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Committee on the Environment, Public Health and Food Safety

2006/2018(BUD)

13.9.2006

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 2007
(C6-0000/2006 - 2006/2018(BUD))

Section III - Commission

Draftsman: Jutta D. Haug

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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. Notes that the practical impacts of the new multi-annual financial framework become evident in the Preliminary Draft Budget for 2007; notes that reconciling policy objectives with the funds made available in the financial framework poses a considerable challenge; demands that, in view of the tight financial framework, especially in the field of environmental protection, consumer health and food safety, Member States make full use of their national possibilities and close possible loopholes;
2. Considers the situation particularly worrying in the public health and food safety policy area, where the two agencies still in their development phase, EFSA and ECDC, take up most of the available funds, thus leaving the new Health Programme clearly worse off than in 2006; deplores that the position expressed by Parliament in its first reading of the Health Programme whereby the programme should be given a financial and political priority has not been respected by the Commission, but acknowledges the constraints caused by the narrow margin in Heading 3b;
3. Emphasises the asymmetry introduced by the Commission after the agreement on the new EU multiannual financial framework in the allocation of Heading 3b appropriations between the Health Programme and other actions in the same Heading which is not in line with the principles of prioritising, proportionality and equitable distribution;
4. Points out the considerable divergences in appropriations between the original Commission proposal for the Health Programme (€ 969 million) and its revised proposal (€ 365.6 million) which corresponds to a 62% fall in appropriations and which, moreover, fails to take into account the position adopted by the European Parliament at first reading to increase appropriations for the Health Programme by 55% , i.e. to € 1 500 million, despite its awareness of limited funding;
5. Calls for a review of the distribution of appropriations with a view to increasing Health Programme funds, so as to meet the requirements resulting from the enlargement of the Union and the challenges in this sector;
6. Draws attention to the general problem relating to the decentralised agencies, which are naturally entitled to have proper financing in order to carry out their tasks, but at the same time leave less and less money for other Community activities; calls for careful scrutiny of the tasks of the agencies, the activities carried out by the Commission and the activities financed from multi-annual programmes, in order to avoid any overlapping and to ensure that the necessary tasks are carried out in the most cost-efficient and rational way; points out that the receipt of fees for administrative costs generated by applications for authorisations could cover part of the funding of the agencies;
7. Points out that the newly adopted (paediatric medicines) and forthcoming (advanced therapy medicinal products) legislation and other new policies, such as activities relating to pandemics, will increase the workload and tasks of the European Medicines Agency

(EMEA); stresses that the Agency must be provided with adequate financial means to enable it to cope with the new tasks;

8. Considers that, in order to enable the EMEA to implement the new Paediatrics legislation which will enter into force at the end of 2006 and which has not been taken into account in the Commission proposal for 2007, the total EMEA budget for 2007 needs to be increased;
9. Welcomes the increased attention given to the integration of environmental concerns into other policy areas, in particular in Heading 1a (eco-innovation measures under Research and the Competitiveness and Innovation Programme) and in Heading 4 (Thematic programme for Environment and sustainable management of natural resources); looks forward to tangible results from this approach; points out that this approach should not, however, lead to the dilution of environment policy financing; urges DG ENV to work in close cooperation with other DGs in order to ensure that the opportunities for policy integration and synergies are fully utilised;
10. Calls for a standard use of environmental criteria in procurement procedures involving Community appropriations, such as invitations to tender and awarding contracts;
11. Calls on the Commission to compile a report on its efforts, so as to increase awareness of the Sixth Environment Action Programme and its agreed content of thematic strategies within the Commission itself.

SHORT JUSTIFICATION

Year 2007 is the first year of the new seven-year financial framework agreed upon by the European Parliament and the Council in April. Inevitably, the consequences of the deal materialise in the preliminary draft budget for 2007. Despite the broad consensus in favour of an agreement, however insufficient it was considered from the outset, it is clear that the practical implications of the deal will cause serious concerns.

The environment, public health and food safety policy areas are also affected, but in different ways. The new financial framework places the **environment** policy area under Heading 2, together with agriculture, rural development and fisheries. The biggest practical change is that a number of current instruments and initiatives (LIFE, NGO funding, Forest Focus, policy implementation and development support budget lines) are gathered under one programme, the new LIFE+. Moreover, the current Civil Protection and Marine Pollution programmes are incorporated in the new Rapid Response Preparedness Instrument. The third novelty is the transfer of most external activities (like the current LIFE Third countries) to the instruments managed by DGs responsible for external policies.

