

Procedure file

Basic information		
BUD - Budgetary procedure	2003/2031(BUD)	Procedure completed
Amending budget 3/2003: section III Commission		
Subject 8.70.60 Previous annual budgets		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	BUDG Budgets	PSE FÄRM Göran	10/12/2001
Council of the European Union European Commission	Commission DG Budget	Commissioner	

Key events			
26/02/2003	Commission preliminary draft budget published	SEC(2003)0230	Summary
08/04/2003	Council draft budget published	08125/2003	Summary
15/05/2003	Committee referral announced in Parliament		
21/05/2003	Vote in committee		Summary
21/05/2003	Budgetary report tabled for plenary	A5-0173/2003	
19/06/2003	Decision by Parliament	T5-0288/2003	Summary
01/07/2003	End of procedure in Parliament		
22/09/2003	Draft budget approved by Council		
29/10/2003	Final act published in Official Journal		

Technical information	
Procedure reference	2003/2031(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Budget
Legal basis	Euratom Treaty A 177; EC Treaty (after Amsterdam) EC 272

Stage reached in procedure	Procedure completed
Committee dossier	BUDG/5/19273

Documentation gateway					
Commission preliminary draft budget		SEC(2003)0230	26/02/2003	EC	Summary
Council draft budget		08125/2003	08/04/2003	CSL	Summary
Budgetary report tabled for plenary, 1st reading		A5-0173/2003	21/05/2003	EP	
Budgetary text adopted by Parliament		T5-0287/2003	19/06/2003	EP	
Parliament's opinion on budgetary estimates/guidelines		T5-0288/2003	19/06/2003	EP	Summary

Final act	
Budget 2003/754 OJ L 279 29.10.2003, p. 0001-0010	Summary

Amending budget 3/2003: section III Commission

PURPOSE : to present the preliminary draft amending budget No 1 to the budget for 2003. **CONTENT** : the present Preliminary Draft Amending Budget No 1 for the year 2003 covers three elements: 1) the provision of supplementary appropriations for the scrapping of fishing vessels, under Heading 2 of the Financial Perspective, in the framework of the reform of the Common Fisheries Policy (CFP); 2) the creation of a new budget line of and under Heading 3 of the Financial Perspective, with a token entry of (p.m) for the actions of information and communication related to the role of the European Union in the world; 3) the modification of the title and remarks of the post A-3014 so as to align it with comparable actions under budget lines in the same chapter and to facilitate its implementation. Concerning the first element, on 28 May 2002 the Commission proposed a major review of the CFP aiming at a fishing fleet whose capacity is in line with available resources. These proposals included an emergency Community measure designed to provide additional incentives for scrapping fishing vessels in order to urgently address over-capacity in fisheries. The reform of the CFP was adopted in the Agriculture and Fisheries Council meeting of 16-20 December 2002. A major part of the emergency measure will be financed through re-programming the Structural Funds for the years 2004-2006, but extra funding is needed in 2003 in order to initiate the reform. The additional funding needed for 2003 is EUR 32 million in commitment appropriations and EUR 10 million in payment appropriations. As the measure concerned by this proposal is eligible under the Financial Instrument for Fisheries Guidance (FIFG) and anticipates a major re-shuffle of the FIFG programme, it has to be financed under Heading 2 of the Financial Perspective. There is no margin left under the ceiling of Heading 2 in the 2003 budget and no possibility to reallocate appropriations. Thus, the Commission is referring to its proposal to use the flexibility instrument, as foreseen in point 24 of the Interinstitutional Agreement, to allow financing the measure under budget line B2-201 "Supplementary Community Measure for Scrapping Fishing Vessels". This line was created in the budget 2003, in the chapter "other specific structural operations", with a token entry (p.m). The additional payment appropriations of EUR 10 million can be financed by an increase of surplus available from the financial year 2002, deriving from the under-implementation of expenditure, in particular in the field of structural funds. The call for own resources remains unchanged. As for the second element, it is based on the Commission's communication on the "information and Communication Strategy of the European Union" of 2 July 2002, which proposal the "role of the European Union in the world" as a priority theme for the coming years. The Inter-Institutional Working Group on the Information Policy approved this approach in its meeting of 24 September 2002. However no budgetary translation of this was achieved during the procedure leading to the adoption of the budget 2003. Lastly, the third element, under Heading 5 of the Financial Perspective, relates to a line of chapter A-30 (subsidies) whose beneficiary is not clearly indicated in the title, contrary to similar actions in the same chapter.?

Amending budget 3/2003: section III Commission

The Council has established the draft amending budget No 1 for the financial year 2003 by adopting the Commission proposal concerning the new item B3-3065 relating to the PRINCE programme (Role of the European Union in the World) and the new heading for item A-3014 (European inter-university Centre - previously known as European master's courses in human rights and democratisation). However, the Council was not able to accept the EUR 32 million in commitment appropriations and the EUR 10 million in payment appropriations proposed for the scrapping of fishing vessels. It considered the proposal premature, as Member States' requests were not yet known. In addition, the view of the Council was that the financing of these measures in 2003 should be primarily through deployment. Under draft amending budget No 1 for the financial year 2003, overall expenditure remains unchanged, that is EUR 1 732 000 in commitment appropriations and EUR 1 732 000 in payment appropriations for budget line A-3014 and a token entry (p.m.) for budget heading B3-3065.?

Amending budget 3/2003: section III Commission

The committee adopted the report by Göran FÄRM (PES, S) on Draft Amending Budget No. 1/2003 for the 2003 financial year. As regards the

creation of a new budget line for an information campaign on "the role of Europe in the world" within the Prince programme, the committee noted that Parliament was in favour of the general idea of the proposal. However, it said that the most appropriate way to proceed, in order to ensure Parliament's involvement in the shaping of the political guidelines necessary for such a campaign, was for the Commission to make the appropriate proposals in the budget procedure for 2004 rather than introducing the campaign prematurely through an Amending Budget for 2003. On the question of financing the supplementary measure for scrapping fishing vessels, the report noted that there was currently no agreement within the Council and that consequently the Council had not retained this part of the proposal. The committee urged the Council to indicate how the reform of the fisheries sector would be financed and said that it was ready to study proposals on this matter, including "the use of the means foreseen in the IIA of 6 May 1999". Lastly, MEPs agreed with the proposal to change the title and remarks of budget line A-3014 (European master's courses in human rights and democratisation) so as to harmonise it with other beneficiaries under that chapter. ?

Amending budget 3/2003: section III Commission

The European Parliament adopted a resolution drafted by Goran FARM (PES, Sweden) on the Draft Amending Budget No 1/2003. (Please refer to the document dated 21/05/03.)?

Amending budget 3/2003: section III Commission

PURPOSE : final adoption of amending budget 3/2003 (former 1/2003). COMMUNITY MEASURE : 2003/754/EC, Euratom. CONTENT : given that the Council decided not to modify the Parliament's amendment discussed at the meeting on 22 September 2003 (deletion of the budget line aiming to finance the PRINCE Programme), the European Parliament decided to adopt the amending budget 3/2003 of the European Union in accordance with its resolution dated 19 June 2003 (please refer to the summary of the resolution). This budget aims in particular to amend the post A-3014 of the Commission's budget (Part A - administrative appropriations, financing of the European inter-university Centre) and does not imply any additional expenditure. It should be noted that amending budget 3/2003 was referred to as amending budget 1/2003 when it was presented as the preliminary draft amending budget and the draft budget from the Council.?