

EUROPEAN PARLIAMENT

2004



2009

Committee on Budgetary Control

2005/0098(COD)

13.12.2005

OPINION

of the Committee on Budgetary Control

for the Committee on Transport and Tourism

on the proposal for a regulation of the European Parliament and of the Council on a multiannual funding for the action of the European Maritime Safety Agency in the field of response to pollution caused by ships and amending Regulation (EC) No 1406/2002 (COM(2005)0210 – C6-0153/2005 – 2005/0098(COD))

Draftsman: Umberto Guidoni

PA_Leg

SHORT JUSTIFICATION

Summary

1. The European Maritime Safety Agency was assigned new tasks in the field of oil pollution response by means of Regulation (EC) N° 724/2004 of the European Parliament and of the Council of 31 March 2004 amending Regulation (EC) N° 1406/2002 establishing a European Maritime Safety Agency. The new tasks of the Agency cover activities in the areas of information, co-operation and co-ordination and operational assistance. To carry out these activities at a competitive rate, some long-term investment is required eg the negotiation of stand-by contracts for the emergency use of commercial vessels for pollution response. The Commission considers that appropriate financial security on the basis of a multi-annual commitment is necessary to allow the Agency to properly carry out its new tasks, and do so in a cost-efficient way. This funding proposal establishes the procedures for and defines a financial contribution of the Community for the funding of the new tasks of the Agency. The Commission proposes a financial reference amount of 154 million euros for the period from 1 January 2007 to 31 December 2013.

Revenues

2. The new tasks of the Agency involve the provision of enhanced capacity to respond to oil spills, through the negotiation of stand-by contracts for the emergency use of commercial vessels by the Member States in the event of a disaster, the equipping of these vessels to carry out anti-pollution activities and the training of crews. In the event of a disaster, Member States could call on these vessels to supplement their own anti-pollution mechanisms.
3. Although any Member State that wished to use these services would have to pay the vessel owners for operational use of these vessels, no charge is foreseen for the services provided by the Agency ie the negotiation of the stand-by contracts, the equipping of the vessels and the training of crews.
4. For reasons of sound financial management, and in order to ensure "the best possible combination of cost and efficiency" (recital 10 of regulation 724/2004 of 31 March 2004), the case for requiring Member States to pay fees to the Agency when they make use of the capacity provided by the Agency should be examined. Article 18(1)(c) of the basic act of the agency (regulation 1406/2002 of 27 June 2002) already allows the levying of charges for services provided.
5. Charging for the use of the services provided by the Agency would help ensure that Member States are not tempted to rely solely on the pollution response capacity provided by the Community, in line with recital 8 of regulation 724/2004 of 31 March 2004 which states that "The activities of the agency [...] should not relieve coastal States of their responsibility to have appropriate pollution response mechanisms in place".
6. Moreover, any increase in revenue from the levying of charges would be matched by an equivalent reduction in the contribution from the Community budget, helping reduce the overall burden of the EC budget to European taxpayers. However, these charges would

form part of the costs of clear up, so the Member State affected should be able to seek reimbursement of these costs from the insurers of those that caused the pollution.

7. Nevertheless, for reasons of solidarity, the Commission does not propose the levying of any charges for the services provided by the Agency to the Member States. Instead, these services will be paid for by all Member States through the Community budget.
8. While your draftsman agrees with the solidarity approach proposed by the Commission, he considers that the Commission should provide details of the possible case for charging for the services provided in order to allow an open and transparent debate on the two alternative funding models: subsidy from the Community budget versus charging. In particular the Commission should provide details of the costs and benefits of the new tasks assigned to the Agency, including the costs of providing the stand-by facility as compared to the cost of operational use of these vessels and to the existing operational costs of pollution clear-up.

Financial reference amount

9. Article 4 states that the financial reference amount for the period from 1 January 2007 to 31 December 2013 shall be euros 154 million. However the negotiations on the new Financial Perspectives covering the period 1 January 2007 to 31 December 2013 have not yet been completed. Article 4 as drafted by the Commission would pre-empt those negotiations. It (and recital 9) should thus be amended to make it clear that the size of the overall envelope will be subject to the outcome of the negotiations on the new Financial Perspectives.

