the continued support of the non-governmental organisations in the social service sector as well as of the social partners and ending their legal insecurity by proposing a new legal base or their inclusion the existing legal bases for the community action programs (subsidies);
23. Emphasises the need, following the accession of 10 new Member States, to ensure the continuity of the LIFE III programme and to bridge the gap between the expiry of LIFE and the new financial perspectives; underlines, in this regard, that a high priority must also be given to the Commission initiatives concerning Natura 2000;
24. Is taken aback by the fact that, after consulting the Council only, the Commission has withdrawn its proposal to increase TEN funding for border regions by a total of € 100 m (€ 55 m for 2005 and € 45 m for 2006); expects the Commission to take up its proposal again and forward it through the proper channels to the legislative authority; is surprised that the Commission wants to carry out groundwork for setting up a new chemicals agency although the legislative process has not yet been concluded;

#### *External actions*

25. Is especially concerned at the current situation in Iraq and considers that measures to improve the prospects for a free and democratic Iraq must be supported; is aware of serious budgetary constraints and, therefore, intends to carefully assess the possibility of recourse to the Interinstitutional Agreement instruments; also points out that security concerns and forthcoming elections are crucial issues in Afghanistan and remains committed to supporting reconstruction and development in this country;
26. Agrees with the Council's criticism of the Commission's approach to shaping a New Neighbourhood Policy and of the unclear way in which it is incorporated into the EU's foreign policy strategy alongside the Euro-Med process and a new initiative for the Middle East; reminds the Commission, but also the Council, that Parliament has a legislative and budgetary role to play in this process; expects the committees responsible to be intensively involved in on-going consultations; is prepared to use its budgetary powers to defend its interests;
27. Expresses its fundamental support for establishing a New Neighbourhood Policy which helps to provide a sphere of prosperity and stability to the South and the East of the current EU borders; emphasises that in the context of the Partnership between the EU and the Mediterranean it is necessary to strengthen all measures contributing to the full development of the Barcelona process; underlines that these objectives must be equally pursued in relation to the Eastern neighbours of the EU, with a view to establishing the Northern dimension;
28. Stresses that the external priorities of the Union are not solely dependent on geographical proximity, and that the strategic efforts for co-operation and solidarity with other regions of the world must be maintained and strengthened; in this context, emphasises that the bilateral and multilateral relations between the EU and Latin America must be reinforced,

- especially in the light of the Third EU-Latin America Summit; points to the special importance of the EU for the ACP States, particularly now that the pan-African parliament and African peacekeeping forces are being established; points to the considerable importance of successful European stabilisation efforts in Asia;
29. Points out, in a context in which the significance of the EU as a Global Partner must be strengthened, that steps in the direction of establishing a European common diplomacy and towards the creation of a European external action service would directly contribute to the achievement of this goal;
  30. Intends to analyse future needs and current implementation of the CFSP, taking into account the major financial increase granted under this section for 2004; will assess the outcome of the new joint meetings established between the Parliament and Council following the budget conciliation meeting of November 2003 and draw the budgetary consequences;
  31. Regrets once again that the Commission has not put forward the parliamentary dimension of the WTO as one of its priorities in relation to external responsibility and recalls that the Parliamentary Assembly of the WTO must be developed and made permanent; urges the Commission to submit a concrete proposal to Parliament by 31 July 2004 at the latest;

*Personnel and administration*

32. Notes that the Commission plans to request 700 new enlargement-related posts for 2005; encourages the efforts by the Commission to use redeployment within and between departments to mobilise additional resources; notes that, as a result of redeployment, an additional 570 posts are estimated to become available in 2005 to implement priority initiatives;
33. Will evaluate the Commission's request on the basis of different criteria such as availability of candidates for recruitment, absorption capacity of the Institutions, the geographical balance of posts, the quantitative and qualitative implementation of the European Parliament's political priorities, the process of outsourcing and, also, within the general context of heading 5;
34. Asks the Commission to provide, with the PDB, a mid-term programming of decentralised agencies, executive agencies, regulatory agencies, external offices with the related impact on the headings of the FP concerned, in particular heading 3 and 5 with the consequences and the use of freed resources for the Commission; recalls the Commission's undertaking to ensure that policy on agencies complies with a rigorous budgetary approach and remains subject to democratic oversight by the political and budgetary authorities;
35. Instructs its President to forward this resolution to the Council, the Commission and the Court of Auditors.

18 March 2004

**OPINION OF THE COMMITTEE ON FOREIGN AFFAIRS, HUMAN RIGHTS,  
COMMON SECURITY AND DEFENCE POLICY**

for the Committee on Budgets

on the Communication from the Commission to the European Parliament and the Council on the Annual Policy Strategy (APS) for 2005 (2004/2001(BUD))

Draftsman: José Ignacio Salafranca Sánchez-Neyra

**PROCEDURE**

The Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy appointed José Ignacio Salafranca Sánchez-Neyra draftsman at its meeting of 21 January 2004.

It considered the draft opinion at its meeting of 16 March 2004.

At this meeting it adopted the following suggestions by 38 votes, with 3 abstentions.

The following were present for the vote: Baroness Nicholson of Winterbourne (acting chairwoman), Geoffrey Van Orden, Christos Zacharakis (vice-chairmen), José Ignacio Salafranca Sánchez-Neyra (draftsman), Per-Arne Arvidsson, Alexandros Baltas, Bastiaan Belder, Michael Cashman (for Magdalene Hoff), Alejandro Cercas (for Rosa M. Díez González pursuant to Rule 153(2)), Véronique De Keyser, Olivier Dupuis (for Emma Bonino), Glyn Ford, Michael Gahler, Robert Goebbels (for Jacques F. Poos pursuant to Rule 153(2)), Alfred Gomolka, Richard Howitt, Marie Anne Isler Béguin (for Per Gahrton), Efstratios Korakas, Cecilia Malmström, Jean-Charles Marchiani, Miguel Angel Martínez Martínez (for Catherine Lalumière), Edward H.C. McMillan-Scott (for Jas Gawronski), Philippe Morillon, Pasqualina Napoletano, Arie M. Oostlander, Elena Ornella Paciotti (for Demetrio Volcic pursuant to Rule 153(2)), José Ribeiro e Castro (for Luís Queiró pursuant to Rule 153(2)), Jannis Sakellariou, Jacques Santer, Jürgen Schröder, Ioannis Souladakis, Ilkka Suominen, Hannes Swoboda, Charles Tannock, Maj Britt Theorin (for Klaus Hänsch), Joan Vallvé, Johan Van Hecke (for Ole Andreasen), Karl von Wogau, Jan Marinus Wiersma, Matti Wuori and Sabine Zissener (for Armin Laschet).

