# **EUROPEAN PARLIAMENT**

2004



2009

Committee on Budgets

2005/0044(CNS)

23.2.2006

## **OPINION**

of the Committee on Budgets

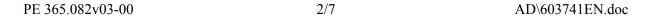
for the Committee on Industry, Research and Energy

on the proposal for a Council decision concerning the seventh framework programme of the European Atomic Energy Community (Euratom) for nuclear research and training activities (2007 to 2011) (COM(2005)0119 - C6-0112/2005 - 2005/0044(CNS))

Draftswoman: Marilisa Xenogiannakopoulou

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#### **SHORT JUSTIFICATION**

## **I. General Overview of FP 7**

As the European Parliament stated lately on 8 June 2005<sup>1</sup>, scientific research, technological development and innovation are at the heart of the knowledge-based economy and are key factors for growth and sustainable development, the competitiveness of companies, employment, and attainment of the objectives of the Lisbon Strategy<sup>2</sup>. Already in 2003, it had considered that research efforts should be boosted and consolidated towards the target established at the 2002 Barcelona European Council for an increase in R&D expenditure to 3% of EU GDP by 2010<sup>3</sup>. Although the commitment made in Lisbon was reiterated at the occasion of the Barcelona summit in 2002, the Council has constantly tried to cut expenditure for research in all annual budgetary procedures since.

#### 1. Context

The new Framework Programme for Research & Development Euratom part is foreseen for the period 2007-2011 and proposes an amount of EUR 3,092 billion (period over the programming period of five years. Objective of this Decision is the contribution to research activities in the field of Fusion energy research (EUR 2.159 Million), Nuclear Fission and radiation protection (EUR 394 Million) and Nuclear Activities of the JCR (EUR 539 Million).

Fortunately, in the Budget 2006, European Parliament was able to defend European Commission's proposals in the Preliminary Draft Budget (PDB) in this last year of implementation of FP 6. The overall cuts intended by Council in its Draft Budget concerned especially the Payments, which amounted to 40 to 45 per cent of all the relevant lines. These cuts were not justified as implementation rates for FP 6 had reached constantly 98 per cent in the past years.<sup>4</sup>

#### 2. Legal Constraints

Based on Article 7 of the Euratom Treaty, the multi-annual Framework Programmes have to serve the objective of fostering research and dissemination of technical information. Contrary to the European Community FP, it may not be drawn up for more than five years.

#### 3. The amendments

The appropriations indicated in the proposal for a decision are purely for guidance until an agreement is reached on the financial perspective for the period of 2007-2013. Regarding this

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<sup>&</sup>lt;sup>1</sup> European Parliament resolution on Policy Challenges and Budgetary Means of the enlarged Union 2007-2013 (2004/2209(INI)), P6\_TA(2005)0224, point 16.

<sup>&</sup>lt;sup>2</sup> European Parliament resolution P6 TA(2005)0069 of 9 March 2005.

<sup>&</sup>lt;sup>3</sup> European Parliament resolution preparing FP 7 of 18 November 2003 on "Investing in research: an action plan for Europe" (COM(2003)0226 – 2003/2148(INI)), P5 TA(2003)0495.

<sup>&</sup>lt;sup>4</sup> out of the proposals received, only 1 out of 5 has been able to be supported. In particular, just under 50% of projects considered to be of a very high standard were able to be financed -resolution on Policy Challenges and Budgetary Means of the enlarged Union 2007-2013 (2004/2209(INI)), P6\_TA(2005)0224, paragraph 35.

particular point, three amendments are proposed to the draft legislative resolution and to article 3.

#### **AMENDMENTS**

The Committee on Budgets calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following amendments in its report:

#### **Draft legislative resolution**

## Amendment 1 Paragraph 1 a (new)

1a. Specifies that the appropriations indicated in the proposal for a decision are purely for guidance until agreement is reached on the financial perspective for the period 2007 and the following years;

#### Justification

Standard amendment in order to emphasize that the amounts proposed are subject to confirmation by a possible multiannual financial framework.

