

EUROPEAN PARLIAMENT

2004



2009

Committee on the Environment, Public Health and Food Safety

2008/2026(BUD)

9.9.2008

OPINION

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

for the Committee on Budgets

on the draft general budget of the European Union for the financial year 2009
(C6-0000/2008 - 2008/2026(BUD))

Section III - Commission

Rapporteur: Péter Olajos

PA_NonLeg

SHORT JUSTIFICATION

General Background

The total Preliminary Draft Budget (PDB) for 2009 amounts to EUR 134, 4 billion in commitment appropriations. This represents 1, 04 % of Community GNI, and is an increase of 3,1 % on the 2008 budget. A margin of EUR 2, 63 billion remains available under the ceiling of the financial framework. Payment appropriations are proposed at EUR 116, 7 billion (0, 90 % of GNI). This represents a decrease of 3, 3 % on 2008 budget.

Long-term economic growth and employment remain firmly at the top of European Union spending, taking the biggest share - nearly 45 % - of the proposed 2009 budget. However, investment in environment is supposed to be on the rise and in 2009 the total funds for all environmental objectives is supposed to take more than 10% of the budget, e.g. Euro 14 billion. Efforts to raise cross-cutting green investment are planned, with an increase of 17, 3 % outside the areas of cohesion and rural development. Total funding for energy objectives including energy security, renewable energy and research is set at around Euro 2, 3 billion.

Individual budgets (PDB 2009) in the competence of this committee

Genuine environmental policy is mainly placed under heading 2 of 2009 PDB, Preservation and Management of Natural Resources. The 2009 PDB shows for Title 07 "Environment" an overall amount of operational expenditure of EUR 344,857 Mio. Taking into account the funds foreseen under Title 19 06 05 for civil protection interventions in Third countries, the overall funds to be managed under DG ENV's responsibility amount to EUR 352,857 Mio, i.e. an increase of commitment appropriations of 3,9 % in comparison to 2008.

Life +

The LIFE + programme, which came into force in June 2007, will be in 2009 in its third year of implementation. The amount of commitment appropriations proposed under the 2009 PDB fully matches the financial programming of the instrument and the financial envelope defined in article 10 of the LIFE + Regulation. It represents an increase of 9 % from the level of appropriations adopted under the 2008 budget.

Of the total appropriations (including technical assistance), over 78 % (i.e. EUR 225 Mio) will be dedicated to funding of projects with European added value through a call for proposals to be organised by the European Commission, of which at least EUR 112,5 Mio will be dedicated to Nature and Biodiversity projects.

Although the final outcome of the projects supported will depend upon the results of the call for proposals to be organised in 2009, the Commission expects that, in addition to Nature and biodiversity, all policy areas covered by the 6th EC Environmental Action Programme will benefit from projects under LIFE + : the Commission expects in particular an increase in projects relating to strategic approaches to policy development and implementation in the areas of climate change (innovative policy approaches, support for the development and

application of new technologies, methods and instruments in greenhouse gas reduction, and adaptation and mitigation measures), environment and health (air quality, water, noise and urban management / development, chemicals and pesticides), and sustainable production and consumption (integrated product policy and waste management and prevention).

The other part of the operational budget line 07 03 07 (around EUR 45 Mio) aim at supporting measures at EU level for the implementation and development of Environment legislation, as well as awareness-raising measures and association of stakeholders to this process (through support to NGOs that are primarily active in protecting and enhancing the environment at European level). These resources also support studies, surveys and provision of services that allow the Commission to facilitate better regulation. In line with the 6th Environment Action Programme commitment to base EU environment policy on solid scientific evidence and best available data, the studies, impact assessments, policy evaluations and other support services purchased through LIFE+ are an essential policy support tool.

Civil Protection

One of the main new features of the Civil Protection Financial instrument is the possibility for the Community to address more effectively the issue of transport of assistance offered by Member States. On the basis of the Civil Protection Financial Instrument, appropriate services and facilities will therefore be put in place and implemented to ensure that the assistance requested and offered through the Community Mechanism in case of emergency is transported effectively and speedily to the affected country, be it within the EU (approximately EUR 4 Mio under budget line 07 04 01) or outside the EU (the EUR 8 Mio foreseen under budget line 19 06 05).

The level of commitment appropriations requested is fully in line with the multiannual financial programming agreed under heading 3B of the financial framework. It should be noted that the actual use of the part of the budget resources devoted to response to major emergencies, which are by their nature unpredictable, is dependent upon the occurrence of disasters and subsequent requests from member States for transport assistance. Should the amount of appropriations need to be adapted throughout the 2009 budget year, it can be done through transfer procedures, including the "global transfer procedure" in September 2009.

