

EUROPEAN PARLIAMENT

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Committee on Regional Development

2007/2019(BUD)

18.7.2007

OPINION

of the Committee on Regional Development

for the Committee on Budgets

on the draft general budget of the European Union for the financial year 2008
(C6-0000/2007 - 2007/2019(BUD))

Section III - Commission

Draftsman: Wojciech Roszkowski

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SUGGESTIONS

The Committee on Regional Development calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

- 1 Takes the view that the amounts for regional policy entered in the preliminary draft budget correspond to the needs of the Union in its efforts gradually to reduce development disparities between regions and meet the Lisbon and Guttentberg objectives; therefore calls for all PDB budget lines to be maintained or, where necessary, restored;
- 2 Urges the Commission to guarantee an appropriate level of payment expenditure under heading 1b and create the conditions required for full implementation and uptake of the Structural and Cohesion Funds;
- 3 Stresses Parliament's objective of simplifying and clarifying regional policy practices and administration both within the EU and in the Member States, so that all the appropriations set aside for regional development can be used more effectively and in a more result-oriented way in the Member States, so as to reduce regional differences and achieve the Lisbon and Göteborg objectives;
- 4 Calls for an increase in payment appropriations under heading 1b (Cohesion for Growth and Employment);
- 5 Stresses the need for special attention be given in the draft budget for 2008 to micro, small, and medium-sized enterprises, traditional small-scale commerce, and research and development activities, bearing in mind their role in regional development;
- 6 Recommends that the Commission encourage Member States to take advantage of the Jeremie and Jessica initiatives with a view to ensuring full uptake of structural funding by Member States and regions;
- 7 Expresses its concern about the possibility of extra financing for projects such as the European Institute of Technology being charged to the non-allocated part of the cohesion budget and of this being decided on an intergovernmental basis; calls on the Member States to involve it in any decision in this matter;

SHORT JUSTIFICATION

Despite the protracted negotiations over the financial perspective and the IIA, the European Commission hopes to be able to approve all the National Strategic Programmes by July 2007 thus avoiding undue delays such as those incurred at the start of the previous programming period. It should be noted at this point that unlike certain other policy areas, whilst overall priorities are set out in the relevant regulations, the precise allocation of funding to different projects is dependent on the Member state's strategic reference framework, which is at present

being drawn up and approved in cooperation with the European Commission and the uptake of Community funds for the agreed operational programmes.

In its Statement of estimate for 2008¹ the Commission reminds us that "All figures for the Structural funds and the Cohesion Fund are derived from the envelope decided in the legal basis and are fully consistent with the ceilings of the IIA". In making its budgetary provisions therefore, the European Commission has assessed budgetary needs taking into account the decisions of the European Council of 2005, the provisions of the financial perspective 2007-2013 and the IAA, the amounts due under ongoing projects commenced under the 2000-2006 programming period, the likely calls for advance payment for the current period. Thus Structural funds 2008 commitments increase by 0.9%² and payments³ by 3.2% whilst the Cohesion fund sees commitments⁴ by 14.4% and payments⁵ by 36%. It should be noted that one budget line of heading 1b) falls outside the structural/cohesion policy area. This is the budget line for the European Neighbourhood and Partnership instrument (ENPI), which is the cross border cooperation contribution from this heading. This falls under the External Relations policy area.

The need for continued budgetary discipline and the pan European decline in public investment have shifted emphasis on to the need to create the conditions required for

- Net job creation schemes;
- addressing social exclusion;
- The development of the knowledge based economy.

It is this approach, adapted as it is to the new conditions of Europe 27, which will be the yardstick for measuring the success of Regional policy during the all important mid-term review which will take place in 2008/9. During 2008 the Commission will be closely monitoring the 2000-2006 programming period and the closure of the programmes and projects as well as assessing the impact the policy has had during that period. In parallel it will ensure that programmes take fully into account the priorities of the Growth and Jobs agenda.

The Commission informs us⁶ that as in 2007 the share out of commitment appropriations is provisional and based on historical data of the 2000-2006 programming period. Nevertheless, the European Commission is clearly the only institution having access to the required information concerning the full budgetary requirements and it is for this reason that your draftsman proposes that any unjustified changes introduced by Council in its Draft Budget be immediately rectified by Parliament.