## Amendment 2 Paragraph 1 b (new)

1b. Calls on the Commission to confirm, once the next financial perspective has been adopted, the amounts indicated in the proposal for a regulation or, should the case arise, to submit the adjusted amounts for approval by the Parliament and the Council, thereby ensuring their compatibility with the ceilings;

#### Justification

Standard amendment in order to emphasize that the amounts proposed are subject to confirmation by a possible multiannual financial framework

#### Proposal for a decision

Text proposed by the Commission<sup>1</sup>

Amendments by Parliament

## Amendment 3 Article 3, paragraph 1 introductory part

The overall amount for the implementation of the seventh framework programme *for the period 2007 to 2011* shall be EUR 3092 million. That amount shall be distributed as follows (in EUR million):

The *indicative* overall amount for implementation of the seventh framework programme shall be EUR 3092 million *for the period of 5 years as from 1 January 2007.* That amount shall be distributed as follows (in EUR million):

#### Justification

Standard amendment in order to emphasize that the amounts proposed are subject to confirmation by a possible multiannual financial framework.

Amendment 4 Article 3, paragraph 2 a (new)

2a. The Commission shall provide prior information to the budgetary authority whenever it intends to depart from the breakdown of expenditure stated in the remarks and annex of the annual budget

#### Justification

To improve the financial monitoring of Community financed research activities, the rapporteur considers that the Commission should inform the budgetary authority on the implementation of specific programmes on a regular basis and provide prior information whenever it intends to depart from the breakdown of expenditure stated in the general budget.

Amendment 5 Article 3, paragraph 2 a (new)

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<sup>&</sup>lt;sup>1</sup> Not yet published in OJ.

2a. Access to funding shall be facilitated by the application of the principle of proportionality as regards the documents to be supplied and by the creation of a database for the submission of applications.

Or. en

#### Justification

The methods and the procedures need to be simplified in order to speeding up the transparency of the selection procedure and facilitate access to the programme. The appropriations allocated to the Executive Agency should comply with the provisions of the Code of conduct on the setting up of an Executive agency and Council Regulation N°58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programs. This will ensure appropriate financing of the actions of the programme.

## Amendment 6 Article 3, paragraph 2 b (new)

2b. The overall administrative expenditure of the programme including internal and management expenditure for the Executive Agency should be proportional to the tasks provided for in the programme concerned and is subject to the decision of the budgetary and legislative authorities.

Or. en

## Justification

The methods and the procedures need to be simplified in order to speeding up the transparency of the selection procedure and facilitate access to the programme. The appropriations allocated to the Executive Agency should comply with the provisions of the Code of conduct on the setting up of an Executive agency and Council Regulation N°58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programs. This will ensure appropriate financing of the actions of the programme.

## **PROCEDURE**

Title	Proposal for a Council decision concerning the seventh framework programme of the European Atomic Energy Community (Euratom) for nuclear research and training activities (2007 to 2011)
References	(COM(2005)0119 - C6-0112/2005 - 2005/0044(CNS)
Committee responsible	ITRE
Opinion by Date announced in plenary	BUDG 13.3.2006
Enhanced cooperation – date announced in plenary	
Draftswoman Date appointed	Marilisa Xenogiannakopoulou 9.6.2005
Previous draftswoman	
Discussed in committee	22.2.2006
Date adopted	22.2.2006
Result of final vote	+: 32 -: 4 0: 1
Members present for the final vote	Laima Liucija Andrikienė, Richard James Ashworth, Reimer Böge, Simon Busuttil, Paulo Casaca, Gérard Deprez, Valdis Dombrovskis, Brigitte Douay, Bárbara Dührkop Dührkop, James Elles, Szabolcs Fazakas, Louis Grech, Nathalie Griesbeck, Catherine Guy-Quint, Jutta D. Haug, Ville Itälä, Anne E. Jensen, Alain Lamassoure, Janusz Lewandowski, Vladimír Maňka, Jan Mulder, Gérard Onesta, Giovanni Pittella, Antonis Samaras, Esko Seppänen, Nina Škottová, László Surján, Helga Trüpel, Kyösti Tapio Virrankoski, Ralf Walter, Thomas Wise, Marilisa Xenogiannakopoulou
Substitute(s) present for the final vote	Albert Jan Maat, Hans-Peter Martin, Paul Rübig, José Albino Silva Peneda, Margarita Starkevičiūtė
Substitute(s) under Rule 178(2) present for the final vote	
Comments (available in one language only)	