

# Procedure file

Basic information		
ACI - Interinstitutional agreement procedure	<a href="#">2002/0157(ACI)</a>	Procedure completed
	Budgetary discipline: flexibility instrument, conversion of the Spanish and Portuguese fleets	
Subject		
3.15.06 Fishing industry and statistics, fishery products		
8.70.70 Flexibility instrument		
Geographical area		
Morocco		
Portugal		
Spain		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>BUDG</b> Budgets		12/09/2002
		PSE <a href="#">COLOM I NAVAL Joan</a>	
Council of the European Union European Commission	Committee for opinion	Rapporteur for opinion	Appointed
	<b>PECH</b> Fisheries	The committee decided not to give an opinion.	
	Commission DG <a href="#">Budget</a>	Commissioner	

Key events			
10/07/2002	Non-legislative basic document published	<a href="#">COM(2002)0399</a>	Summary
10/07/2002	Committee referral announced in Parliament		
09/12/2002	Vote in committee		Summary
09/12/2002	Committee report tabled for plenary	<a href="#">A5-0445/2002</a>	
19/12/2002	Decision by Parliament	<a href="#">T5-0623/2002</a>	Summary
19/12/2002	End of procedure in Parliament		
28/02/2003	Final act published in Official Journal		

Technical information	
Procedure reference	2002/0157(ACI)

Procedure type	ACI - Interinstitutional agreement procedure
Procedure subtype	Mobilisation of funds
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/5/16570

#### Documentation gateway

Non-legislative basic document	<a href="#">COM(2002)0399</a> OJ C 020 28.01.2003, p. 0063 E	10/07/2002	EC	Summary
Committee report tabled for plenary, single reading	<a href="#">A5-0445/2002</a>	09/12/2002	EP	
Text adopted by Parliament, single reading	<a href="#">T5-0623/2002</a> OJ C 031 05.02.2004, p. 0184-0230 E	19/12/2002	EP	Summary

#### Final act

[Decision 2003/133](#)  
[OJ L 053 28.02.2003, p. 0043-0045](#) Summary

## Budgetary discipline: flexibility instrument, conversion of the Spanish and Portuguese fleets

**PURPOSE :** to mobilise the flexibility instrument envisaged by the inter-institutional agreement of May 6, 1999 in order to finance, in 2003, measures in the field of fishing. **CONTENT :** the fisheries agreement between the European Union and the Kingdom of Morocco has not been renewed, and as a result the fishing fleets covered by the agreement have been forced to stop their operations. Following the Commission's proposal, the Council adopted at the end of 2001 a programme for actions aiming to supplement the actions carried out in the context of the interventions of the Structural Funds in the Member States affected by the non-renewal of the fisheries agreement with Morocco. This action therefore falls under heading 2 "structural measures", sub-heading "Structural Funds" of the financial perspectives. This action amounts to 197 million Euro, of which 170 million have already been entered in the 2002 budget (budget line B2-200) and were financed by the mobilisation of the flexibility instrument. A joint statement by Parliament, Council and the Commission of 21 November 2001 stipulates that the 27 remaining million will be entered in the 2003 budget. On 28 May 2002, the Commission proposed an ambitious reform programme for the European fisheries policy to safeguard the future of this sector. This reform of the fisheries policy will have important financial consequences since the cost of the scrapping of the vessels was estimated at 712 million Euro. Given the financial resources that Member States had already programmed under the FIFG for the scrapping of vessels and if the amounts initially planned for export or mixed companies are reprogrammed, the Commission evaluates the additional amount necessary to carry out the scrapping of vessels at 272 million Euro over the period 2003-2006. The proposal involves therefore a broad operation of reprogramming of means available within the framework of the Structural Funds, which Member States will be invited to carry out within the framework of the midterm review in 2004. Thus, Member States should be able to re-deploy 240 of the 272 million Euro intended for the demolition of the vessels. In the light of the timetable for the mid-term review of the Structural Funds, which will not take place until 2004, an additional amount of 32 million Euro is necessary in 2003 to start the reform of the fisheries policy. These 32 million Euro will be used to provide additional incentives to the owners of vessels to initiate without delay the decommissioning of overcapacity of the fleets. In accordance with the inter-institutional agreement of 6 May 1999 on budgetary discipline and the improvement of the budgetary procedure, the commitments relating to the structural measures do not leave any margin available under the ceiling of heading 2 of the financial perspectives. The 27 million Euro for the Spanish and Portuguese fleets affected by the nonrenewal of the agreement with Morocco and the 32 million Euro for the supplementary measure for demolition will have therefore to be financed beyond the ceiling of the heading 2 of the financial perspectives. In addition, the PDB 2003 mentioned the difficulties encountered in 2003 in the field of administrative expenditure to finance the necessary preparations to the enlargement so that all the European institutions are able to ensure as from 1 January 2004 the functioning of an enlarged European Union of 25 Member States and the application of the 'acquis communautaire'. This expenditures had not been envisaged in Berlin at the time of the discussions on the financial perspectives 2000-2006. The inter-institutional Agreement envisages in its point 24 the mobilisation of the flexibility instrument to "allow financing, for a given financial year and up to the amount indicated (the annual ceiling amounting to 200 million Euro), of clearly identified expenditure which could not be financed within the limits of the ceilings available for one or more other headings". Although the inter-institutional Agreement also stipulates that "the flexibility instrument should not, as a rule, be used to cover the same needs two years running", it is recommended nevertheless to make an exception for the residual 27 million Euro for the Spanish and Portuguese fishing fleets, since its financing in 2003 was agreed via joint statement in November 2001 and should be continued under heading 2 as initiated in 2002.?