## SUGGESTIONS

The Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Welcomes the Commission's Communication on its 2005 Annual Policy Strategy and its stated objective of "ensur[ing] consistency with the priorities outlined for the post-2006 financial perspectives", and looks forward to the first meeting, in the framework of the structured dialogue on the budget, between the Commission and the Conference of Chairmen of parliamentary committees, to be held in April;
2. Recognises that inevitably there will continue to be new financial demands on the EU for reconstruction or related activities in Iraq and Afghanistan (in the latter case, the Berlin Donors' Conference, due to be held from 31 March to 1 April 2004, provides one such example) and for unexpected or worsening crises elsewhere, but stresses that any such future contributions must not come at the expense of the community's existing commitments to other countries or regions; underlines, once again, its commitment to maintaining support for all regions which are now benefiting from the EU budget;
3. Is of the view that sustained use of the flexibility instrument is not satisfactory in terms of developing a coherent external policy; considers it highly desirable, therefore, for serious thought to be given to increasing the available margins;
4. Emphasises that responding to the five main threats to European security, as set out in the European Security Strategy (terrorism, WMD proliferation, regional conflicts, State failure, organised crime), will require long-term external commitment using all available instruments and imply the identification of concrete, sustained budgetary compromises;
5. Reiterates the importance of poverty eradication (poverty being one of the root causes of terrorism) as an overarching objective of EU external assistance, and the significance of maintaining priority sectoral actions such as the promotion of and defence of human rights, health and education, conflict prevention and good governance;
6. Stresses the importance of stepping up the EU's engagement in co-operative threat reduction and of implementing the EU Strategy Against the Proliferation of WMDs; proposes, therefore, the creation of a new budget line on WMDs, thus providing financial support for the EU Action Plan contained in the above-mentioned Strategy;
7. Notes the importance of disarmament and of programmes and projects seeking to address threats emanating from the unsafe storage of radioactive materials and highly toxic substances in Russia and elsewhere;
8. Asks the Commission, in the context of the soon-to-be established European Partnerships in the framework of the Stabilisation and Association Process with the countries of the former Yugoslavia and with Albania, to indicate clearly in its forthcoming Preliminary Draft Budget (PDB) for 2005 what financial resources will be allocated to assist each country in implementing the priorities and objectives identified

9. Draws attention to the urgent need to improve the framework for cross-border co-operation with non-Member States, given the EU's wish to enhance relations with its neighbours, old and new, and the serious difficulties arising from flaws in the current framework; calls for swift action by the Commission and the Council on the proposals set out by the Commission in its Communication entitled 'Towards a Neighbourhood Instrument', and inclusion of the amounts and remarks on the launch of Neighbourhood Programmes in the 2005 PDB; emphasises that in the context of the EU-Mediterranean Partnership all the measures contributing to the full development of the Barcelona Process should be strengthened; underlines that stability and economic cooperation must equally be pursued with regard to the EU's Eastern neighbours;
10. Takes note of the decision made by the European Commission last November to offer substantial financial assistance for the establishment of an African Peace Corps in reply to a request from the African Union, and asks the Commission to implement this as soon as possible;
11. Calls upon the Commission, in view of the 3rd EU-Latin America Summit to be held in Mexico in May 2004, to outline the follow-up it intends to give to the initiative on setting up a Bi-regional Solidarity Fund, within the framework of reinforcing co-operation with Latin America through association agreements in the perspective of an association strategy for the whole region, as proposed in the European Parliament's resolution of 18 December 2003 on the draft general budget of the European Union for 2004 as amended by the Council<sup>1</sup>;
12. Recalls its commitment to strengthening the economic, political and cultural links with Asia, and the fact that this will require substantial financial input;
13. Reiterates its concern that human rights actions, currently funded under the heading 'European Initiative for Democracy and Human Rights' (EIDHR) are still under-funded; and that, as such, it expects the Commission to, at the very least, maintain expenditure on human rights at its present level; asks the Commission to submit, without further delay, the reports on EIDHR for the last three years;
14. Points out that steps taken to establish a common European diplomacy and to create a European external action service would contribute directly to the strengthening of the EU as an international actor.

---

<sup>1</sup> P5\_TA(2003)0588

26 January 2004

## **OPINION OF THE COMMITTEE ON CITIZENS' FREEDOMS AND RIGHTS, JUSTICE AND HOME AFFAIRS**

for the Committee on Budgets

on the guidelines for the 2005 budgetary procedure - Section III - Commission  
(2004/2001(BUD))

Draftsman: Ozan Ceyhun

### **PROCEDURE**

The Committee on Citizens' Freedoms and Rights, Justice and Home Affairs appointed Ozan Ceyhun draftsman at its meeting of 2 December 2003.

It considered the draft opinion at its meeting of 22 January 2004.

At the latter meeting it adopted the following suggestions by 25 votes to 1, with 1 abstention.

The following were present for the vote: Robert J.E. Evans (acting chairman), Johanna L.A. Boogerd-Quaak (vice-chairwoman), Giacomo Santini (vice-chairman), Ozan Ceyhun (draftsman), Christian Ulrik von Boetticher, Marco Cappato (for Mario Borghezio), Carlos Coelho, Gérard M.J. Deprez, Adeline Hazan, Margot Keßler, Timothy Kirkhope, Eva Klamt, Ole Krarup, Lucio Manisco (for Giuseppe Di Lello Finuoli), Bill Newton Dunn, Arie M. Oostlander (for Charlotte Cederschiöld), Marcelino Oreja Arburúa, Hubert Pirker, Bernd Posselt, Martine Roure, Heide Rühle, Olle Schmidt (for Baroness Ludford), Ole Sørensen (for Francesco Rutelli), Joke Swiebel, Anna Terrón i Cusí, Maurizio Turco and Gianni Vattimo (for Michael Cashman).

## SUGGESTIONS

The Committee on Citizens' Freedoms and Rights, Justice and Home Affairs calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. takes note of the fact that the decision-making process to adopt the legislative programme to establish an area of freedom, security and justice is effectively blocked with the enlargement of the EU to 25 Member States and the unanimity requirement; calls therefore for the strengthening of the financial instruments available in order to be able to make further progress;
2. welcomes the success of the pilot project on the integration of third country nationals; calls on the Commission to continue the budget line as a preparatory action and to prepare a legal basis in due time;
3. reiterates its calls on the Commission to continue its efforts to streamline the existing databases that allow for the following of the EU's decision-making process by the setting-up of one single database; calls also on the Commission to continue to improve its information policy and to start to accompany important legislative initiatives by targeted information campaigns for the wider public; is willing to provide the necessary resources for more transparency following the Commission's first evaluation of the regulation on access to documents (Regulation 1049/2001);
4. announces that it intends to use the budgetary procedure 2005 to remedy a series of persisting problems; requests as a first step the financing of Eurojust out of category 5, the financing of Europol out of the general budget, a suitable solution for the budget of the secretariat of the joint supervisory data-protection bodies of the Schengen and Europol Conventions as well as the Customs Information System and codecision as regards the large-scale IT systems in particular as regards the setting-up of the visa information system (VIS) and the second generation Schengen information system (SIS II);
5. stresses the need to make financial resources available to develop a filter-based "push" system to allow the airline passengers' personal data flows from the airlines or reservation systems to the US and other third countries to be controlled by the EU.

