EUROPEAN PARLIAMENT

2004 *2009*

Committee on International Trade

2006/2018(BUD)

13.9.2006

OPINION

of the Committee on International Trade
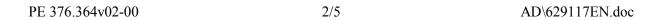
for the Committee on Budgets

on the draft general budget of the European Union for the financial year 2007
(C6-0000/2006 - 2006/2018(BUD))

Section III - Commission

Draftsman: Peter Šťastný

PA_NonLeg

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SUGGESTIONS

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

DG Trade

1. Notes that according to the 2007 PDB (Preliminary Draft Budget**)** and DB (Draft Budget), DG Trade's operational budget (i.e. line 20 02 01) is set to increase by 29.1% in 2007 in order to finance the following main activities: Additional funding to finance trade adjustment measures in third countries as identified in the Sustainability Impact Assessments (SIA); Contributions to global trade-related assistance initiatives run by multilateral organisations; and new spending initiatives resulting from the 2006 Communication on China;

2. Considers that the Council's Draft Budget cuts in administrative expenditure relating to, among others, staff and management of DG Trade are not justified and that the PDB figures should therefore be reinstated;

3. Notes, for instance, that the actual increase in staff provided for by DG Trade for 2007 amounts to only 12 officials, which is a moderate figure given the challenges which DG Trade must tackle over the coming year;

4. Asks the Commission to provide Parliament with information about the number and nature of the staff actually working on trade issues in the Commission's delegations in third countries, together with an assessment of the capabilities and resources of those delegations to deal with the growing challenges of trade policy, particularly in developing countries and emerging economies;

Trade related Assistance (TRA)

5. Stresses that the EC Budget, in its current form, does not allow for the desirable level of visibility, transparency, and flexibility for the disbursement of trade-related assistance (TRA);

6. Considers that the "Aid for Trade" budget line (20 02 03) should be appropriately funded in order to finance horizontal trade-related assistance initiatives, especially in collaboration with multilateral agencies, that complement and offer a real added value to the EC geographical programmes;

7. Stresses that the pledge by the President of the Commission to increase current and planned EC funding to support the trading capacity of developing countries to EUR 1 000 000 000 per year should be implemented with new funding and without resorting to either the relabelling as TRA of aid formerly classified as infrastructure or the inclusion of the support towards ACP countries affected by the sugar reform;

8. Urges the Commission to submit an annual, detailed report to the competent parliamentary committee on TRA programming and spending so that Parliament is informed about TRA-related disbursements in general and the implementation of the "Barroso pledge" in particular;

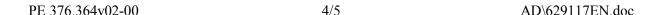*Cooperation with industrialised non-member countries*

9. Stresses that according to the 2007 PDB and DB (Draft Budget) the cooperation with

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industrialised non-member countries (i.e. line 19 05 01) is set to increase by 35,8 % in 2007 to reach EUR 22 000 000; notes that, as justified by the Commission, this increase is appropriate given the extension of the geographical coverage of the new instrument (from 6 to fifteen or possibly 17 countries) and the diversification of its activities;

10. Notes that Parliament should be consulted and express its opinion on the new instrument for cooperation with industrialised non-member countries in accordance with the appropriate procedure;

Macrofinancial Assistance

11. Notes that the 2007 Draft Budget (DB) has cut PDB appropriations for macroeconomic assistance (line 01 03 02) by 19.5 % in commitments, from EUR 79 591 000 to EUR 57 201 000, and by 16.71% in payments, from EUR 100 814 000 to EUR 77 694 000 ;

12. Reiterates that Macro-Financial Assistance (MFA) should be subject to strict monitoring and conditionality as the EU does not control how beneficiary countries spend the EU's general un-earmarked funds entering their general budget; regrets that MFA lacks a proper legal basis and continues to be based on ad hoc Council decisions for each operation; underlines, therefore, the need for a co-decided framework regulation on MFA that enhances transparency, accountability, monitoring and reporting systems;

13. Stresses that Parliament should be consulted on MFA proposals in sufficiently good time to allow it to express its views and adopt its opinion according to a normal calendar and procedure; insists therefore that the Council invite Parliament to deliver its opinion on the Commission's MFA-related proposals by way of the "urgency procedure" only when absolutely necessary and after due justification.

PROCEDURE

Title	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	INTA
Enhanced cooperation – date announced in plenary	
Draftsperson Date appointed	Peter Šťastný 25.1.2006
Previous drafts(wo)man	
Discussed in committee	11.7.2006
Date adopted	12.9.2006
Result of final vote	+: 19 −: 0 0: 0
Members present for the final vote	Jean-Pierre Audy, Daniel Caspary, Giulietto Chiesa, Christofer Fjellner, Béla Glattfelder, Jacky Henin, Filip Andrzej Kaczmarek, Alain Lipietz, Erika Mann, Helmuth Markov, Georgios Papastamkos, Peter Šťastný, Johan Van Hecke, Daniel Varela Suanzes-Carpegna, Zbigniew Zaleski
Substitute(s) present for the final vote	Margrietus van den Berg, Robert Goebbels, Antolín Sánchez Presedo, Mauro Zani
Substitute(s) under Rule 178(2) present for the final vote	
Comments (available in one language only)	...