

EUROPEAN PARLIAMENT

2004



2009

Committee on Budgets

2006/0184(CNS)

12.12.2006

OPINION

of the Committee on Budgets

for the Committee on International Trade

on the proposal for a Council decision providing macro-financial assistance for
Moldova
(COM(2006)0579 – C6-0342/2006 – 2006/0184(CNS))

Draftsman: Esko Seppänen

PA_Legam

SHORT JUSTIFICATION

The purpose of the legislative measure is to provide macro-financial assistance to Moldova in the form of a grant amounting to a maximum of EUR 45 million with a view to supporting Moldova's balance of payments and the reserve build-up.

The proposed assistance will help Moldova alleviate the financial constraints on the implementation of its economic programme. It will also facilitate and encourage the authorities' efforts to implement reforms under the EU-Moldova European Neighbourhood Policy Action Plan and the Economic Growth and Poverty Reduction Strategy Paper. This assistance should be perceived in the wider perspective of Moldova's economic difficulties due to the changes in the external economic environment.

The proposed macro-financial assistance will be exceptional and limited in time, complementary to support from the Bretton Woods Institutions, bilateral donors and the Paris Club, and conditional, in particular, on progress in the implementation of the IMF-supported Poverty Reduction and Growth Facility arrangement.

The assistance will be made available in three instalments over a period of two years. It is to be financed from commitment appropriations in 2007, subject to final approval of the 2007 EC Budget, with payments taking place in 2007 and 2008. Indicative breakdown of the expenditure in the two years in question is presented in the table below:

(in EUR)

Year	2007	2008	Total
Commitments	45 000 000		45 000 000
Payments	30 000 000	15 000 000	45 000 000

The assistance will be financed under heading 4, from budget line 01 03 02 - Macroeconomic assistance. The appropriations available on this budget line for 2007, at the present stage of the budgetary procedure and subject to the final adoption of the budget, amount to EUR 58 200 000 in commitment appropriations.

The amendments proposed by the draftsman aim at ensuring that the duration of the assistance is modified, if necessary, by customary legislative procedures. If the Commission wants to prolong the period of validity of the legal base from two to three years, they can present a proposal to extend the legal base by one year. It seems inappropriate that this could be decided through a comitology committee.

AMENDMENTS

The Committee on Budgets calls on the Committee on International Trade, as the committee responsible, to incorporate the following amendments in its report:

Text proposed by the Commission ¹	Amendments by Parliament
Amendment 1 Article 1, paragraph 3	
<i>3. The Community financial assistance shall be made available for two years starting from the first day after the entry into force of this decision. However, if circumstances so require, the Commission, after consultation of the Economic and Financial Committee, may decide to extend the availability period by a maximum of one year.</i>	<i>deleted</i>

Justification

If the Commission wants to prolong the period of validity of the legal base from two to three years, they can present a proposal to extend the legal base by one year. It seems inappropriate that this could be decided through a comitology committee. A period of duration for this Decision has been inserted in am. 2.

Amendment 2 Article 6

This Decision shall take effect on the day of its publication in the Official Journal of the European Union.

This Decision shall take effect on the day of its publication in the Official Journal of the European Union.

It shall apply for a period of two years beginning on that date.

¹ Not yet published in OJ.

Justification

The amendment introduces a period of duration for this Decision, in accordance with am. 1.

PROCEDURE

Title	Proposal for a Council decision on providing macro-financial assistance for Moldova
References	COM(2006)0579 – C6-0342/2006 – 2006/0184(CNS)
Committee responsible	INTA
Opinion by Date announced in plenary	BUDG 26.10.2006
Enhanced cooperation – date announced in plenary	
Draftsman Date appointed	Esko Seppänen 20.9.2004
Previous drafts(wo)man	
Discussed in committee	11.12.2006
Date adopted	11.12.2006
Result of final vote	+: 22 -: 0: 1
Members present for the final vote	Reimer Böge, Herbert Bösch, Simon Busuttil, Paulo Casaca, Gérard Deprez, Valdis Dombrovskis, Brigitte Douay, James Elles, Szabolcs Fazakas, Salvador Garriga Polledo, Ingeborg Gräßle, Nathalie Griesbeck, Catherine Guy-Quint, Anne E. Jensen, Janusz Lewandowski, Vladimír Maňka, Jan Mulder, Esko Seppänen, Nina Škottová, László Surján, Kyösti Virrankoski
Substitute(s) present for the final vote	Lidia Joanna Geringer de Oedenberg, Peter Šťastný
Substitute(s) under Rule 178(2) present for the final vote	
Comments (available in one language only)	...