30 March 2004

## **OPINION OF THE COMMITTEE ON INDUSTRY, EXTERNAL TRADE, RESEARCH AND ENERGY**

for the Committee on Budgets

on 2005 Budget: Annual Policy Strategy for 2005  
(2004/2001(BUD))

Draftsman: Paul Rübige

### **PROCEDURE**

The Committee on Industry, External Trade, Research and Energy appointed Paul Rübige draftsman at its meeting of 21 January 2004.

It considered the draft opinion at its meetings of 17 and 29 March 2004.

At the last meeting it adopted the following suggestions by unanimously.

The following were present for the vote: Luis Berenguer Fuster (chairman), Peter Michael Mombaur (vice-chairman), Paul Rübige (draftsman), Gordon J. Adam (for Imelda Mary Read), Konstantinos Alyssandrakis, Sir Robert Atkins, Emmanouil Bakopoulos (for Fausto Bertinotti pursuant to Rule 153(2)), Ward Beysen (for Marco Cappato), Roberto Felice Bigliardo (for Seán Ó Neachtain), Guido Bodrato, David Robert Bowe (for Gary Titley), Gérard Caudron, Giles Bryan Chichester, Benedetto Della Vedova (for Gian Paolo Gobbo), Marie-Françoise Duthu, Neena Gill (for Harlem Désir), Norbert Glante, Malcolm Harbour (for Bashir Khanbhai), Hans Karlsson, Rolf Linkohr, Caroline Lucas, Eryl Margaret McNally, Marjo Matikainen-Kallström, Ana Miranda de Lage, Bill Newton Dunn (for Nicholas Clegg), Paolo Pastorelli, Samuli Pohjamo (for Willy C.E.H. De Clercq), John Purvis, Bernhard Rapkay (for Erika Mann), Christian Foldberg Rovsing, Paul Rübige, Esko Olavi Seppänen and W.G. van Velzen.



## SUGGESTIONS

The Committee on Industry, External Trade, Research and Energy calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

The Committee on Industry, External Trade, Research and Energy calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Urges that finance and guarantee instruments for SMEs be further developed and strengthened. There is a continued need for diversified schemes in the area of SME access to capital, both in the existing and the new Member States.
2. Requests the Commission to forward to Parliament at the earliest possible date its study on the implementation of Basel II, as this implementation will profoundly influence the aforementioned instruments for SME capital.
3. Supports the approach of the Commission of improving and simplifying legislation in key industrial sectors in order to strengthen their competitiveness; also agrees with the Commission as to the importance of the services industries and the necessity of improving productivity and job creation so as to maintain a solid industrial base; reminds the Commission, however, that the Lisbon objectives also require further development of the ICT infrastructure as well as professional training and lifelong learning.
4. Stresses the need for developing 3G telecommunication networks and broadband Internet networks, both in urban and rural areas, over the whole territory of the enlarged Union; recalls that eEurope action plan measures and eGovernment initiatives must also be extended; nevertheless regrets that no mention is made of the Galileo Programme, as it is indispensable to strengthen the future development of ICT in Europe;
5. Recalls that R&D policy remains one of the main priorities of the European Union, and asks the Commission to present ambitious proposals for the seventh Framework Programme for research and technological development; welcomes the intention of the Commission to promote the European Space Programme;
6. Stresses the increasing importance of reducing the gap between Europe and its main partners in terms of the effort put into research; in this sense, recalls that appropriate funding has to be provided and the agreed funds have to be implemented whilst simplified procedures should be put in place for applications for European projects;
7. Notes that priority has to be given to all phases of innovation (including R&D, product development and marketing) which implies a proper coordination between EU programmes and the setting up of instruments concerning the phases not directly related to R&D;
8. Regrets once again that the Commission has not put forward the parliamentary dimension of the WTO as one of its priorities in relation to external responsibility and recalls that the Parliamentary Assembly of the WTO must be developed and made permanent;

9. Urges the Commission to allow for the need for both a European import strategy and, above all, a European export strategy incorporating appropriate financial facilities and a multilateral framework to promote European SMEs so as to afford them easier access to the markets of non-member countries;
10. Repeats its request to the Commission to present for Macro-Financial Assistance (MFA) a legislative proposal based on the codecision procedure and entailing legal provisions that would enhance transparency and accountability;
11. Notes that an agreement on trade with Mercosur is necessary in order to reinforce the external role of the Union; asks the Commission to ensure the Union's role as a key contributor at the UN World Summit on Information Society II; also considers that the extension of the Charter for Small Enterprises to EU's neighbouring countries has to be attained as soon as possible in the context of neighbourhood policy;
12. Draws attention to the need of reinforced financing of TEN for energy; notes that in relation to energy-related programmes (e.g. the Intelligent Energy programme), the legislative instruments must be fully applied and that commitments undertaken must be fully executed;
13. Highlights the importance of extending energy cooperation and inter-connections with Balkan and Mediterranean countries, taking into account internal market energy requirements; also stresses the necessity for establishing an appropriate legislative and financial framework to guarantee security of supply.
14. Recalls that, in the framework of achieving a full harmonisation of the energy market, a decision by the Council must be taken, as soon as possible, on the proposals for a directive on nuclear safety and a directive on nuclear waste management, on which the European Parliament has already given its positive opinion, introducing at the same time some modifications which could help Member States reach an agreement;

18 March 2004

## **OPINION OF THE COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS**

for the Committee on Budgets

on the Annual Policy Strategy for 2005  
(2004/2001(BUD))

Draftsman: Bartho Pronk

### **PROCEDURE**

The Committee on Employment and Social Affairs appointed Bartho Pronk draftsman at its meeting of 22 January 2004.

It considered the draft opinion at its meeting of 17/18 March 2004.

At this meeting it adopted the following suggestions unanimously.

