OPINION

of the Committee on Transport and Tourism

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: Roberts Zīle
PA_NonLeg
SHORT JUSTIFICATION

Introduction

This budget year is the second year in the new Financial Framework period of 2007-2013. The shape of the Preliminary Draft Budget (PDB), especially in respect of Trans European Networks-Transport (TEN-T) has been set by the adoption of the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management. There are a number of outstanding issues which need to be addressed within the context of the 2008 budgetary procedure including TEN-T, adequate funding for transport related agencies, the progress of pilot projects in road transport security, and, because it may touch on TEN-T funds, the developing situation in Galileo funding.

The Council is scheduled to adopt the Draft Budget on July and it is on this latter document your draftsperson will base his proposed amendments. Unless a compelling case is made to the contrary your draftsman will introduce amendments to restore the amounts proposed in the PDB if there is a strong case for that. He will also consider introducing other amendments based on his analysis of the PDB below and his discussions with other parties, including the transport Agencies.

European Aviation Safety Agency (06 02 01)

The PDB proposes a 46.1 % increase in payment and commitment appropriations for Titles 1 (staff and related costs) and 2 (infrastructure and administration costs) to bring them to a total of EUR 20.75 million for each appropriation type. At the same time a decrease is proposed for Title 3 (certification and other operational activities) of 10.5 %. The total for all Titles is EUR 30.00 million in commitment and in payment appropriations.

EASA continues to extend its activities in Air Operations, Flight Crew Licensing and Safety Assessment of Foreign Aircraft. The argument advanced to support the increase in Titles 2 and 3 is that EASA is still staffing up to its full establishment plan. Indeed the increase in 2008 also reflects the fact that some new staff were recruited during 2007, but will have their first full year with the agency in 2008. Questions have been raised in the past in the media about whether EASA is adequately resourced for its tasks. Your draftsman will consider whether an amendment is required here in the light of his further discussions with EASA and the amounts proposed Council's Draft Budget.

European Maritime Safety Agency (06 02 02)

EMSA has an increase in administrative funding of 7.0 % in the PDB but an increase of 41.3 % for operational spending. Appropriations for anti-pollution measures actually fall by 28 %. Commitment and payment appropriations total EUR 44.30 million and EUR 46.90 million respectively of which anti pollution measures account for EUR 18 million and EUR

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20.25 million. EMSA is funded entirely by the EU. The fall in anti-pollution spending arises from the pattern of commitment and payment for anti-pollution vessels but does not imply a reduction in activity at sea. The proposed increase in operational spending reflects EMSA’s increased role and responsibilities in uncovering and pursuing infractions of EU law and international norms. Your draftsman will consider whether an amendment is required to assign extra funding for EMSA for the EU Long Range Identification and Tracking Data Centre after the final decision on establishment of this data centre will be taken.

*European Railway Agency for Safety and Interoperability (06 02 08)*

Administrative appropriations under titles 1 and 2 rise by 7.2 % to EUR 13.29 million, commitments and payments while operational appropriations under Title 3, both commitment and payment, rise by 11.0 % to EUR 4.71 million.

These increases reflect the increased activity required of the Agency in the areas of vehicle certification and safety measures. The Agency is also still in a start up phase.

For all three agencies above increases in Titles 1 and 2 appropriations are connected to increasing safety related work in their respective sectors.

*Trans European Networks-Executive Agency (06 01 04 31)*

There is as yet no legal basis for this agency. It is due to begin work in 2007. The Commission proposes EUR 10.2 million in non differentiated appropriations for 2008, a 15 % increase. The Agency is an executive Agency responsible for the management of different community funds in the field of transport and in particular the Trans European transport networks.

*Transport Safety (06 02 03)*

Here an increase of 5 % in commitment appropriations is proposed while payment appropriations remain stable (from EUR 10.0 million to EUR 10.5 million in commitments and EUR 14.5 million in payments). The history of this line is one of low utilisation of appropriations. The Commission argues that many of its tasks are now undertaken by the various agencies and that few European projects have been proposed upon which its funds could be spent.

*Marco Polo II (06 02 06)*

This is the second year of the launch of a new programme within the frame of the Financial Framework for 2007-2013. The proposal is for EUR 57.422 million in commitments and EUR 15.70 million in payments in 2008. The objective is to facilitate traffic transfer from road to other modes and to develop "motorways of the sea". When payment appropriations for Marco Polo II are added to those for Marco Polo I in 2008, payment expenditure is increased in 2008 by 50 %.The Commission argues this increase is necessary to support further projects to encourage the use of rail, short sea and inland waterway transport for freight. 35 projects are envisaged in 2008 A related line is

*Internal Market and the Optimisation of Transport Networks (06 02 04 01)*
This line is for the collection of data and statistics to aid interoperability and the development of intelligent transport systems. Payment appropriations show a decrease of 26.7% from EUR 7.5 million to EUR 5.0 million.

