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Committee on Culture and Education

2006/2018(BUD)

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OPINION

of the Committee on Culture and Education

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

Draftswoman: Helga Trüpel

SUGGESTIONS

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

1. Recalls the importance of promoting active EU policies in the field of culture, education, training, youth, intercultural dialogue and diversity, active citizenship and civil society networks, aimed at creating a political identity for the Union that is more understandable to its citizens and based on political delivery;
2. Points out that the European Union should be closer to its citizens; emphasises that only the appropriate financial resources will make it possible to have an effective communication and information policy, involving citizens in a more active way; considers that reducing the budgetary amounts allocated to the communication policy would send a very negative signal to European citizens;
3. Confirms that the revised structure and functioning of the new-generation 2007-2013 programmes represents an important opportunity to improve both their management and their user-friendliness vis-à-vis all beneficiaries; recalls that this is particularly relevant for instruments which concern mainly small-scale projects;
4. Invites the Commission to make as much progress as possible in its preparations for the implementation of the programmes, taking into account the fact that, when adopted, the revised Financial Regulation will allow for simpler and faster implementation procedures; recalls that, although the main principles of the Financial Regulation and the regulations establishing the programmes should coincide, the programme regulations are not subordinate to the Financial Regulation and may contain specific rules necessary for the smooth implementation of the specific programmes;
5. Underlines the importance of ensuring, for the year 2007, a degree of stability for the activities supported by the Media Programme and, throughout the entire financial period, adequate means for supporting the development and distribution of European audiovisual works, encouraging the innovation of the European audiovisual industry and the transition to digital technologies, and responding to the challenges posed by global competition and by a rapidly changing information society;
6. Regrets that the financial ambitions for the Lifelong Learning Programme have been reduced; notes that the Lifelong Learning Programme will nevertheless be a strengthened instrument for promoting cooperation and mobility for education and training; stresses that European investment in education and training is crucial, not only for effectively implementing the Lisbon strategy and increasing the competitiveness of the European economy, but also for reasserting the civic and cultural value of education and lifelong learning;
7. Reasserts its belief in the importance of the Culture Programme in supporting cultural events and organisations in a sector which is at the core of the European identity, society and economy; underlines the need to make the Youth in Action Programme known to a greater number of Europeans, and recalls that the amount proposed by the PDB for this programme is an absolute minimum;

8. Notes that support for civic participation, town twinning, organisations promoting the idea of Europe and memorials to the victims of totalitarian regimes in the past century are concrete examples of EU action for citizens; notes the reductions in funding for actions in 2007, as shown in the activity statement, and that, in 2008, expenditure will again remain at 2006 levels; affirms its determination to ensure that within the new Europe for Citizens Programme, those actions which most directly affect citizens will not be reduced; emphasises that the percentages of resources for the different actions of the Programme are the subject of interinstitutional negotiations as part of the legislative procedure;
9. Draws attention to the urgent need to have a Europe that is more democratic, more accessible, and more transparent for its citizens; considers that its citizens' active contribution to the next major events in the Union's history will not be possible without sufficient financial support for local bodies such as the information outlets and Europe Houses (Maisons de l'Europe);
10. Underlines the importance of investing resources and political leadership in better defining a European communication policy, as an interinstitutional and inclusive task involving different spheres of European governance; urges the Commission to clarify the budget implications and the actions to be taken under the Plan D for Democracy Debate and Dialogue;

SHORT JUSTIFICATION

1. The European Community budget for 2007 will be the first annual budget under the new financial perspective (FP), now re-named Multi-annual financial framework (MFF), which will be the framework for annual budgetary procedures until 2013.
2. The MFF is divided into headings which are different from those of the previous financial perspective (2000-2006). Also, new "umbrella" programmes have been created, putting together existing programmes and other actions. The Preliminary Draft Budget (PDB) is for an EU of 27, including Romania and Bulgaria as candidate countries. These different changes make direct comparison with the previous FP (EU 25) difficult.
3. Table 1a and 1b give an indicative overview on % changes in the different headings and margins available within the different headings for commitments and payments appropriations. Margins are determined by the difference between ceilings set in the MFF and commitments in the PDB.