The following were present for the vote: Theodorus J.J. Bouwman (chairman), Marie-Thérèse Hermange (vice-chairwoman), Winfried Menrad (vice-chairman), Bartho Pronk (Draftsman), Elspeth Attwooll, Regina Bastos, Hans Udo Bullmann (for Jan Andersson), Harald Ettl, Anne-Karin Glase, Lisbeth Grönfeldt Bergman (for Miet Smet), Roger Helmer, Stephen Hughes, Rodi Kratsa-Tsagaropoulou, Jean Lambert, Elizabeth Lynne, Thomas Mann, Mario Mantovani, Manuel Pérez Álvarez, Lennart Sacrédeus, Luciana Sbarbati (for Anne André-Léonard), Herman Schmid, Elisabeth Schroedter (for Jillian Evans), Helle Thorning-Schmidt, Bruno Trentin (for Alejandro Cercas), Ieke van den Burg, Anne E.M. Van Lancker and Barbara Weiler.

## SUGGESTIONS

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

1. Estimates it necessary to include in the 2005 budget as much as possible the results of the coming mid-term review of the Lisbon Strategy;
2. Stresses the importance of the Community health and safety legislation implementation, especially in the new Member States and urges the Commission to reflect this priority in the corresponding budgetary allocation;
3. Stresses the need of an adequate promotion of the social dialogue, as foreseen in Art 137 and Art 138, in particular in the new Member States;
4. Takes note of the Commission statement on executive agencies, in particular on the future executive agency on education and vocational training and stresses the need to avoid potential overlaps and higher spending on staff than it is the case at present;
5. In view of the approximately 3 times above EU-15 average level of occupational accidents and fatalities in the new EU Member States, urges the Commission to allocate specific funding for health and safety enlargement activities in particular through awareness campaigns, knowledge transfer on good practice and SME-activities;
6. Notes the substantial reduction in the ceiling of heading 3, expresses concern on the implications for Title 4 "Employment and social affairs" as this has been the object of reductions in the last years and notes that the non co-decided budgetary lines of Title 4, constitute a very small part of heading 3;

30 March 2004

## **OPINION OF THE COMMITTEE ON THE ENVIRONMENT, PUBLIC HEALTH AND CONSUMER POLICY**

for the Committee on Budgets

on the Communication from the Commission to the European Parliament and to the Council –  
Annual Policy Strategy for 2005  
(2004/2001(BUD))

Draftsman: Robert Goodwill

### **PROCEDURE**

The Committee on the Environment, Public Health and Consumer Policy appointed Robert Goodwill draftsman at its meeting of 20 November 2001.

It considered the draft opinion at its meeting of 29 March 2004.

At this meeting it adopted the following suggestions unanimously.

The following were present for the vote: Caroline F. Jackson, (chairman), Alexander de Roo, Guido Sacconi (vice-chairmen), Robert Goodwill (draftsman), María Luisa Bergaz Conesa, Hans Blokland, David Robert Bowe, John Bowis, Dorette Corbey, Chris Davies, Säid El Khadraoui, Marialiese Flemming, Karl-Heinz Florenz, Cristina García-Orcoyen Tormo, Françoise Grossetête, Jutta D. Haug (for Anne Ferreira), Marie Anne Isler Béguin, Christa Klauf, Bernd Lange, Paul A.A.J.G. Lannoye (for Hiltrud Breyer), Caroline Lucas (for Patricia McKenna), Albert Jan Maat (for María del Pilar Ayuso González), Jules Maaten, Minerva Melpomeni Malliori, Rosemarie Müller, Ria G.H.C. Oomen-Ruijten, Dagmar Roth-Behrendt, Jacqueline Rousseaux, Karin Scheele, Inger Schörling, Renate Sommer (for Martin Callanan), Catherine Stihler, Robert William Sturdy (for Raquel Cardoso), Nicole Thomas-Mauro, Antonios Trakatellis, Peder Wachtmeister and Phillip Whitehead.

## SUGGESTIONS

The Committee on the Environment, Public Health and Consumer Policy calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Notes that the financial year 2005 is the first full year for the European Union of 25 Member States; endorses therefore the overall operational priorities of the Commission, namely, the proper functioning of the enlarged Union and the full application of the policies and rules within all Member States.
2. Welcomes the proposed initiatives in the field of environment but deplores that environmental protection has been given little attention under the three policy priorities; further regrets that 'sustainable development' has virtually no practical implications in the Annual Policy Strategy.
3. Considers that the Commission sends a wrong signal to the whole EU, but in particular to the new Member States when it fails to highlight environmental protection and sustainable development as major policy priorities.
4. Is concerned at the financial implications of this lack of recognition to environment programmes and to the level of human resources in DG Environment; urges the Commission to guarantee an adequate level of human resources so that the programmes and policies in the field of environment can not only continue to be implemented properly in the old Member States but, above all, can also be launched in the new Member States.
5. Points out that agricultural and structural policies have a huge impact on environment; stresses that after enlargement the need to proceed to the greening of Community policies in practice by carrying out careful and methodologically sound assessments of environmental impacts in all policy areas is even more urgent than before; welcomes the Commission's general objective to make the use of impact assessments a common practice in 2005.
6. Considers that monitoring of the implementation of legislation as one of the Commission's key tasks; calls upon the Commission to increase the number of officials dealing with infringement procedures in accordance with its task of being the guardian of the Treaties.
7. Welcomes the initiatives in the field of public health and food safety; points out that with enlargement new challenges will probably emerge; considers it of utmost importance that the European Food Safety Authority and the European Food and Veterinary Office have adequate resources available to carry out their tasks.
8. Notes the intention to simplify key industrial legislation; calls on the Commission to ensure that the environmental impacts of such simplification are properly assessed with a view to rigorously maintaining environmental standards.
9. Notes the intention to launch an EU Water Facility; calls on the Commission to ensure the facility invests in capacity for good governance of water issues in developing countries, that all countries must have an integrated water resource management strategy as a pre-requisite for funding, and that all projects that are supported must be subject to Environmental Impact Assessment and must not conflict with Johannesburg commitments to significantly reduce biodiversity decline by 2010.
10. Calls on the Commission to formally review the EU Forestry Strategy.



30 March 2004

## **OPINION OF THE COMMITTEE ON AGRICULTURE AND RURAL DEVELOPMENT**

for the Committee on Budgets

on the annual policy strategy for 2005  
(2004/2001(BUD))

Draftswoman: Mará Esther Herranz García

### **PROCEDURE**

The Committee on Agriculture and Rural Development appointed Mará Esther Herranz García draftswoman at its meeting of 22 January 2004.

It considered the draft opinion at its meetings of 18 February and 29 March 2004.

At the latter meeting it adopted the following suggestions by 15 votes to 1.

The following were present for the vote: Joseph Daul (chairman), Friedrich-Wilhelm Graefe zu Baringdorf, Albert Jan Maat (vice-chairmen), Mará Esther Herranz García (draftswoman, for Encarnación Redondo Jiménez), Alexandros Baltas (for António Campos), Georges Garot, Lutz Goepel, Willi Görlach, João Gouveia, Liam Hyland, Elisabeth Jeggle, Salvador Jové Peres, Heinz Kindermann, Wolfgang Kreissl-Dörfler (for Gordon J. Adam), Karl Erik Olsson and Dominique F.C. Souchet.



