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Committee on Budgets

2005/0042A(COD)

26.1.2006

OPINION

of the Committee on Budgets

for the Committee on the Environment, Public Health and Food Safety

on the proposal for a decision of the European Parliament and of the Council
establishing a Programme of Community action in the field of Health (2007-
2013)

(COM(2005)0115 – C6-0097/2005 – 2005/0042A(COD))

Draftsman: Anders Samuelsen

PA_Leg

SHORT JUSTIFICATION

BACKGROUND

On April 6 2005, the Commission submitted a proposal for a decision establishing a programme for Community action in the field of Health and Consumer Protection.

Merging the two previous and distinct programmes for health and consumer protection into one common framework based on different legal bases, the Commission estimates that a common framework would create synergies between the two policy areas because there are considerable overlaps in objectives, strategies and tools.

On June 30 2005, the Conference of Presidents of the European Parliament decided to split up the programme anew. The health related part was directed to the Environment Committee as lead.

In both responsible Committees, the rapporteurs favoured a permanent separation of the programme.

The total financial framework including human resources proposed by the Commission for the period January 1 2007 to December 31 2013 is EUR 1 203 million. The schedule of commitments/appropriations proposed concerning the Health part including cost of human

	2007	2008	2009	2010	2011	2012	2013 and later	TOTAL
Operational Expenditure Common objectives Health and consumers CA	7,606	9,532	11,146	13,890	18,767	24,146	25,895	110,981
Operational Expenditure Health Part -CA	49,928	64,34	76,042	96,411	135,62	183,495	199,159	804,995
Administrative Expenditure	8,945	10,681	12,543	14,102	15,332	15,535	16,046	93,185
C.A. + Admin. Expenditure	66,479	84,553	99,731	124,403	169,719	223,176	241,1	1009,161

resources is as follows:

With respect to the allocation of resources, the Commission proposes the following breakdown of the total EUR 1 109 815 million budgeted for operational expenditures from 2007-2013:

- EUR 110 981 million (10%) are to be spent on common objectives,
- EUR 804 995 million (72,5%) are to be spent on protecting citizens against health threats,
- EUR 193 818 million (17,5%) are to be spent on consumer protection.

DRAFTSMAN PROPOSAL

The two responsible rapporteurs suggest substantial increases in the financial framework (EUR 1 200 million for the Health Protection Programme and EUR 233,46 million for the Consumer Protection Programme). Your draftsman wants to point out that 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 2007-2013. Regarding this particular point, two amendments are tabled to the draft legislative resolution and one to Article 5.

Your draftsman supports the request to separate the programme and underlines that separate programmes do not prevent the Commission from managing the two programmes jointly, in particular on points where they overlap.

There are well founded concerns that the expected synergies will not be as substantial as expected and relevant stakeholders have made a strong case that health and consumer interests are served best in a separate framework. Whilst it is commonly agreed that actions in the fields of consumer protection and public health share common objectives, it is also true that the areas are different in nature and characterised by a different level of involvement of the Union. Hence, a program that addresses the two complex areas simultaneously has a built-in risk of ignoring aspects that are unique to one of the two areas:

- On the macro level, the policy-areas rely on a different legal basis within the European Community. On the micro level users of public health services cannot in every respect be treated as 'pure' consumers. This might constrain rather than evoke mutual benefits.
- Each sector has greater certainty when it has its own budget. For instance, the 'consumer side' has voiced concern that it - already the budgetary minor - will lose funding because savings on health protection could be argued to have more dramatic (short term) consequences than savings on consumer policy.
- The economics of scale suggested by the Commission are not sufficiently substantiated by the extended impact assessment (SEC(2005)0425).

AMENDMENTS

The Committee on Budgets calls on the Committee on the Environment, Public Health and Food Safety, as the committee responsible, to incorporate the following amendments in its report:

I. Drafts 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;**

Amendment 2
Paragraph 1 b (new)

- 1b. Calls on the Commission to submit, where appropriate, a proposal to adjust the financial reference amount for this programme once the next multiannual financial framework has been adopted;**

Justification

Amendments emphasizing that the amounts proposed are subject to confirmation by a possible multiannual financial framework.