## Budgetary discipline: flexibility instrument, conversion of the Spanish and Portuguese fleets

The committee adopted the report by Joan COLOM I NAVAL (PES, E) approving the decision to mobilise the flexibility instrument to help pay for the remaining EUR 27m for the fleet restructuring programme under the 2003 budget (EUR 170m of the total programme funding of EUR 197m had already been provided by mobilising the flexibility instrument under the 2002 budget). The report welcomed the Commission's efforts to find part of the funding by means of a transfer of funds not spent under the 2002 budget to Heading 2 (EUR 14 991 760). The committee said that, in this case, it could accept the departure from the general principle that the flexibility instrument should not be used to cover the same needs two years running and therefore approved the decision to mobilise the flexibility instrument for the 2003 budgetary year.

to provide the sum of EUR 12 008 240 which, combined with the abovementioned transfer, would enable EUR 27m to be entered in the 2003 budget for the conversion of the Spanish and Portuguese fishing fleets. ?

## Budgetary discipline: flexibility instrument, conversion of the Spanish and Portuguese fleets

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PURPOSE : to use the flexibility instrument in order to fund the conversion of the Spanish and Portuguese fleets. COMMUNITY MEASURE : Decision 2003/133/EC of the European Parliament and of the Council on the mobilisation of the flexibility instrument according to point 24 of the Interinstitutional Agreement of 6 May 1999. CONTENT : Following the non-renewal of the fisheries agreement between the EU and Morocco, a specific action for the conversion of the Spanish and Portuguese fleets was decided for an amount of EUR 197 million. The flexibility instrument is required to provide the sum of EUR 12 008 240, since this amount is beyond the ceiling of heading 2 for 2003. This Regulation provides that: - for the 2003 budget, the flexibility instrument will be used to provide the sum of EUR 12 008 240 in commitment appropriations; - this amount will finance the targeted measure for the promotion of the conversion of vessels and of fishermen who were, until 1999, dependent on the fisheries agreement with Morocco, covered by the 'structural measures' heading of the financial perspectives, under line B2-2 0 0 of the 2003 budget. ?

## Budgetary discipline: flexibility instrument, conversion of the Spanish and Portuguese fleets

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The European Parliament adopted a resolution based on the report by Joan COLOM I NAVAL (PES, Spain) and approved the decision to mobilise the flexibility instrument. (Please refer to the document dated 09/12/02).?