## JUSTIFICATION

2005 will be the first complete financial year for the 25-member European Union and the first year in which some of the provisions adopted when the common agricultural policy was last reformed will apply. Both of these factors will have a bearing on next year's budget.

The 2005 financial year will see the first payments under Heading 1a of direct aid to farmers in the countries of eastern Europe. In the first year of accession that aid will amount to 25% of the aid earmarked for the 15 existing Member States. Furthermore, the EU will have to meet the cost of the CAP reform measures which come into force in 2004. These include in particular the direct aid granted to milk producers, the increase in rice aid as a result of the reduction in penalties in that sector and other provisions adopted in connection with the reform, such as the new subsidies for dried-fruit producers, for durum-wheat quality and for energy-producing crops.

As regards the single-payment scheme introduced when the CAP was reformed, this will come into force in certain Member States with effect from 2005, for which reason it will have no impact on the budget until the 2006 financial year.

The rapporteur considers that the Commission's preliminary draft budget should make allowance in advance for some of the implications of enlargement by setting aside sufficient funds to cover a possible increase in Community expenditure on intervention measures relating to certain products such as beef and veal or butter, since it will not be possible for prices in the eastern European countries to be brought into line with Community prices at the desired pace.

Furthermore, the rapporteur's report focuses on the need for sufficient veterinary funds to be made available to combat the risk of epizootics, which could increase once the borders with the new Member States come down.

## CONCLUSIONS

The Committee on Agriculture and Rural Development calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Welcomes the May 2004 EU enlargement and calls on the Commission to take into account in its preliminary draft budget the effects which such enlargement may have on Community expenditure in certain agricultural markets, such as beef and veal and butter.
2. Calls on the Commission to put forward proposals intended to extend (if necessary) the time limits for the use of the SAPARD funds, since the administrative difficulties which the accession countries have encountered in implementing such funds should not prevent achievement of the desired objective - namely, the modernisation of those countries' agricultural structures, which is a key element in the process of fully integrating the countries concerned.
3. Considers, furthermore, that veterinary funding should be increased in order to counter any risk of an outbreak of new epizootics following the accession of the new Member States. Calls on the Commission to make use, if necessary, of the possibility of making additional resources available in category 1A of the 2004 budget to improve vaccines and testing methods, and also to make room for this in 2005. Calls, therefore, on the Commission to devise measures designed to tighten up checks at the European Union's new external borders.
4. Calls on the Commission to devote particular attention this year to the effects which the devaluation of the dollar may have on expenditure earmarked for export refunds. It would be advisable to draw up an expenditure estimate which is broader than the one based solely on a euro/dollar exchange-rate calculation performed on the basis of the average recorded over the first three months of 2004, since any subsequent variation could have a very damaging effect on the competitiveness of Community produce.
5. Points to the need to strengthen the second pillar of the Common European Agricultural Policy (rural development) with regard to its content and financial structure; notes in this connection that the area of rural development was explicitly excluded from the capping of agricultural expenditure decided at the 2002 Brussels summit;
6. Urges the Commission to increase the amount of aid earmarked for young farmers in the EU, so as to issue a clear message to the effect that the younger generation should take over from its elders, since the ageing of the farming population is the main stumbling block to maintaining European agriculture in its current form and one of the main causes of the rural exodus.
7. Regrets the fact that, in recent years, the Commission has not given sufficient backing to measures designed to promote Community produce either within the EU or in third countries. Such measures need to be strengthened in order to increase the

competitiveness of EU produce in an increasingly liberalised market. Calls, therefore, for an increase in the funding under the relevant budget heading.

8. Welcomes the establishment, under the 2004 budget, of a pilot scheme designed to consider the introduction of a Community quality label, and calls for that initiative to continue into 2005.
9. Calls urgently for the European Commission to draw up an impact study examining the introduction of a pilot scheme for the implementation of Community farming insurance which will cover losses caused by severe weather, the effect of which could worsen over the next few years as a consequence of global warming.
10. Stresses the importance of the EU school milk programme, a European Parliament initiative, and takes the view that the funding and content of this programme should be such that it can continue successfully to carry out its task of promoting children's health;
11. Hopes that the European Council will, before the beginning of the 2005 financial year, adopt a European Constitution which will extend Parliament's power of codecision to the common organisations of the agricultural markets and to other provisions necessary to achieve the objectives of the common agricultural policy; hopes, furthermore, that greater budgetary powers will also be conferred on Parliament through the elimination of the current distinction in the budget between compulsory expenditure, which has essentially concerned the agricultural sector up to the present time, and non-compulsory expenditure.
12. Stresses that by 2005 the Commission must present, an evaluation of the COM in fruit and vegetables, as well as any necessary adjustments. This must form part of the objective of consolidating Community public support for this sector, which is of major importance for both the current Member States and the new accession countries.

24 March 2004

## **OPINION OF THE COMMITTEE ON FISHERIES**

for the Committee on Budgets

on the 2005 budget: the Commission's annual strategic report  
(2004/2001(BUD))

Draftswoman: Brigitte Langenhagen

### **PROCEDURE**

The Committee on Fisheries appointed Brigitte Langenhagen draftswoman at its meeting of 20 January 2004.

It considered the draft opinion at its meetings of 16 February and 16 March 2004.

At the last meeting it adopted the following suggestions by 15 votes to 1, with 0 abstentions.

The following were present for the vote: Struan Stevenson (chairman and for Brigitte Langenhagen (draftswoman)), Rosa Miguélez Ramos.(vice-chairwoman), Elspeth Attwooll, Niels Busk, Nigel Paul Farage, Giovanni Claudio Fava (for Bernard Poignant), Ilda Figueiredo (for Salvador Jové Peres), Ian Stewart Hudghton, Heinz Kindermann, Carlos Lage, Giorgio Lisi, Patricia McKenna, Neil Parish (for Hugues Martin), Manuel Pérez Álvarez, Joaquim Piscarreta, Catherine Stihler and Daniel Varela Suanzes-Carpegna.

## SUGGESTIONS

Even taking into account the particular circumstances of the election year 2004, the parliamentary side of the budgetary procedure for 2005 presents the draftswoman with certain difficulties in that the deadlines mean that a draft must be prepared three weeks prior to publication of the corresponding documents. Consequently, the present document cannot provide a detailed analysis of the APS (Annual Policy Strategy) and the budgetary implications, but will instead set out general remarks by the Committee on Fisheries on the implementation of the common fisheries policy in 2005.