Table 1a - Overview of PDB 2007 - commitments (EUR million, current prices)

Heading	2007 (EU 27) commitments	% change on 2006 (EU 25)	MFF ceiling	Margin
1a Competitiveness for growth and employment	8 796,1	+11,5%	8 918	121,9
1b Cohesion for growth and employment	45 486,6	+14,8%	45 487	0,4
2 Preservation and management of natural resources	57 217,6	+1,2%	58 351	1 133,4
3a Freedom, Security and Justice	571,3	+4%	637	65,7
3b Citizenship	603,1	-1,4%	636	32,9
4 The EU as a global partner	6 702,5	-20,2%	6 578	110*
5 Administration	7 002,3	+6%	7 039	112,7*
6 Compensation	444,6	-58,6%	445	0,4
Total	126 824,1	+4,6%	128 091	1 577,4*

Source: Based on data from the European Commission's PDB 2007 documents - Working Document 8 on PDB 2007, EP Budget Committee

Table 1b - Overview of PDB 2007 - payments (EUR million)

Heading	2007 payments (EU 27)	% change on 2006 (EU 25)
1a Competitiveness for growth and employment	6 943,5	-6,5%
1b Cohesion for growth and employment	37 790,3	+19,1%
2 Preservation and management of natural resources	55 683,4	+0,4%
3a Freedom, Security and Justice	427,0	-19,9%
3b Citizenship	679,6	+8,9%
4 The EU as a global partner	7 447,5	-13,8%
5 Administration	7 002,1	+6,0%
6 Compensation	444,6	-58,6%
Total	116 418,1	3,9%

Source: Working Document 8 on PDB 2007, EP Budget Committee, based on data from the European Commission's PDB 2007 documents

According to the Commission, these commitments represent 4.6% more than in 2006 and 1.08% of EU GNI. The payment appropriations represent an increase of 3,9% compared to 2006 and 0.99% of EU GNI.

4. The culture and education committee is responsible for budget lines which are spread over different policy areas of the PDB: 09 Information society and media; 15 Education and culture; 16 Communication; 26 Administration. The MFF includes these areas within three different headings: Heading 1a ("Competitiveness for growth and employment") and 3b ("Citizenship") cover operational expenditure, Heading 5 covers administration expenditure.

5. Policy area 9 - Information society and Media:

The 2007 PDB proposes an overall increase for this area of merely 1.9% compared to 2006 (commitments). Within this area the Culture and education committee is responsible for different budget lines under 09 01 (staff and management) and 09 06 (i2010 - Audiovisual policy and MEDIA programme). The PDB proposes commitments of 74.862 m for operational expenditure of the MEDIA programme (84.810 in 2006).

6. Policy area 15 - Education and Culture:

The 2007 PDB proposes an overall increase for this area of 22.19% compared to 2006 (commitments).

The new programme Lifelong learning combines activities related to education and to vocational training with four different target groups (secondary education; third level education; vocational training; adult education) and horizontal activities such as language learning and ICT, Jean Monnet Action on European integration. The PDB proposes commitments of 820.9 million for 2007 (629.976 in 2006) for operational expenditure for Lifelong Learning (Line 15 02 22), and 55.6 (from 38.111 in 2006) for the programme Erasmus Mundus (Line 15 02 02 05).

The PDB proposes a budget of 47.8m in commitments for the Culture 2007 programme (15 04 44). The completion of previous programmes in the field of culture and language in 2006 had an amount of 38.086m on the line. Furthermore 3m would be reserved in 2007 for the preparation of European Year for Intercultural Dialogue in 2008 (15 04 47).

For the programme Youth in action (15 05 55) the PDB has reserved commitments of 114.768 for operational expenditure. The line on the completion of previous programmes in the field of youth in 2006 had an amount of 111.965 m.

The new programme Citizens for Europe (15 06 66) will include support to civil society and town twinning. The 2007 PDB proposes 19.339m for commitments for operational expenditure. The completion of previous programmes in the field of civic participation in 2006 had committed 23.864m.

7. Policy area 16 - Communication and information policy

The commitment appropriations in the 2007 PDB for this policy increase of 3.61% compared to 2006. In this area, the culture and education committee has a key interest in the follow up and implementation of the Action plan to improve Communicating Europe, the Plan D for Democracy Dialogue and Debate and the White Paper on a European Communication Policy.

8. Policy area 26 - Administration

The 2007 PDB proposes an overall increase for commitments in this area of 4.11% compared to 2006. Within this area, there is a separate budget line for each European school (from 26 01 50 11 to 26 01 50 25).

9. The Draft Budget

The rapporteur has taken note of the changes adopted by the Council in the Draft Budget (DB). The Council proposes an overall reduction of 0.8% in commitments and of 1.5% in payments compared to the PDB. The reductions would be more relevant for some policy areas, including those of interest for the culture and education Committee.