From a financial point of view, the resources for the environment policy area will slightly (+7%) increase in 2007 compared to 2006. However, the big increase in the form of earmarking funds within LIFE+ for the management of Natura 2000, as the Parliament hoped for in first reading, did not take place. Parliament had to settle for the principle of integrating the Natura 2000 financing into the cohesion and rural development funds. This leaves the final decision and responsibility to each Member State on how much EU funding is allocated to the management of Natura 2000. The principle of mainstreaming the environment objectives to other policies is extremely important. It will not, however, take place automatically and without political effort, as other political priorities compete with the environment for the same funds. The same applies, at least to a certain extent, to eco-innovation measures under the Research and the Competitiveness and Innovation Programme and international activities under Heading 4.

Health and food safety are placed under Heading 3b, Citizenship, the smallest of all the headings under the new financial framework. Compared to the negotiating position agreed by Member States on Financial Perspectives in December 2005 which would have left the activities under this heading seriously underfunded, the Parliament managed to slightly improve the situation in the negotiations with the Council this spring. In reality, the achieved increase is barely sufficient to keep the funding of the health and food safety policy area at its present, modest level. The situation will be at its worst in 2007. The Health Programme will suffer most, despite the large support by the Parliament in first reading to allocate considerably more funds to it than before and make it thus a clear political priority. Surprisingly, when compared to the original Commission proposal for a joint health and consumer policy programme 2007-2013, the amount now proposed for the Health Programme, has been reduced by a greater amount than the reduction made to the Consumer protection programme. In the original proposal, the breakdown of funds for the health and consumer policy programmes was 80/20 and now when the programme is split into two, the breakdown is 70/30. In 2007, this would mean a clearly reduced budget for the Health Programme compared to this year (€40 million instead of €55,4million).

The fact is that the two agencies, the European Food Safety Authority (EFSA) and the

European Disease Prevention and Control (ECDC), who are still in their development phase, will take 57% of the total funding for the Health, consumer policy and food safety policy area in 2007 and more than 60% during the whole of the 2007-2013 period. Even with these figures, the allocated amounts can only be considered as appropriate minimums. It should also be remembered that some activities that are now financed through the Health Action Programme (for instance, the surveillance networks) will be managed and financed by the ECDC in the future.

Given that the margin in Heading 3b is very small, there will not be much room for new political initiatives with financial consequences in the health, consumer protection and food safety policy area in the coming years.

As regards the 2007 budget, the Tobacco Fund for Research and Information, will continue to finance the Commission campaign against smoking ('Help' campaign) with €13.5 million. The amount is a bit smaller than in 2006, due to the calculation method based on the retention of a percentage of the premiums for tobacco producers.

Under Heading 1, the funding for the **European Medicines Agency (EMA)** is slightly increased compared to 2006. Funds for setting up the new **Chemicals Agency** have been put into the reserve while awaiting the adoption of the establishing regulation.

PROCEDURE

Title	The draft general budget of the European Union for the financial year 2007 - Section III - Commission
Procedure number	2006/2018(BUD)
Committee responsible	BUDG
Opinion by Date announced in plenary	ENVI
Enhanced cooperation – date announced in plenary	
Draftswoman Date appointed	Jutta D. Haug 23.1.2006
Previous draftswoman	Jutta D. Haug
Discussed in committee	6.7.2006
Date adopted	13.9.2006
Result of final vote	+: 38 -: 0 0: 0
Members present for the final vote	Adamos Adamou, Georgs Andrejevs, Liam Aylward, Irena Belohorská, John Bowis, Chris Davies, Avril Doyle, Mojca Drčar Murko, Anne Ferreira, Matthias Groote, Françoise Grossetête, Dan Jørgensen, Christa Klač, Eija-Riitta Korhola, Peter Liese, Jules Maaten, Linda McAvan, Marios Matsakis, Vittorio Prodi, Dagmar Roth-Behrendt, Guido Sacconi, Karin Scheele, Horst Schnellhardt, Richard Seeber, Kathy Sinnott, Bogusław Sonik, Antonios Trakatellis, Thomas Ulmer, Anja Weisgerber
Substitute(s) present for the final vote	Giovanni Berlinguer, Milan Gaľa, Vasco Graça Moura, Rebecca Harms, Jutta D. Haug, Erna Hennicot-Schoepges, Karsten Friedrich Hoppenstedt, Miroslav Mikolášik, Frithjof Schmidt
Substitute(s) under Rule 178(2) present for the final vote	
Comments (available in one language only)	