The new basic Council Regulation (EC) No 2371/2002 of 20 December 2002<sup>1</sup> represents nothing less than a reorientation of European fisheries policy to the benefit of all those involved: the fishing industry (including the processing industry and aquaculture) and coastal regions, fish stocks, the marine ecosystem and consumers. In order to match the far-reaching objectives, however, it is necessary to continue resolutely along the reform course and submit corresponding proposals for implementing measures. This means that the main fields of fisheries policy action in 2005 are circumscribed:

- continuation of reform efforts
- implementation of decisions.

### **Enlargement**

Adequate implementation of the CFP must be guaranteed within the framework of enlargement. The logical outcome of including the new Member States in the CFP is an expansion in the activities of the Fisheries DG, particularly in the fields of control, data gathering and the Structural Funds. With regard to the budgetary aspects of enlargement, the draftswoman considers the scheduled appropriations, as also foreseen in the 2004-2006 multiannual perspective, to be sufficient and fully justified.

### **Socio-economic measures**

It should once again be pointed out that more attention should be paid to the socio-economic impact of the reform and the recovery and restocking plans for various fisheries in order to provide suitable support and prospects for the regions affected. The committee takes the view that the mid-term review of the FIG should be used as a vital opportunity for a redirection towards socio-economic measures, and particularly appeals for support from the Member States.

### **Regional advisory councils**

As part of the reform, provision was made for the creation of regional advisory councils to support the CFP and help improve its management<sup>2</sup>. The Commission recently submitted a proposal for a Council decision establishing regional advisory councils under the common fisheries policy<sup>3</sup>. The Committee on Fisheries welcomes and supports this proposal as a key

---

<sup>1</sup> OJ L 358, 31.12.2002.

<sup>2</sup> See Articles 31 and 32 of Council Regulation (EC) No 2371/2002 on the conservation and sustainable exploitation of fisheries resources under the common fisheries policy.

<sup>3</sup> COM(2003) 607, 15.10.2003.

element in the dialogue and the process of involving the various stakeholders in the development of the CFP, but is at the same time concerned at the low level of Community financial support. A firm financial basis will be necessary for the establishment and operation of the regional advisory councils, and to enable them to make an active and effective contribution. Furthermore, funding should be provided for longer than the three years currently envisaged.

### **Fisheries research**

Most of the appropriations set aside for fisheries research have been earmarked for several years under the fifth and sixth research framework programmes and cannot be changed. Nevertheless, the Commission supports an increase in appropriations in Chapter 11 07 in order to improve the quality and prompt availability of scientific advice and increase stakeholder involvement in the preparation of advice.

### **Community Fisheries Control Agency (CFCA)**

In its 2003 communication 'Towards uniform and effective implementation of the common fisheries policy'<sup>1</sup>, the Commission proposed that a common fisheries control agency be set up. Without prejudice to the responsibilities of the Member States and the Commission in the field of control and enforcement, this agency is to ensure control of the implementation of the rules of the CFP. In addition, it is to pool national means of inspection by the Member States.

The committee calls for the CFCA to be provided with a sound budgetary basis and staff, and a clear financial framework.

### **External relations**

In its resolution on the Commission communication on an integrated framework for fisheries partnership agreements<sup>2</sup>, Parliament generally welcomed the conclusion of agreements through which the Community fleet gains access to third-country waters. However, no agreements should be sought in relation to access to stocks that are already fully exploited or in danger of overexploitation. Given the commercial nature of the agreements, a clear separation needs to be made between compensation paid for access and development aid.

New agreements are expected to be signed in 2005, inter alia with Tanzania, Kenya and the Solomon Islands. However, in line with standard practice, the expenditure earmarked for these agreements will not be definitively entered in the budget until the fishing agreement concerned has been signed.

The Community's international role in relation to responsible fishing also requires a clear commitment to and active involvement in regional fisheries organisations. Consideration should also be given to increasing the Community's financial contribution.

### **Staffing requirements**

Adequate staffing levels in the corresponding services of the Fisheries Directorate-General are

---

<sup>1</sup> COM(2003) 130, 21.3.2003.

<sup>2</sup> P5\_TA(2003)0431, 9.10.2003.

crucial for the effective continuation and successful implementation of CFP reform, as well as in the context of enlargement. The manifold tasks of the Fisheries DG can only be performed if sufficient staff is available. The five additional posts for 2004 as approved in the budget cannot be described as anything more than a drop in the ocean. The Committee on Fisheries therefore calls for a clear increase in the number of staff level so that the CFP, as one of the main Community policies, can continue to move towards sustainability.

## **Conclusions**

The Committee on Fisheries calls on the Committee on Budgets to take account of the following conclusions:

1. Sufficient funds should be available to compensate the coastal regions affected by stock recovery plans and emergency measures. For this purpose, all stock recovery plans should contain a financial chapter setting out the flanking measures foreseen to cushion the negative impact of the plans. The Member States are urged to submit proposals with a view to the reorientation of the existing structural funds, also in view of the low rate of utilisation of the appropriations available on the part of some Member States. The mid-term review of the structural funds provides an opportunity for the Member States to submit such proposals.
2. Additional appropriations will be necessary to ensure that the commitments arising from the conclusion of any new fishing agreements with third countries can be fulfilled. This applies in particular to the Community's increased involvement in regional fisheries organisations. A clear separation needs to be made between compensation paid for access to fishery resources on one hand, and development aid as provided through targeted measures. Targeted measures should be budgeted in a way that allows the Community to verify that the money is indeed used to reach the agreed objectives.
3. The Commission must increase its staffing levels substantially if it is to be able to perform its fisheries-related tasks in the enlarged European Union.
4. The additional appropriations for 2005 should be sufficient to create a genuinely effective control and enforcement system in European waters, also taking account of the demands made by the Committee on Fisheries in previous budgetary years. COM (2003) 706 (Proposal for a Council decision on a Community financial contribution towards Member States fisheries control programmes) lays down a financial reference for that Community contribution for the two years 2004-5. In the light of the accession of seven new coastal states into the European Union in May 2004 and the continued need to improve monitoring throughout the existing EU-15, the Budgetary authority should examine whether the annual appropriation ought to be increased for 2005. Furthermore, the appropriations should be increased in subsequent years to provide appropriate funding for the creation of a common inspection structure.
5. Given the lack of sufficient high-quality scientific advice, which should be the starting point for management decisions within the framework of the common fisheries policy, suitable funding should be available and fishermen themselves should be invited to participate in fisheries research projects.

6. In order to achieve the proposed broad involvement of stakeholders in the CFP, regional advisory councils (RACs) must be provided with the funding which will enable them to take on the tasks envisaged. It is particularly important to provide long-term support for the work of these advisory councils in order to guarantee a long-term outlook and continuity in their activities.