Efficiency and effectiveness of expenditure

10. Article 5 of the proposed regulation covers protection of Community financial interests. The article requires preventive measures to be taken against fraud, corruption and any other illegal activities, recovery of amounts unduly paid and payment of penalties in the event of irregularities. However, as well as being correct, expenditure should also be efficient and effective. Regarding efficiency, a further paragraph should be added to Article 5 calling on the Commission and the Agency to ensure that best value for money is achieved.
11. Assessing the effectiveness of expenditure could be tackled in Article 7 on evaluation. The Commission should provide an assessment of the extent to which the objectives of the Agency have been achieved. In order to allow this assessment to be carried out properly, measurable objectives against which performance is to be assessed should be set out clearly at the start of the programme.

AMENDMENTS

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

Proposal for a regulation

Draft legislative resolution

Amendment 1 Paragraph 1 a (new)

1a. Points out that the financial framework as set out in the proposal is indicative and subject to agreement on the new financial perspective.

Justification

The Regulation should not preempt negotiation of the new financial perspectives.

Text proposed by the Commission¹

Amendments by Parliament

Amendment 2 Recital 9

(9) A financial reference amount covering the same period 2007 to 2013 is provided for in this Regulation for the implementation of the Action Plan.

(9) A financial reference amount covering the same period 2007 to 2013 is provided for in this Regulation for the implementation of the Action Plan, ***subject to agreement on the new financial perspective.***

¹ Not yet published in OJ.

Justification

This Regulation should not preempt negotiation of the new financial perspective.

Amendment 3
Article 4, paragraph 1

The financial *reference amount* for the implementation of the tasks referred to in Article 3 for the period from 1 January 2007 to 31 December 2013 shall be *euros* 154 million.

The ***indicative*** financial *framework* for the implementation of the tasks referred to in Article 3 for the period from 1 January 2007 to 31 December 2013 shall be *EUR* 154 million.

Justification

This Regulation should not preempt negotiation of the new financial perspective.

Amendment 4
Article 5, paragraph 2 a (new)

2a. The Commission and the Agency shall ensure that best value for money is achieved in the financing of Community actions under the present Regulation.

Justification

As well as being correct, Community expenditure should also be efficient.

Amendment 5
Article 7

The Commission shall submit to the European Parliament and the Council, on the basis of information provided by the Agency, a report on the implementation of this Regulation no later than four years from

The Commission shall submit to the European Parliament and the Council, on the basis of information provided by the Agency, a report on the implementation of this Regulation no later than four years from

its entry into force. The report shall set out the results of the utilisation of the Community contribution as referred to in Article 4 as regards commitments and expenditure covering the period between 1 January 2007 and 31 December 2009.

its entry into force. The report shall set out the results of the utilisation of the Community contribution as referred to in Article 4 as regards commitments and expenditure covering the period between 1 January 2007 and 31 December 2009. ***The report shall also contain an analysis of the extent to which the measurable objectives set for the Agency have been achieved.***

Justification

As well as being correct. Community expenditure should also be effective.

PROCEDURE

Title	Proposal for a regulation of the European Parliament and of the Council on a multiannual funding for the action of the European Maritime Safety Agency in the field of response to pollution caused by ships and amending Regulation (EC) No 1406/2002
References	(COM(2005)0210 – C6-0153/2005 – 2005/0098(COD))
Committee responsible	TRAN
Committee asked for its opinion Date announced in plenary	CONT 13.6.2005
Enhanced cooperation	No
Drafts(wo)man Date appointed	Umberto Guidoni 13.7.2005
Discussed in committee	21.11.2005 12.12.2005
Date amendments adopted	12.12.2005
Result of final vote	for: 11 against: 0 abstentions: 0
Members present for the final vote	Inés Ayala Sender, Paulo Casaca, Petr Duchoň, Szabolcs Fazakas, Ingeborg Gräßle, Umberto Guidoni, Ona Juknevičienė, Nils Lundgren, Jan Mulder, Bart Staes, Terence Wynn
Substitutes present for the final vote	