Within the first heading ("competitiveness for growth and employment"), the budget lines related to education and culture would be reduced of 2%. This would affect (in commitments) in particular Lifelong Learning (-17.101 m), Erasmus Mundus (-1.158m). Also the budget line on eContent plus - promotion of the European digital content would be severely cut (-1.370m).

Within the heading "Citizenship, freedom, security and justice", both actions run by DG EAC

(-0.7% in commitments) and by DG COM (-5.5%!) would be affected. Commitments for the programme Culture 2007 would be reduced by -1.4m (-0.531 payments). Budget lines on "Local actions" and on "specific actions on priority themes, of which Prince" would be drastically reduced of -2m each (both for commitments and for payments).

The DB reduces the heading related to administration by 1.8% in total compared to the PDB. This would affect significantly services for the information society (-3.5%), education and culture (-2.9%), press and communication (-2.1%), language services (-3.1%).

The rapporteur underlines that the changes proposed by the Council in the different headings for the issues of competence of the culture and education committee are not acceptable.

In particular, this committee has stressed several times that the amount proposed in the PDB for the co-decided programs in the culture and education sector are the minimum necessary to run them in an effective way, as expected by a broad range of beneficiaries such as schools, universities, students, cultural organisations, associations. It is important to safeguard these programs as flagships of European integration.

Even though the European Commission has showed some difficulties in determining the next phases of its communication policy, the reductions proposed in this area are not coherent with the general political need to engage in a constant dialogue between EU institutions and citizens.

10. Draftsperson's remarks

General remarks:

The budget 2007 procedure follows the agreement on the MFF, which established ceilings for expenditure much below the ambitions of the European Commission and of the proposals by the European Parliament. National governments are responsible for delaying the agreement on the MFF and thus for putting at risk the timely beginning of EU spending from 2007 onwards.

Intergovernmental negotiations on contributions to the EU budget have showed once more their limits. Instead of communicating the idea of the European added value, negotiations on the EU budget have transmitted the EU citizens the wrong impression of a bargaining on "who gets more from Brussels and give less to the EU". Political leadership and a visionary approach to European integration seem to have gone lost.

The European Parliament, following its resolutions on policy challenges and budgetary means of the enlarged Union and on the renewal of the Inter-institutional agreement on budgetary discipline (reports by Mr Böge), has given to the issues treated by the culture and education committee priority in the difficult negotiations which took place on the multi-annual financial framework. This has allowed safeguarding the programmes which are recognised as "flagships" and "multipliers" of the European added value. Given their direct impact on some citizens' primary concerns and interests (such as education, culture, cinema, civic society and youth projects etc) their results are good "value for money". They show also a good implementation rate.

At the same time, pressure is constantly put on the European Parliament co-decision prerogatives. The EP culture and education committee has contributed to the improvement of

the functioning of EU programmes in its area of responsibility through the co-decision procedures. The late adoption by the Council of an agreement on the financial perspective urges the EP to speed up the second reading procedures on five key European programmes (Lifelong Learning, Culture, Media, Youth, Europe for Citizens) while adapting them to the figures established in the Inter-institutional Agreement on the MFF.

The EP has constantly underlined the importance of these programmes and of EU action in policy areas such as cultural dialogue, town twinning, cooperation of universities and schools, professional training, youth exchanges, audiovisual creativity, cultural diversity and pluralism.

Active policies with adequate financial means in these areas are fundamental. They are essential to define European identity as characterised by peace, stability and welfare as well as by effective political delivery in times of social and economical transformation. This is even truer with an enlargement of the EU to 27 countries.

Remarks to specific areas:

Policy area 9: already last year the culture committee had welcomed the transition of the media and audiovisual policy budget lines, for which this committee is responsible, to policy area 9, which is managed by DG INFSO within the Commission. The rapporteur notes the complex challenges ahead of us for building up an inclusive information society, capable to combine innovation and cultural diversity. Audiovisual policy requires several elements: a revision of the regulation framework; access, participation and awareness of viewers and civil society to transformation processes; active instruments to support changes and innovative processes in the audiovisual sector.

The rapporteur notes the reduction for the programme MEDIA, which would decrease from 86.41m (commitments in 2006) to 76.01 (PDB 2007). This relative reduction is to be explained by the "back-loading" of the programme at the end of the previous financial period. This means that spending for MEDIA would rapidly grow in the next years and that the reduction in 2007 would not endanger the functioning of the programme.