19 March 2004

## **OPINION OF THE COMMITTEE ON REGIONAL POLICY, TRANSPORT AND TOURISM**

for the Committee on Budgets

on the Commission's annual strategic report on the 2005 budget  
(2004/2001(BUD))

Draftswoman: Catherine Guy-Quint

### **PROCEDURE**

The Committee on Regional Policy, Transport and Tourism appointed Catherine Guy-Quint draftswoman at its meeting of 21 January 2004.

It considered the draft opinion at its meetings of 16 February and 17 March 2004.

At the last meeting it adopted the following suggestions unanimously.

The following were present for the vote: Paolo Costa, chairman; Helmuth Markov, vice-chairman; Catherine Guy-Quint, draftswoman; Sylviane H. Ainardi, Emmanouil Bakopoulos, Rolf Berend, Philip Charles Bradbourn, Giorgio Calò (for Dirk Sterckx), Felipe Camisón Asensio, Luigi Cocilovo, Christine de Veyrac, Giovanni Claudio Fava, Jacqueline Foster, Mathieu J.H. Grosch, Ewa Hedkvist Petersen, Juan de Dios Izquierdo Collado, Karsten Knolle (for Dana Rosemary Scallon), Dieter-Lebrecht Koch, Giorgio Lisi, Emmanouil Mastorakis, Erik Meijer, Enrique Monsonís Domingo, James Nicholson, Camilo Nogueira Román, Peter Pex, Wilhelm Ernst Piecyk, Samuli Pohjamo, Bernard Poignant, José Javier Pomés Ruiz, Alonso José Puerta, Reinhard Rack, Ingo Schmitt, Elisabeth Schroedter (for Josu Ortuondo Larrea), Brian Simpson, Renate Sommer, Ulrich Stockmann, Joaquim Vairinhos, Dominique Vlasto (for Margie Sudre) and Mark Francis Watts.

## SUGGESTIONS

The Committee on Regional Policy, Transport and Tourism calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Notes that the financial year 2005 will be the first in which appropriations will have to be available to meet the needs of a European Union of 25 Member States; in this connection, recognises the importance of the amended financial perspective as regards determining the total amounts of available appropriations, but, in the light of this provision, stresses that the necessary levels of financial support for the Structural Funds, transport policy and tourism policy should be available and that these sums should be allocated in line with recognised needs and fully and effectively used in accordance with the legislation in force and the wishes of the budgetary authority; in its special report No 7/2003 on the implementation assistance programming for the period 2000-2006 within the framework of the Structural Funds, the Court of Auditors points out that, because statistics had not been updated, some regions would have received Objective 1 assistance when their GDP was in excess of 75% of the Community average; therefore calls on the Commission to provide a formal explanation of this matter;
2. With a view to achieving these objectives, calls once again for expenditure under the Structural Funds to be fully additional and reminds the Commission of its responsibility to ensure that the principle of additionality is respected, by using its administrative procedures and a uniform verification system, as well as the decision-making powers it has with regard to programmes and projects;
3. Calls on the Commission to make its administrative procedures and the approval of Structural Fund expenditure more efficient and less complex, and to make the criteria for the admissibility of expenditure more transparent and the distribution of the sums involved more rapid, in cases where measures of this kind are compatible with appropriate accountancy control systems for public funds;
4. Calls on the Commission to draw up a periodic report on the effects of the implementation of the N+2 rule to be introduced at the end of the financial year and on the consequences of this for the cancelling of appropriations and the effects of such cancellations on programme implementation. In this connection, demands that the Member States take all necessary measures to ensure that their needs assessments are as accurate as possible and are available in good time to ensure that the budget can be managed effectively and expenditure properly implemented;
5. Notes that the number of Trans-European Network projects has increased and that the Council and Commission decisions have led to uncertainty regarding the types and importance of 'quick start' projects; insists that there should be absolute transparency under the budgetary procedure as regards TEN transport projects and that no decision on the utilisation of appropriations should be taken on the basis of criteria that have not been clearly and explicitly adopted in accordance with the appropriate budgetary and legislative procedures;
6. Recognises the importance of the TEN transport projects in building an infrastructure network for a 25-member Union and as a prelude to an efficient internal market including

all 25 Member States; insists that the amounts available should be adequate to achieve this objective and also stresses that the TEN transport projects should fully respect the priorities set out in the White Paper, particularly as regards intermodal transfers;

7. Expresses its disappointment, however, at the slow progress made by a number of TEN transport projects, despite the high rate of utilisation of payment appropriations for the budget line for the TEN-Transport programme. In its annual report for 2002, the Court of Auditors pointed out that some of the projects examined that year would have been carried out without the Community's financial assistance; nevertheless, without such European assistance, these projects would not have been completed within the deadlines set out in the TEN-Transport programme. Furthermore, these are important projects which act as a catalyst and driving force for the economy and they should therefore not be delayed, but accelerated as far as possible so as to meet the Lisbon objectives and the aims of the European Growth Initiative;
8. Notes that in successive financial years the appropriations available for transport safety, including road safety, have not been fully used and calls on the Commission to accept that full use of these appropriations should be a priority for budget management;
9. Again notes with regret that, although tourism is of major economic importance to several underdeveloped regions, no budget line has been earmarked for supporting the development of a Community tourism policy and calls for budget funds to be made available for this purpose.

16 March 2004

## **OPINION OF THE COMMITTEE ON DEVELOPMENT AND COOPERATION**

for the Committee on Budgets

on the Communication from the Commission to the European Parliament and the Council on Annual Policy Strategy for 2005 (2004/2001(BUD))

Draftsman: Anders Wijkman

### **PROCEDURE**

The Committee on Development and Cooperation appointed Anders Wijkman draftsman at its meeting of 26 November 2003.

It considered the draft opinion at its meetings of 8 and 16 March 2004.

At the latter meeting it adopted the following suggestions unanimously.

The following were present for the vote: Margrietus J. van den Berg.(acting chairman and vice-chairman), Marieke Sanders-ten Holte.(vice-chairwoman), Anders Wijkman (vice-chairman and draftsman), John Alexander Corrie, Nirj Deva, Glenys Kinnock, Karsten Knolle, Nelly Maes (for Paul A.A.J.G. Lannoye), Linda McAvan, Miguel Angel Martínez Martínez, Didier Rod, Ulla Margrethe Sandbæk, Francisca Sauquillo Pérez del Arco, Maj Britt Theorin and Felekna Uca (for Yasmine Boudjenah).