**Galileo Supervisory Authority (06 02 09 01)**

An increase in commitment and payment appropriations of 9.7% is included in the PDB for administration under titles 1 and 2. Both go from EUR 6.8 million in 2007 to EUR 7.46 million in 2008. The increase in Title 3 appropriations, is from EUR 2.625 million to EUR 3.1 million, or 18.1%. The Authority is wholly funded by the Community. The increases in appropriations result largely from the continued "staffing up" of the new authority, sometimes by transfer of posts from the Commission.

**Galileo Programme (06 02 10)**

The Transport and Tourism committee has a continuing close interest in the development of the Galileo project, given its potential impact on intelligent transport and logistics. Financial year 2008 is the second year in which expenditure is shown on this line. EUR 151 million is shown for commitment appropriations, a 51% increase. Payment appropriations are static at EUR 100 million. The Commission describes this expenditure as part of the development phase. In 2008 it is hoped to launch the first four operational satellites. The title is something of a misnomer because two programmes are covered, Galileo and EGNOS. The programme will be funded from public and private sources. However at the time of writing the balance between these two is being actively reviewed given difficulties encountered in negotiations with the private sector. Your draftsman will keep developments in this area under review. Additional funding may be proposed but should not be at the expense of transport infrastructure investment.

**Trans European Transport Networks (06 03 01 and 06 03 03)**

The first line, 06 03 01, concerns projects funded under the existing regulations and within the Financial Perspective period 1999-2006. No further commitment appropriations are proposed for 2008 and payment appropriations are reduced by 13.8% to EUR 300 million.

Under the new line, 06 03 03 the amount proposed for commitment appropriations in 2008 is EUR 935.937 million. Payment appropriations appear for the first time on this line and stand at EUR 370 million in the PDB. Taking the two lines together, there is an increase in commitment appropriations of 14.5% and doubling in payment appropriations. These amounts are within the overall ceiling set by the Financial Framework for 2007-2013, which was much reduced from the Commission's original proposal and the Parliament's preference. It is intended that 80% to 85% of resources will be devoted to multi-annual priority projects. Although the detail of the programme will be determined in part by the availability of funding from Member State and other sources, 75% of the budget will be focussed on cross-border sections of priority projects and bottlenecks.

An outstanding question in relation to TEN-T funding from the EU budget, given that by far the major share of investment must come from national budgets, is what are the real priorities for TEN-T investment of the Member States. A second aspect is the need for a common sense and practical approach to project funding from both TEN and Cohesion fund sources.
Although double funding must be avoided, joint funding, where the appropriate criteria have been met, must remain possible.

Finally, and in view of the substantial reduction in EU budget support for TEN-T within the context of the Financial Perspective, there can be no question of using funds from these lines to make good shortfalls in private funding for Galileo.

**Transport Safety (06 02 03)**

Commitments rise from EUR 10.0 million to EUR 10.5 million and payment appropriations remain at EUR 14.5 million. This line covers data collection and analysis over all modes to assist in the development and application of safety rules.

**Transport Security (06 07 01)**

This line funds maritime and aviation inspection activity in an international and bilateral context. Payment appropriations are stable at EUR 3.5 million although commitment appropriations fall from EUR 4 million to EUR 3.5 million. The number of inspection missions is due to remain constant.

**Pilot project on Trans European Network road security (06 07 02)**

This line was introduced by way of Parliamentary amendment. No commitments are proposed for 2008 and payments are reduced to EUR 1.4 million from EUR 3.6 million. The Commission argues that this is because the pilot project is completed in 2007. Your Draftsman awaits with interest the results of the pilot and the Commission' conclusion thereon and proposals for further action. He notes that it is necessary in 2008 to extend the scope of the pilot project on security on the trans-European road transport network by creating safe truck parking places at the border crossing points of the EU external border. Because of enforced delays trucks are trapped in queues of tens of kilometres along highways. This situation threatens not only road safety but also creates a damaging environmental and social situation around the border crossing points. For this reason he proposes to extend the pilot to cover this.

**Passengers Rights (06 02 04 02)**

Although commitment appropriations for this line rise to EUR 400 000, payment appropriations fall by 65 % to EUR 350 000. Your draftsman considers that, following the adoption of legislation on rail passenger rights in the framework of the 3rd Railway Package, this latter figure may not suffice to cover necessary studies and information campaign on rail passenger rights. Your draftsman will seek further clarification from the Commission on this point.
## Title

Draft general budget of the European Union for the financial year 2008: Section III - Commission

## Procedure number

2007/2019(BUD)

## Committee responsible

BUDG

## Opinion by

Date announced in plenary

TRAN

## Enhanced cooperation – date announced in plenary

Roberts Zīle

6.3.2007

## Drafts(wo)man

Date appointed

## Previous drafts(wo)man

## Discussed in committee


## Date adopted

11.9.2007

## Result of final vote

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## Members present for the final vote


## Substitute(s) present for the final vote

Zsolt László Becsey, Johannes Blokland, Jeanine Hennis-Plasschaert, Elisabeth Jeggle, Anne E. Jensen, Antonio López-Istúriz White, Helmuth Markov, Willem Schuth, Catherine Stihler

## Substitute(s) under Rule 178(2) present for the final vote

Ralf Walter

## Comments (available in one language only)
