


Procedure file

Basic information		
ACI - Interinstitutional agreement procedure	2000/0109(ACI)	Procedure completed
Financial perspective, revision 2001-2006: mobilisation of the flexibility instrument for Serbia		
Subject 8.70.70 Flexibility instrument		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	BUDG Budgets		06/06/2000
		PSE COLOM I NAVAL Joan	
	Committee for opinion	Rapporteur for opinion	Appointed
	AFET Foreign Affairs, Human Rights, Common Security, Defense	The committee decided not to give an opinion.	
	ITRE Industry, External Trade, Research, Energy		22/06/2000
	PPE-DE NOVELLI Hervé		
	AGRI Agriculture and Rural Development		11/07/2000
		V/ALE GRAEFE ZU BARINGDORF Friedrich-Wilhelm	
Council of the European Union	Council configuration	Meeting	Date
	Health	2319	14/12/2000
European Commission	Commission DG	Commissioner	
	Budget		

Key events			
03/05/2000	Non-legislative basic document published	COM(2000)0262	Summary
19/05/2000	Committee referral announced in Parliament		
04/12/2000	Non-legislative basic document published	SEC(2000)2167	Summary
04/12/2000	Vote in committee		Summary
04/12/2000	Committee report tabled for plenary	A5-0391/2000	
12/12/2000	Debate in Parliament		
14/12/2000	Decision by Parliament	T5-0567/2000	Summary

14/12/2000	Act adopted by Council after consultation of Parliament		Summary
14/12/2000	End of procedure in Parliament		
15/09/2001	Final act published in Official Journal		

Technical information

Procedure reference	2000/0109(ACI)
Procedure type	ACI - Interinstitutional agreement procedure
Procedure subtype	Mobilisation of funds
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/5/12768

Documentation gateway

Non-legislative basic document		COM(2000)0262	03/05/2000	EC	Summary
Non-legislative basic document		SEC(2000)2167	04/12/2000	EC	Summary
Committee report tabled for plenary, single reading		A5-0391/2000 OJ C 232 17.08.2001, p. 0010	04/12/2000	EP	
Text adopted by Parliament, single reading		T5-0567/2000 OJ C 232 17.08.2001, p. 0199-0279	14/12/2000	EP	Summary

Final act

[Decision 2001/691](#)
[OJ L 246 15.09.2001, p. 0027](#)

Financial perspective, revision 2001-2006: mobilisation of the flexibility instrument for Serbia

PURPOSE : to revise the financial perspective (2001-2006) for the financing of the programme of assistance for the Western Balkans and the reclassification of aid to Cyprus and Malta. **CONTENT** : this communication contains the Commission's proposal for the revision of the financial perspective, in conjunction with the programme of assistance for the reconstruction, development and stabilisation of the Western Balkans and a new programme for heading 4 set out in separate documents. Firstly, it is worth noting that the new factors have to be taken into account since the conclusion of the interinstitutional agreement (IIA) of 6 May 1999. For instance, the financial perspective agreed by the institutions after the Berlin European Council in March 1999 does not allow for the possible impact on the Community budget of the events occurring at the time in the Balkans. Furthermore, the budgetary authority decided on 16 December 1999 to draw EUR 200 million from the flexibility instrument to provide additional funding required in 2000 for aid for the reconstruction of Kosovo. At that time, the Commission confirmed that it would propose at a later date a programme of assistance for the period 2000-06 for the Western Balkans, including Kosovo, the amount of which would require it to present a proposal for the revision of the financial perspective, accompanied by a programming of expenditure for heading 4. As regards the development of the enlargement process, the financial perspective agreed in the IIA contains a heading 7 covering pre-accession aid for the 10 applicant countries from Central and Eastern Europe. In line with the conclusions of the December 1999 Helsinki European Council for the development of the enlargement process, the Council recently adopted, on a proposal by the Commission a new regulation concerning aid for Cyprus and Malta, which currently comes under cooperation with non-member Mediterranean countries covered by heading 4 of the financial perspective, to make it pre-accession aid instead. For the sake of consistency in the presentation of the financial framework, it would therefore be logical for the allocations earmarked for this instrument of pre-accession aid to the two applicant countries concerned to be included under the corresponding heading of the financial perspective. Parliament asked for this reclassification during the debate on the 2000 budget. In addition, the purpose of this reclassification, under heading 7 of the financial perspective, is to identify it as the status it will have when the new legal base is renewed. ?

Financial perspective, revision 2001-2006: mobilisation of the flexibility instrument for Serbia

PURPOSE : mobilisation of the flexibility instrument with a view to extending to Serbia the CARDS programme of assistance for reconstruction. **CONTENT** : following the conclusions of the budgetary conciliation meeting on 23 November 2000 and in light of the recent developments in Serbia, it has been decided that Serbia should qualify for the programme of assistance for reconstruction, development and stabilisation mounted for the entire Western Balkans. Serbia has, up until now, been excluded from this programme. The aid initially

earmarked for Serbia in the preliminary draft budget presented by the Commission for 2001 totalling EUR 40 million was designed to assist the democratic forces in the country and the towns administered by the opposition. This aid must be extended to cover the financing of reconstruction work. This amount must be raised to EUR 240 million for that year. After examining the allocations for all the actions covered by heading 4 of the financial perspective, the two arms of the budgetary authority agreed that this additional expenditure cannot be financed in 2001 within the limits of the ceiling set for this heading. Therefore, the flexibility instrument shall be used to provide EUR 200 million for the 2001 budget. This amount shall be used to finance reconstruction work in Serbia within Chapter B7-54 of the 2001 budget.?

Financial perspective, revision 2001-2006: mobilisation of the flexibility instrument for Serbia

The committee adopted the report by Joan COLOM I NAVAL (PES, E) approving the proposal on mobilisation of the flexibility instrument provided for in the Interinstitutional Agreement, involving a total of EUR 200m to finance reconstruction work in Serbia for the financial year 2001 which could not be financed within the limits of the ceiling set for external action under the financial perspective. The committee nevertheless stressed that the fact that the flexibility instrument had been used for two years running (the 2000 and 2001 budgetary procedures) was tending to distort the original nature of that instrument. It pointed out that most of the revisions to previous financial perspectives had been carried out to meet multiannual requirements, and that the requirements emerging in 1999 and 2000 for this particular instance would continue to exist in subsequent years and at all events in 2002. The rapporteur was therefore critical of the Council's reluctance to revise the ceiling for external action under the financial perspective.?

Financial perspective, revision 2001-2006: mobilisation of the flexibility instrument for Serbia

The European Parliament adopted the report drafted by Mr Joan COLOM I NAVAL (PES, E) which aims to approve the decision to use the 'flexibility reserve' to provide a total support of EUR 200 million for aid to Serbia in 2001. The resolution points out that priorities supported under this system in 1999 and the year 2000 will continue to exist in the future. ?

Financial perspective, revision 2001-2006: mobilisation of the flexibility instrument for Serbia

On 8 December 2000 the Council agreed on the text of a Decision of the European Parliament and of the Council on the mobilisation of the flexibility instrument under the 2001 budget amounting to EUR 200 million. Those funds will be applied to the financing of reconstruction work in Serbia (Chapter B7-54 of the 2001 budget). The Council Decision was to be taken before the formal vote on the budget by the European Parliament, which was planned for Thursday 14 December 2000. It follows up the conclusions of the conciliation meeting between the Council and a European Parliament delegation, with the Commission also taking part, on 23 November 2000, when the Council gave the 2001 budget its second reading. ?