Global environmental affairs

Since 2007, external action in the area of environment is covered by external actions instruments under policy area 21 (Development), and in particular through the ENRTP (Thematic programme on environment and sustainable management of natural resources including energy, Chapter 21 04 of the PDB). The only appropriations remaining under Title 07 are those dedicated to payment of obligatory contributions to Multilateral Environmental Agreements, which decrease slightly in 2009 (-3,1% compared to 2008). The small decrease is due to the fact that a majority of contributions is paid in USD (exchange rate with EUR).

Pilot Projects and Preparatory Actions

The framework for implementation of preparatory actions and pilot projects adopted under the 2008 budget is now in place, after contacts with the Parliament for those pilot projects and

preparatory actions that were adopted at its initiative.

There are no indications for implementation problems of commitment appropriations in 2008. However, in view of the time needed to carry out necessary procedures (calls for proposals, calls for tender), it is likely that a significant proportion of payment appropriations will not be used and will have to be either carried forward to 2009 or give rise to needs for payment appropriations in subsequent years (2009-2010).

The 2009 PDB does not propose to prolong these pilot projects.

Health and Food Safety

The Public Health programme is placed under Heading 3, Citizenship, Freedom, Security and Justice. The main budget lines are those of the Health Programme, the two agencies (European Centre for Disease Prevention and Control and European Food Safety Authority) and the Tobacco Fund.

The new Health Programme (2008-2013) has replaced the first Public Health Programme (2003-2008) as of 1 January 2008. The total credits for the new programme amount to 321, 5 Mio EUR, which is considerably less than what was envisaged originally, when the Commission presented its proposal and Parliament adopted its first reading position. Commitment appropriations for the Public Health Programme II are supposed to increase about 4 % from EUR 45 Mio in 2008 to EUR 47 Mio in 2009. The allocation increase for the action "Protecting citizens from Health threats" between 2007 and 2008 (EUR 4, 43 Mio, i.e. 48, 5 %) and between 2008 and 2009 (EUR 1, 44 Mio, i.e. 10 6 %) reflects the necessity to increase action in this area which covers mitigating actions in domains like pandemics and bioterrorism.

The direct payments from the tobacco fund for information campaigns and public awareness raising of the harmful effects of tobacco consumption are supposed to increase from 14, 25 Mio EUR (2008) to 16 Mio EUR according to PDB 2009. On request of the European Parliament, the Commission has submitted a new proposal to prolong the financial support from the tobacco fund, although the support is supposed to come to an end in 2009. Hence, the situation is still worrying. Tobacco is the single largest cause of avoidable death in the European Union accounting for over half a million deaths each year and over a million deaths in Europe as a whole. It is estimated that 25% of all cancer deaths and 15% of all deaths in the Union could be attributed to smoking.

Food safety measures are placed under Heading 2, Preservation and Management of Natural Resources. It represents a total amount of 297 Mio EUR in 2009, an increase of 12 % compared to 265 Mio EUR in 2008. This increase corresponds mainly to the increase in budget for eradication measures. It is related to the fact that Member States that will benefit in 2008 of the emergency vaccination of Blue Tongue (130 Mio EUR in addition to the 265 Mio EUR above) and will have to implement an eradication programme on Blue Tongue as from 2009.

The agencies: EMEA, EEA, EFSA, ECHA and ECDC

The PDB 2008 includes appropriations for 25 decentralised agencies for a total amount of EUR 539,0 Mio which is an increase of 1,8 % as compared to the agencies' subsidies of EUR 530, 18 Mio in 2008.

For most agencies, 2009 annual EC subsidies as proposed by the Commission will be lower than for 2008. The Commission proposes to increase the subsidies of only 8 agencies as compared to 2008, including **EEA, EFSA, ECHA and ECDC, which would more than offset the reductions foreseen and makes the overall 1, 8 % increase. The proposed budgets of EEA, ECDC and EFSA will increase by some 10 % or more in 2009.** It has to be pointed out, however, that EUR 8.2 Mio for ECDC are supposed to be put in reserve consuming the foreseen increase of subsidies compared to budget 2008;

The growth of the agencies is also reflected in their staff numbers. In 1995 less than five hundred people worked in agencies whereas the PDB 2008 foresees 3973, 5 and 2009 PDB requests 4255,5 posts for the agencies in total.

An increase of 9,1 % (representing 2,2 M€ in addition to the 2 % annual deflator) is proposed for the European Environment Agency (EEA), in order to support new and additional tasks to be carried out by the EEA on a multi annual basis. The priorities for these new tasks have been identified in cooperation between the EEA and the Commission.