The Commission also informs us that ageing of population, especially in some regions and even Member States, due to declining birth-rates, has become one of most important challenges for the future of Europe. Thence it is essential to promote family values and to help

¹ SEC(2007)0500.

² € 38.734 .000.000.

³ € 33.894.000.000.

⁴ € 8.155.000.000.

⁵ 6.€ 728.000.000.

⁶ SEC(2007)0500.

young families with combining professional and family duties.

BUDGET LINE AND TITLE		2007 Budget		2008 Budget			Difference
1.2: Cohesion for growth and employment							
13 03 12	Community contribution to the International Fund for Ireland	p.m. 15.000.000	15.000.000	15.000.000	15.000.000		
04 02 02	Completion of Special programme for peace and reconciliation in Northern Ireland and the border counties of Ireland (2000 to 2006)	p.m.	32.000.000	0	8.973.140		-23.026.860
04 02 08	Completion of EQUAL (2000 to 2006)	p.m.	606.350.733	0	300.000.000		-306.350.733
04 02 09	Completion of previous Community initiative programmes (prior to 2000)	p.m.	6.000.000	0	2.000.000		-4.000.000
04 02 10	Completion of European Social Fund (ESF) — Technical assistance and innovative measures (2000 to 2006)	p.m.	25.000.000	0	18.000.000		-7.000.000
1: Sustainable Growth							
04 02 11	Completion of European Social Fund (ESF) — Technical assistance and innovative measures (prior to 2000)	p.m.	1.000.000	0	p.m.		-1.000.000
04 02 17	European Social Fund (ESF) — Convergence	7.403.471.207	1.089.889.685	7.614.779.048	3.823.198.181	211.307.841	2.733.308.496
04 49 04 01	European Social Fund (ESF) — Phasing-out of expenditure on administrative management	—	—	p.m.	p.m.		
13 01 04 01	European Regional Development Fund (ERDF) — Expenditure on administrative management	13.100.000	13.100.000	13.100.000	13.100.000		
13 01 04 03	Cohesion Fund (CF) — Expenditure on administrative management	4.950.000	4.950.000	4.950.000	4.950.000		
13 03 01	Completion of European Regional Development Fund (ERDF) — Objective 1 (2000 to 2006)	p.m.	12.726.229.309	p.m.	6.920.101.302		-5.806.128.007
13 03 02	Completion of the special programme for peace and reconciliation in Northern Ireland and the border counties of Ireland (2000 to 2006)	p.m.	50.000.000	p.m.	32.900.225		-17.099.775
13 03 03	Completion of European Regional Development Fund (ERDF) — Objective 1 (prior to 2000)	p.m.	35.000.000	p.m.	20.000.000		-15.000.000
13 03 04	Completion of European Regional Development Fund (ERDF) — Objective 2 (2000 to 2006)	p.m.	3.620.643.555	p.m.	1.380.677.865		-2.239.965.690
13 03 05	Completion of European Regional Development Fund (ERDF) — Objective 2 (prior to 2000)	p.m.	6.000.000	p.m.	5.000.000		-1.000.000
13 03 06	Completion of Urban (2000 to 2006)	p.m.	131.241.283	p.m.	50.659.160		-80.582.123
13 03 07	Completion of earlier	p.m.	5.000.000	p.m.	1.000.000		-4.000.000

programmes — Community initiatives (prior to 2000)