II. Proposal for a decision

Text proposed by the Commission¹

Amendments by Parliament

Amendment 3
Recital 3

(3) Whilst maintaining the core elements and specificities of actions on health and consumer protection, a single integrated programme should help to maximise synergies in objectives and efficiency in administration of actions in these areas.
Combining health and consumer protection activities in a single programme should help to meet joint objectives on protecting citizens from risks and threats, increasing the ability for citizens to have the knowledge and opportunity to make decisions in their interest and supporting mainstreaming of health and consumer objectives in all community policies and activities. Combining administrative

(3) Whilst maintaining the core elements and specificities of actions on health and consumer protection, a single integrated programme should help to maximise synergies in objectives and efficiency in administration of actions in these areas. Combining administrative structures and systems should enable more efficient implementation of the programme and help to make best use of available Community resources for health and consumer protection.

¹ OJ C ..., 8.12.2005, p.

structures and systems should enable more efficient implementation of the programme and help to make best use of available Community resources for health and consumer protection.

Justification

The economics of scale suggested by the Commission when merging Health and Consumer programme are not substantial.

Amendment 4

Recital 4

(4) Health and consumer protection policies share common objectives relating to protection against risks, improving decision-making of citizens and integrating health and consumer protection interests in all Community policies, ***as well as common instruments such as communication, capacity-building for civil society regarding health and consumer protection issues, and promoting international cooperation on these issues.*** Issues such as diet and obesity, tobacco and other consumption-related choices related to health are examples of cross-cutting issues affecting both health and consumer protection. ***Taking a joint approach to these common objectives and instruments will enable activities common to both health and consumer protection to be undertaken more efficiently and effectively.*** There are also separate objectives relating to each of the two areas of health and consumer protection which should be addressed through actions and instruments specific to each of the two areas.

(4) Health and consumer protection policies share common objectives relating to protection against risks, improving decision-making of citizens and integrating health and consumer protection interests in all Community policies. Issues such as diet and obesity, tobacco and other consumption-related choices related to health, ***and high-risk behaviours*** are examples of cross-cutting issues affecting both health and consumer protection. ***Counterfeiting, which both deceives consumers and is a danger to their health, should also be vigorously combated at European level.*** There are also separate objectives relating to each of the two areas of health and consumer protection which should be addressed through actions and instruments specific to each of the two areas.

Justification

Action to combat counterfeiting, which is tantamount to the theft of products and trade-marks, should be stepped up at European and international level. Counterfeiting deceives consumers, is a danger to health and destroys jobs (it is estimated that 100 000 jobs in the European Union are lost every year as a result of counterfeiting).

Amendment 5
Recital 6

(6) It is of general European interest that the health, safety and economic interests of citizens, as well as consumer interests in the development of standards for products and services, be represented at Community level. Key objectives of the programme may also depend on the existence of specialised network that also require Community contributions to enable them to develop and function. Given the particular nature of the organisations concerned and in cases of exceptional utility, the renewal of Community support to the functioning of such organisations should not be subjected to the principle of gradual decrease of the extent of Community support.

(6) It is of general European interest that the health, safety and economic interests of citizens, as well as consumer interests in the development of standards for products and services, be represented at Community level. Key objectives of the programme may also depend on the existence of specialised network that also require Community contributions to enable them to develop and function. ***Therefore, full use of the tool of a "Framework Partnership agreement" proposed by the Implementing Rules to the Financial Regulation must be made.*** Given the particular nature of the organisations concerned and in cases of exceptional utility, the renewal of Community support to the functioning of such organisations should not be subjected to the principle of gradual decrease of the extent of Community support.

Justification

Article 163 of the Implementing Rules of the Financial Regulation enables the Commission to establish a longer term partnership with a given organisation. Full use of this tool will provide the relevant health organisations with more financial certainty and reduce the administrative burden of both the Commission and the European health organisations

Amendment 6
Article 3 paragraph 2, point (b)

(b) 60 % of expenditure for the functioning of a body pursuing an aim of general European interest where such support is necessary to ensure representation of health or consumer interests at Community level or to implement key objectives of the programme, except in case of exceptional utility where the Community contribution shall not exceed 95 %. ***The renewal of such financial contributions may be exempted***

(b) 60 % of expenditure for the functioning of a body pursuing an aim of General European interest where such support is necessary to ensure representation of health or consumer interests at Community level or to implement key objectives of the programme, except in cases of exceptional utility where the Community contribution shall not exceed 95 %.

from the principle of gradual decrease.