In autumn 2007 the EEA placed a contract for a comprehensive evaluation of its multi-annual strategy 2004-2008. The evaluation is progressing according to the plan approved by the management board using surveys, interviews and desk research as the principal research methods. The results of this evaluation will be presented to the management board at its June meeting 2008 and contribute to the development of the next EEA five-year strategy 2009-2013.

2009 is a crucial year for the EEA since it will be the first year of the new multi-annual strategy for the period 2009-2013, required under the EEA Regulation. It will also be the key year for the preparation of the next five year state of the environment and outlook report also required under the EEA Regulation (and due to be published in 2010). The EEA is currently preparing its Strategy (Multi-annual work programme) for the next five-year period 2009-2013 which will give priority to work on the “emerging global challenges of adaptation to climate change, disaster prevention and management, ecosystem assessment and resource accounting, and sustainable consumption and production”, the four areas prioritised by DG Environment for additional work by EEA in 2009. In addition, the EEA will reinforce its capacities and support for the development of the Shared Environmental Information System (SEIS), the subject of a Commission Communication in 2008.

For the European Medicines Agency (EMA) the PDB 2009 anticipates a European contribution of EUR 36, 99 Mio which represents a reduction of EUR 1, 01 Mio compared to the budget 2008 (- 2, 66 %). Since recently adopted legislation on paediatrics and advanced therapies has to be implemented, such a cut seems to be inappropriate. In the draft programme for 2009 the agency points out its core responsibilities to achieve its objectives, i.e. the scientific advice, authorisation and supervision of medicinal products.

In 2009, the European Food Safety Authority (EFSA), the European Centre for Disease Prevention and Control (ECDC) as well as the European Chemicals Agency (ECHA) will not be at full cruising speed. Therefore, 2009 PDB foresees a considerable increase of subsidies for EFSA (11, 34 % - EUR 70, 7 Mio) and ECDC (23, 02 % - EUR 48, 1 Mio, before the reserve).

However, the proposed reserve of 8.2 Mio EUR and a cut in staffing growth by 40 posts, as put forward by the Commission, seems to be unjustified in comparison to other agencies and would have a serious negative impact on the overall development of ECDC and particularly on the level of activity anticipated for next year. The non availability of the resources from the outset of the year would impact on the implementation of the work plan and restrict the capacity of the services which may put the Centre's ability to fulfil its mandate at risk.

For the ECHA the PDB 2009 anticipates a European contribution of EURO 62, 97 million which represents an increase of 0, 56 % compared to the budget 2008. 12 months after its creation, ECHA has evolved from a few staff to a fully functioning organisation of 200 employees. By 2010, the Agency is expected to have its full capacity of 450 staff members. From June 1 to December 1 2008, ECHA will face its first operational challenges. It will handle the pre-registration of substances and intermediates. About 200,000 pre-registration files are expected. The next big challenge is 2010. ECHA will have the first registration deadline for the high volume substances and the very hazardous ones. By that date, all the companies need to present all the inventory documentation for the classification and labelling of any dangerous substances.

SUGGESTIONS

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

1. Underlines the role of EU environmental, health and food safety policy in attaining the global objective of sustainable development under the renewed Lisbon Strategy for growth and jobs; stresses the importance of maintaining and further ensuring a high level of protection in these policy areas in view of current and future political challenges; calls for sufficient resources to be made available for further development, implementation and enforcement of EU environmental, health and food safety policy, particularly in the fields related to climate change;
2. Stresses the role of the European Union as a world partner and its leading role in many international environmental agreements, such as the global conventions on climate change, biodiversity, chemicals and waste; calls for more resources for international environmental activities so that the EU can maintain its lead in international environment policy and in setting the agenda for international cooperation;
3. Emphasises that the challenges relating to sustainable energy and the fight against climate change must be reflected in the EU budget priorities; notes that these priorities will require additional budgetary resources, particularly for the climate change package of

proposals submitted by the Commission, on effort sharing, emissions trading, carbon capture and storage as well as on renewable energies;