BUDGET LINE AND TITLE		2007 Budget		2008 Budget		Difference	
1: Sustainable Growth							
13 03 08	Completion of European Regional Development Fund (ERDF) — Technical assistance and innovative measures (2000 to 2006)	p.m.	70.000.000	p.m.	35.000.000		-35.000.000
13 03 09	Completion of European Regional Development Fund (ERDF) — Technical assistance and innovation measures (prior to 2000)	p.m.	500.000	p.m.	p.m.		-500.000
13 03 10	Completion of other regional measures	—	—	0	0		
13 03 11	Completion of the programme for the modernisation of the textile and clothing industry in Portugal	—	—	0	0		
13 03 13	Completion of Interreg III Community initiative (2000 to 2006)	p.m.	966.618.983	p.m.	750.000.000		-216.618.983
13 03 14	Support for regions bordering candidate countries — Completion of earlier programmes (2000 to 2006)	—	p.m.	p.m.	p.m.		
13 03 15	Financial assistance to create an SME organisation to improve networking skills	p.m.	p.m.	0	0		
13 03 16	European Regional Development Fund (ERDF) — Convergence	20.676.478.574	3.043.946.283	21.267.270.155	10.677.786.977	590.791.581	7.633.840.694
13 03 17	European Regional Development Fund (ERDF) — PEACE	30.244.428	4.496.913	30.849.316	13.437.020	604.888	8.940.107
13 03 18	European Regional Development Fund (ERDF) — Regional Competitiveness and employment	5.381.768.585	633.338.124	5.108.692.167	2.540.832.078	-273.076.418	1.907.493.954
13 03 19	European Regional Development Fund (ERDF) — European Territorial Cooperation	1.055.259.758	158.130.591	1.004.703.240	559.011.239	-50.556.518	400.880.648
13 03 20	European Regional Development Fund (ERDF) — Operational technical assistance	54.869.515	20.756.728	45.000.000	20.091.462	-9.869.515	-665.266
13 04 01	Cohesion Fund — Completion of previous projects (prior to 2007)	p.m.	3.250.000.000	p.m.	1.936.747.200		-1.313.252.800
13 04 02	Cohesion Fund	7.121.426.147	1.693.079.985	8.150.101.978	4.786.634.804	1.028.675.831	3.093.554.819
13 05 03 01	Cross-border cooperation (CBC) — Contribution from Heading 1-b	p.m.	p.m.	45.387.077	25.000.000	45.387.077	25.000.000
19 08 02 02	Cross-border cooperation (CBC) contribution from Heading 1b (Regional Policy)	47.579.371	12.753.208	81.289.362	45.000.000	33.709.991	32.246.792
Total Sub-Category 1.2:		45.486.784.504	37.790.265.808	46.877.941.445	40.622.714.507	1.391.156.941	2.832.448.699
... as % of total budget		35,94%	32,72%	36,29%	33,41%		

Total Category 1:	54.854.332.015	44.837.060.205	57.148.370.445	50.161.394.107	2.294.038.430	5.324.333.902
... as % of total budget	43,34%	38,82%	44,24%	41,26%		

2008 Preliminary Draft Budget Prepared by the Budgetary Support Unit from data supplied by the Commission

PROCEDURE

Title	on the draft general budget of the European Union for the financial year 2008
Procedure number	C6-0000/2007- 2007/2019(BUD)
Committee responsible	BUDG
Opinion by Date announced in plenary	REGI 0.0.0000
Enhanced cooperation – date announced in plenary	
Drafts(wo)man Date appointed	Wojciech Roszkowski 26.2.2007
Previous drafts(wo)man	
Discussed in committee	25.6.2007
Date adopted	17.7.2007
Result of final vote	+: 43 –: 0 0: 3
Members present for the final vote	Alfonso Andria, Stavros Arnautakis, Elspeth Attwooll, Tiberiu Bărbulețiu, Jean Marie Beaupuy, Rolf Berend, Jana Bobošíková, Pierre Pribetich, Wolfgang Bulfon, Bairbre de Brún, Vasile Dîncu, Gerardo Galeote, Iratxe García Pérez, Pedro Guerreiro, Zita Gurmai, Marian Harkin, Jim Higgins, Filiz Hyusmenova, Mieczysław Edmund Janowski, Rumiana Jeleva, Tunne Kelam, Evgeni Kirilov, Constanze Angela Krehl, Mario Mantovani, Sérgio Marques, James Nicholson, Lambert van Nistelrooij, Jan Olbrycht, Maria Petre, Markus Pieper, Pierre Pribetich, Wojciech Roszkowski, Elisabeth Schroedter, Grażyna Staniszevska, Kyriacos Triantaphyllides, Oldřich Vlasák
Substitute(s) present for the final vote	Jan Březina, Den Dover, Jill Evans, Lidia Joanna Geringer de Oedenberg, Emanuel Jardim Fernandes, Samuli Pohjamo, Christa Prets, Károly Ferenc Szabó
Substitute(s) under Rule 178(2) present for the final vote	Daniel Caspary, Péter Olajos, Thomas Ulmer
Comments (available in one language only)	...