## SUGGESTIONS

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

1. Takes note that the Commission has included the promotion of sustainable development and the review and scaling up of the EU contributions to the Millennium Development Goals in its Annual Policy Strategy for 2005;
2. Recalls the Zedillo report from the UN High Level Panel on Financing for Development, underlines that the world-wide donor community requires around USD 50 billion of additional general investment per year and an additional annual USD 20 billion for the world-wide provision of public goods in order to achieve the Millennium Development Goals;
3. Deplores that the relations with the least developed countries and the objective of poverty alleviation are given far less priority in the planning of the Commission for 2005 compared to the emphasis which is put on the new neighbourhood strategy and relations with the Balkans and the Mediterranean countries, while the European Union has a unique opportunity and a moral obligation to take a leading role in the global efforts to reach the Millennium Development Goals;
4. Insists that the main beneficiaries of EU development aid should be the low income countries as expressed in the EU development strategy and regrets that the share of aid disbursed to these countries has gradually decreased in recent years and now only amounts to about 44%;
5. Asks the Commission to give primary focus to the eradication of poverty in the developing countries notably the realisation of the Millennium Development Goals and to give it a prominent place in its annual report; furthermore asks the Commission to prepare a report defining which area(s) of development cooperation the Commission should focus on based on its comparative advantage;
6. Recalls the EU commitment in Barcelona in 2003, and urges the Commission to take steps to improve the coordination of the development cooperation of Member States with the actions implemented by the Commission, based on the comparative advantages of each donor in order to approach complementarity;
7. Asks the Commission to accelerate its efforts to develop clear targets for the EU development policy, as well as the improvement of the Commission's reporting on targets and indicators and - to the extent possible - the inclusion of the Member States development assistance;
8. Expresses serious concern that the overall ceiling for heading 4 in 2005 is EUR 58 million lower than the 2004 budget for external relations; in combination with the suggestion to increase aid for Iraq by EUR 200 million, of which only around EUR 100 million would be financed through the flexibility mechanism leading to the unacceptable consequence that long-term development cooperation activities will be significantly

decreased;

9. Urges the Commission to improve its expertise, particularly in the areas of gender mainstreaming, conflict prevention, environment and human rights, by investing in improved staff training;
10. Deplores that due to understaffing in certain Commission departments, the implementation of aid programmes is often delayed and not implemented with sufficient quality, therefore calls for a reconsideration of Commission staff levels so as to ensure sufficient staffing in the European Commission headquarter and the country delegations, both in numbers and competence, to make sure that development cooperation activities can be implemented with high quality and speed;
11. Calls for a review of the EU Development Policy statement from the year 2000 with the aim of a more focused strategy giving particular attention to poverty eradication and the MDGs, and calls for active involvement of the European Parliament in this process;
12. Calls for spot checks to be carried out by its Committee on Development and Cooperation on projects supported by the Commission;
13. Underlines the importance of focusing development cooperation on the areas which contribute the most to the Millennium Development Goals; reiterates that 35% of the annual funding of the European Union for developing countries (OECD Development Assistance Committee list 1 countries) shall be allocated to social infrastructure, mainly education and health, but also including macroeconomic assistance with social sector conditionality; suggests as a goal that appropriations from the EU budget for education and health should be doubled.

18 March 2004

## **OPINION OF THE COMMITTEE ON WOMEN'S RIGHTS AND EQUAL OPPORTUNITIES**

for the Committee on Budgets

on Communication from the Commission to the European Parliament and the Council,  
Annual Policy Strategy for 2005  
(2004/2001(BUD))

Draftsperson: Lissy Gröner

### **PROCEDURE**

The Committee on Women's Rights and Equal Opportunities appointed Lissy Gröner draftsperson at its meeting of 18 February 2004.

It considered the draft opinion at its meeting of 16 March 2004.

At the last meeting it adopted the following suggestions unanimously.

The following were present for the vote: Anna Karamanou (chairperson), Marianne Eriksson (vice-chairperson), Olga Zrihen Zaari (vice-chairperson), Lissy Gröner (draftsperson), María Antonia Avilés Perea, Regina Bastos, Rodi Kratsa-Tsagaropoulou, Maria Martens, Amalia Sartori, Miet Smet, Joke Swiebel, Marie-Hélène Gillig, and Anne E.M. Van Lancker.

## SUGGESTIONS

The Committee on Women's Rights and Equal Opportunities calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

- having regard to the EC Treaty, in particular to Articles 2, 3(2), 13 and 141(4) thereof,
  - having regard to Article 23(1) of the EU Charter of Fundamental Rights,
  - having regard to the conclusions of the Lisbon European Council of 23-24 March 2000, the conclusions of the Stockholm European Council of 23-24 March 2001 and the conclusions of the Barcelona European Council of 15-16 March 2002,
  - having regard to the Beijing Platform for Action, adopted at the Fourth World Conference on Women in September 1995, and Parliament resolution of 18 May 2000 on the follow-up of this platform,
  - having regard to the European Parliament resolution on gender budgeting - building public budgets from a gender perspective (2002/2198(INI)),
  - having regard to the European Parliament resolution on the European Union's policies on gender equality, adopted on 10 March 2004,
1. Recalls that under the Article 3(2) of the EC Treaty the promotion of gender equality is a fundamental principle of the EU and should be implemented in all Community actions and programs; calls on the Commission to ensure that gender equality is taken into account in all policy priorities for 2005 the Commission has identified in its Communication;
  2. Calls on the Commission to include among its key initiatives for 2005:
    - Preparatory EU conference for the Beijing + 10 review to be held by the UN General Assembly in 2005,
    - Elaboration of new Framework Strategy on Gender Equality, as the present one expires in 2005, and
    - Initiative to declare 2006 a European Year against Violence against Women;
  3. Stresses furthermore, that budget is a tool of macroeconomic policy, which can contribute to narrowing or widening gender gaps; gender budgeting should therefore be implemented in all stages of budgetary procedure starting with the Annual Policy Strategy in order to promote gender equality in all relevant policy areas;
  4. Welcomes the intention of making impact assessment a common practice in 2005 but stresses that there is no mention of gender among the criteria of this assessment; urges that gender impact assessment becomes a part of common practice in assessing major policy-defining documents and all legislative proposals with a significant economic and social impact;
  5. Underlines, that adequate and reliable gender budgeting and gender impact assessment require precise information; calls therefore for the establishment of the Gender Institute in 2005, which should be a source of information, a network building institution and should co-ordinate and/or initiate gender research, all with the aim to serve the gender budgeting and gender impact assessment with reliable data and achieve gender mainstreaming in all relevant EU policy areas;



6. Highlights, connecting the Union's strive for competitiveness on one hand and asylum and immigration issues on the other hand, the crucial importance of a gender perspective in immigration in relation to employment; stresses that lack of focus on the specific gender problems arising in connection with immigration and integration can have devastating effects for women involved as well as for society in general; underlines the importance of looking upon legal immigrants, especially women, as a valuable resource of the labour force and the need to put special focus on how to better integrate them and combat the double discrimination they confront on the labour market as well as in general.