The Commission can, as the general rule, seek to grant core funding on a two years basis by means of a network partnership convention. In accordance with Article 163 of the Implementing Rules of the Financial Regulation such a partnership establishes a long-term cooperation between the recipient and the Commission, but shall not exceed two years.

Justification

The application of Article 163 of the Implementing Rules of the Financial Regulation will provide the relevant health organisations with more financial certainty and reduce the administrative burden of both the Commission and the European health organisations. Core financing is, contrary to project funding, by nature distributed to organisations which pursue long term objectives. Therefore, the possibility of establishing a long-term co-operation is especially suited to applicants for core funding.

Amendment 7 *Article 5, paragraph 1*

1. The financial framework for the implementation of ***the programme for the period specified in Article 1*** is EUR 1 203 million

1. The ***indicative*** financial framework for the implementation of ***this instrument is set at EUR 1 203 million for the period of 7 years as from 1 January 2007***

Justification

Amendments emphasising that the amounts proposed are subject to confirmation by a possible multiannual financial framework. Once decided, the Commission shall present a legislative proposal in order to determine the final reference amount.

Amendment 8 *Article 5, paragraph 1 a (new)*

1a. The overall administrative expenditure of the programme including internal and management expenditure for the Executive Agency referred to in Article 3, paragraph 1a should be proportional to the tasks provided for in the programme concerned and is subject to the decision of the budgetary and legislative authorities.

Justification

The appropriations allocated to the Agency should comply with the overall ceiling established for the Agencies. this will ensure availability of resources for the financing of the actions of the programme.

Amendment 9

Article 5, paragraph 2 a (new)

2a. The Commission shall ensure that the financial provisions for the funding of the programme comply with the provisions of the Financial Regulation applicable to the general budget of the European Communities.

Justification

Any derogation within the basic act should be in line with the provisions the Financial Regulation.

Amendment 10

Article 5, paragraph 2 b (new)

2b. Access to financial contributions 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.

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.

Amendment 11

Article 10, paragraph 3

3. The Commission shall ensure that the programme is evaluated three years after its start and following the end of the

3. The Commission shall ensure that the programme is evaluated three years after its start and following the end of the

programme. The Commission shall communicate the conclusions hereof, accompanied by its comments, to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.

programme. ***Additionally, the Commission shall present a plan for the continuation of the programme two years before it expires.*** The Commission shall communicate the conclusions hereof, accompanied by its comments, to the European Parliament, the Council, the European Economic and Social Committee and of the Regions.

Justification

Consideration of the programme's future should be made in due time to ensure careful planning and democratic discussion of possible reforms.

Amendment 12 Annex 1, point 1.1 a (new)

1.1a. Better provision of information to consumers on the risks posed to their health by counterfeit medicinal and other products.

Justification

Counterfeiting deceives consumers and is a danger to their health.

PROCEDURE

Title	Proposal for a decision of the European Parliament and of the Council establishing a Programme of Community action in the field of Health (2007-2013)	
References	COM(2005)0115 – C6-0097/2005 – 2005/0042A(COD)	
Committee responsible	Environment, Public Health and Food Safety	
Opinion by Date announced in plenary	BUDG 9.6.2005	
Enhanced cooperation – date announced in plenary		
Draftsman Date appointed	Anders Samuelsen 9.6.2005	
Previous draftsman		
Discussed in committee	24.1.2006	25.1.2006
Date adopted	25.1.2006	

Result of final vote	+: unanimity –: 0:
Members present for the final vote	Herbert Bösch, Simon Busuttil, Paulo Casaca, Brigitte Douay, Bárbara Dührkop Dührkop, Markus Ferber, Neena Gill, Ingeborg Gräßle, Louis Grech, Catherine Guy-Quint, Jutta D. Haug, Anne E. Jensen, Wiesław Stefan Kuc, Alain Lamassoure, Janusz Lewandowski, Vladimír Maňka, Mario Mauro, Giovanni Pittella, Wojciech Roszkowski, Anders Samuelsen, Esko Seppänen, Nina Škottová, László Surján, Helga Trüpel, Yannick Vaugrenard, Kyösti Tapio Virrankoski, Marilisa Xenogiannakopoulou
Substitute(s) present for the final vote	Lidia Joanna Geringer de Oedenberg, Margarita Starkevičiūtė
Substitute(s) under Rule 178(2) present for the final vote	
Comments (available in one language only)	...