4. Notes the importance of pilot projects and preparatory actions in determining the need for and efficacy of new budget programmes to respond to developing needs and requirements in environment and health policy; and, as with all budgetary expenditure, insists that the projects being piloted present genuine added value at the EU level and urges the Commission to pay special attention to all programmes with an impact on climate change; urges the Commission to "follow through" on the pilot projects and preparatory actions related to environmental, health and food safety policy. These pilot projects should be continued and new ones dealing with climate change should be supported;
5. Points out the importance of the LIFE+ Programme as the coherent financial instrument for a streamlined and simplified approach to support environmental policy development and implementation; notes that the final distribution between environment policy areas of the projects co-financed will depend on the results of the call for proposals to be organised in 2009; expects that the majority of appropriations will be dedicated to nature and biodiversity projects but that other areas covered by the 6th EC Environmental Action Programme will also benefit from LIFE+ co-funding; calls on the Commission to fulfil all obligations on timely commitments and payments;
6. Welcomes the successful completion of the Public Health Programme 2003 - 2007 and the promising start of the Public Health Programme 2008 - 2013 with increasing commitment and payment rates; calls on the Commission to ensure a cost-effective implementation of the available appropriations;
7. Welcomes the Commission's proposal, in the interests of public health and particularly the health of children and young people, to establish an EU school fruit programme in order to improve the dietary habits and thus the health of young EU citizens, as already described in the White Paper of 30 May 2007 on 'A Strategy for Europe on Nutrition, Overweight and Obesity related health issues' (COM(2007)0279); calls in this connection for the programme only to promote measures with the aim of distributing fresh products, while excluding ready-made fruit products or fruit preparations from this package of measures so that the change in dietary habits from ready-made to fresh products can achieve its full impact;
8. Calls on the Commission to undertake a pilot project to implement the Health In All Policies strategy in the context of the Structural Funds. The project should cover proposals for methods on how health issues could - in accordance with the Health In All Policies strategy - be incorporated in regional development projects. The pilot project would aim at enhancing overall health in the European Union by means of capacity building in the context of regional development agencies;
9. Stresses the need to raise public awareness of the harmful effects of tobacco consumption, including passive smoking; welcomes the fact that the Commission has submitted a proposal to continue financing the Community Tobacco Fund to pay for awareness-raising on dangers of tobacco; points out, however, that this financial support will come to an end in 2009; invites the Commission to find new sources of financing; takes note of the public consultation on the Green Paper "Towards a Europe free from tobacco smoke" and the

report on the implementation of the Tobacco Advertising Directive showing difficulties in coherent implementation at Member State level;

10. Takes note of the planned increase of subsidies granted from the 2009 budget to the European Chemicals Agency (ECHA), the European Environment Agency (EEA), the European Centre for Disease Prevention and Control (ECDC) and the European Food Safety Authority (EFSA);
11. Regrets, however, that the Commission proposes to cut the European Medicines Agency (EMA) budget by 2,66 % compared to the 2008 budget and that EUR 8 200 000 for the ECDC should be put in reserve, thereby consuming the foreseen increase of subsidies compared to the 2008 budget;
12. Stresses once more the need for the agencies to have proper financing in order to carry out their tasks but without reducing the funds available for other Community activities; calls for careful scrutiny of the tasks of the agencies and the activities carried out by the Commission in order to avoid overlapping and to ensure that the necessary tasks are carried out in the most cost-efficient and rational way;
13. Emphasises the need for a general policy approach to undertake a horizontal evaluation of European agencies as soon as possible in order to develop a common basis for evaluation of performance and appropriate treatment of agencies; welcomes the submission of the Commission Communication "European Agencies - The Way Forward" as a first step towards a horizontal evaluation of regulatory agencies by the end of 2009;
14. Points out that newly adopted and forthcoming legislation, such as the legislative package on pesticides, advanced therapy medicinal products, novel food and food information to consumers, as well as the development of science and technologies, such as nanotechnology, will increase the workload and tasks of the relevant agencies; stresses that the agencies must be provided with adequate financial means to enable them to cope with new tasks in administrative and operational terms.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	9.9.2008
Result of final vote	+: 50 -: 1 0: 0
Members present for the final vote	Adamos Adamou, Georgs Andrejevs, Margrete Auken, Liam Aylward, Pilar Ayuso, Johannes Blokland, John Bowis, Frieda Brepoels, Martin Callanan, Dorette Corbey, Magor Imre Csibi, Chris Davies, Avril Doyle, Mojca Drčar Murko, Anne Ferreira, Karl-Heinz Florenz, Elisabetta Gardini, Françoise Grossetête, Satu Hassi, Gyula Hegyi, Marie Anne Isler Béguin, Dan Jørgensen, Christa Klaß, Eija-Riitta Korhola, Holger Krahmer, Peter Liese, Roberto Musacchio, Riitta Myller, Péter Olajos, Miroslav Ouzký, Vladko Todorov Panayotov, Vittorio Prodi, Frédérique Ries, Guido Sacconi, Amalia Sartori, Carl Schlyter, Richard Seeber, María Sornosa Martínez, Antonios Trakatellis, Evangelia Tzampazi, Thomas Ulmer, Anja Weisgerber, Glenis Willmott
Substitute(s) present for the final vote	Iles Braghetto, Philip Bushill-Matthews, Bairbre de Brún, Milan Gaľa, Caroline Lucas, Alojz Peterle, Donato Tommaso Veraldi
Substitute(s) under Rule 178(2) present for the final vote	Graham Watson