Policy area 15. The rapporteur welcomes the fact that the MFF allows for stability of the programmes in this area, with gradual increases through the financial period. In particular, it is to be welcome the strengthening of the actions now gathered in the programme LIFELONG LEARNING (LLL). On the same time, this programme is the one with the largest reduction compared to the original proposal by the Commission and to the first reading report by the EP. This means a reduction of the ambitions and the objectives of the programme. In general, these reductions are concentrated on budget lines which affect less directly citizens.

This would apply in principle also for the reduction for the programme CITIZENS FOR EUROPE, which will include different actions and lines of the previous financial period. It has to be underlined that this programme will now absorb the support to preservation of the memory of Nazi and Stalinist concentration camps, which were previously financed via the Culture programme. In this case the reduction is not only compared to the ambitions set by Commission and Parliament, but also compared to the 2006 Budget. This amounts (for commitments) to 23.9m in 2006 and is reduced to 19.3 in the PDB 2007. In particular this would affect conferences and seminars but, even if in smaller scale, also twinning schemes support to civil society organisations and projects. As for MEDIA above, the budget would

however grow in the coming years.

The rapporteur welcomes the strengthening of the cooperation with third countries (USA and Canada) on education and vocational training (15 02 03), where commitments are stepped up to 5.338m in the 2007 PDB.

Some of the appropriations for administrative expenditure associated with the programmes in this policy area will be used for the Executive Agency, whose staff would rise to 227 persons for education and culture programmes (plus 83 Media). In total, the budget chapter 15 01 (Administrative expenditure of education and culture policy area) will be 101.802m (compared to 90.915 in 2006). It has to be noticed that this expenditure includes now also the Commission officials working in the Agency. Nevertheless, the administrative costs have to be closely monitored given their relevance on the overall amount of the programmes.

It has also to be noticed that the pilot projects on individual mobility of upper-secondary pupils (15 02 02 06) and on Erasmus-style programme for apprentice (15 02 03) are now integrated in LLL, even though with no budget appropriations, pending an evaluation.

Policy area 16: The rapporteur underlines that spending in this policy area, even though not specifically under on going co-decision procedures, deserves closer monitoring. In particular, the considerations by the culture and education committee last year on this point seem still valid: "the Commission must offer at least some indication of how the actions supported by these lines will fit together in its new information and communication strategy". The rapporteur believes that the so-called Plan D is still lacking of a clear indication of actions and priorities.

It has to be noticed the increase of 12.77% for administrative expenditure (16 01). This would consist of 109.547m for administrative expenditure out of a total of 186.373m for policy area 16. Indeed this has to be explained by the specificity of this sector, which employs a high number of technicians, specialised staff and local staff for representation offices, external staff at headquarters, management expenditure and internal staff.

At the same time, it seems quite striking that the Commission's ambition in the "Going local" communication line (16 03) is quite little. This includes PRINCE, for which commitments of 16.261m have been allocated for 2007 (15.549 in 2006) and direct communication measures targeted at opinion multipliers and opening information centres for the public.

These reductions have finally to be noticed (commitments):

- Line 16 02 02 - multimedia actions: from 15250m (2006 Budget) to 13750m (2007 PDB)
- Line 16 05 01 - information relays: from 16752m (2006 Budget) to 14554m (2007 PDB).

For both lines commitment appropriations of 1m have been put in the reserve in 2006.

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	CULT		
Enhanced cooperation – date announced in plenary			
Drafts(wo)man Date appointed	Helga Trüpel 13.2.2006		
Previous drafts(wo)man			
Discussed in committee	20.6.2006	12.7.2006	28.8.2006
Date adopted	12.9.2006		
Result of final vote	+: 26	–: 2	0: 0
Members present for the final vote	Maria Badia I Cutchet, Christopher Beazley, Ivo Belet, Guy Bono, Marielle De Sarnez, Marie-Hélène Descamps, Jolanta Dičkutė, Věra Flasarová, Milan Gaľa, Claire Gibault, Vasco Graça Moura, Lissy Gröner, Luis Herrero-Tejedor, Ruth Hieronymi, Manolis Mavrommatis, Marianne Mikko, Ljudmila Novak, Doris Pack, Zdzisław Zbigniew Podkański, Christa Prets, Karin Resetarits, Pál Schmitt, Nikolaos Sifunakis, Hannu Takkula, Helga Trüpel, Henri Weber, Thomas Wise, Tomáš Zatloukal		
Substitute(s) present for the final vote	Rolf Berend, Panayiotis Demetriou, Nina Škottová		
Substitute(s) under Rule 178(2) present for the final vote			
Comments (available in one language only)	Three PPE-DE substitutes were present but were not taken into account for the final vote		