


Procedure file

Basic information	
ACI - Interinstitutional agreement procedure	2008/2321(ACI)
Mobilisation of the Flexibility Instrument: facility for a rapid response to soaring food prices in developing countries	
Subject	
6.30 Development cooperation	
6.50 Emergency, food, humanitarian aid, aid to refugees, Emergency Aid Reserve	
8.70.60 Previous annual budgets	
8.70.70 Flexibility instrument	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	BUDG Budgets		20/09/2004
	Committee for opinion	PPE-DE BÖGE Reimer	
	DEVE Development	Rapporteur for opinion	Appointed
		The committee decided not to give an opinion.	
Council of the European Union	Council configuration	Meeting	Date
	General Affairs	2914	08/12/2008
European Commission	Commission DG	Commissioner	
	Budget	GRYBAUSKAITĖ Dalia	

Key events			
01/12/2008	Non-legislative basic document published	COM(2008)0833	Summary
02/12/2008	Vote in committee		Summary
09/12/2008	Committee report tabled for plenary	A6-0493/2008	
15/12/2008	Committee referral announced in Parliament		
18/12/2008	Results of vote in Parliament		
18/12/2008	Decision by Parliament	T6-0620/2008	Summary
18/12/2008	End of procedure in Parliament		
23/01/2009	Final act published in Official Journal		

Technical information	
Procedure reference	2008/2321(ACI)
Procedure type	ACI - Interinstitutional agreement procedure
Procedure subtype	Mobilisation of funds
Stage reached in procedure	Procedure completed

Documentation gateway

Non-legislative basic document		COM(2008)0833	02/12/2008	EC	Summary
Committee report tabled for plenary, single reading		A6-0493/2008	10/12/2008	EP	
Text adopted by Parliament, single reading		T6-0620/2008	18/12/2008	EP	Summary

Final act

[Decision 2009/45](#)
[OJ L 019 23.01.2009, p. 0049](#) Summary

Mobilisation of the Flexibility Instrument: facility for a rapid response to soaring food prices in developing countries

PURPOSE: to mobilise the Flexibility Instrument to finance the facility for a rapid response to soaring food prices in developing countries.

PROPOSED ACT: Decision of the European Parliament and of the Council.

CONTENT: the Interinstitutional Agreement of 17 May 2006 (see [ACI/2004/2099](#)) allows for the mobilisation of the Flexibility Instrument to allow the financing of clearly identified expenditure which could not be financed within the limits of the ceilings available for one or more headings of the multiannual financial framework.

For budget 2009, additional expenditure, beyond the ceilings of heading 4 is required. It is therefore proposed to mobilise the Flexibility Instrument in accordance with point 27 of the Interinstitutional Agreement.

The amount of EUR 420 million is to be mobilised to finance the facility for a rapid response to soaring food prices in developing countries (see [COD/2008/0149](#)).

Mobilisation of the Flexibility Instrument: facility for a rapid response to soaring food prices in developing countries

The Committee on Budgets adopted the report drafted by Reimer BÖGE (EPP-ED, DE) approving the proposal for a decision to mobilise the Flexibility Instrument to finance a new [facility](#) for rapid response to soaring food prices in developing countries.

To recall, this facility was initially envisaged to be financed from the margin of heading 2 of the Multiannual Financial Framework (MFF), however, this approach was rejected both by the European Parliament and the Council.

At the conciliation meeting of 21 November 2008 (see the amended draft budget [BUD/2008/2026](#)), the two branches of the budgetary authority finally agreed to finance the "Food Facility" through an optimal combination of the Instrument of Flexibility, the Emergency Aid Reserve and redeployment within heading 4 from the Instrument for Stability. The Flexibility Instrument should be mobilised for an amount of EUR 420 million in 2009.

In parallel, MEPs regret the near systematic mobilisation of this instrument to finance additional needs in heading 4 of the financial perspectives (twice in three years of the implementation of the IIA). This shows that there is a persistent problem of the funds available under the ceilings of certain headings in the MFF being insufficient, notably in heading 4.

Although MEPs welcome the agreement on the use of the Flexibility Instrument in favour of the "Food Facility", they reiterate their concerns about the fact that heading 4 has been under permanent pressure due to its limited available margin, which necessitates repeated mobilisation of flexibility mechanisms under this heading in order to respond to urgent unforeseen situations. They call for a thorough evaluation of the necessity to increase the amounts available under this heading in order to allow for the smooth development of long-term programmable activities in this area and secure the Union's capacity to fully play its role as a global actor in the international sphere.

MEPs decide to approve the decision annexed to this resolution aiming to mobilise the Flexibility Instrument for EUR 420 million in 2009 to finance the Food Facility.

Mobilisation of the Flexibility Instrument: facility for a rapid response to soaring food prices in developing countries

PURPOSE: to mobilise the Flexibility Instrument to finance a new facility for rapid response to soaring food prices in developing countries.

LEGISLATIVE ACT: Decision 2009/45/EC of the European Parliament and of the Council on mobilisation of the Flexibility Instrument in accordance with point 27 of the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management.

CONTENT: in accordance with the budgetary conciliation of 21 November 2008 between the two arms of the budgetary authority (see summary of draft amended budget [BUD/2008/2026](#)) and, in particular, with the Parliament's desire to not spend the margins available under heading 2 of the financial perspective, the Parliament and the Council decided, by virtue of this Decision, to mobilise the Flexibility Instrument to complement the financing in the 2009 budget, beyond the ceilings of heading 4, of EUR 420 million towards the financing of the [facility](#) for a rapid response to soaring food prices in developing countries.

Mobilisation of the Flexibility Instrument: facility for a rapid response to soaring food prices in developing countries

The European Parliament adopted, by 540 votes to 16 with 13 abstentions, a resolution approving the proposal for a decision to mobilise the Flexibility Instrument to finance a new [facility](#) for rapid response to soaring food prices in developing countries.

The report had been tabled for consideration in plenary by Reimer BÖGE (EPP-ED, DE) on behalf of the Committee on Budgets.

To recall, this facility was initially envisaged to be financed from the margin of heading 2 of the Multiannual Financial Framework (MFF), however, this approach was rejected both by the European Parliament and the Council.

At the conciliation meeting of 21 November 2008 (see the amended draft budget [BUD/2008/2026](#)), the two branches of the budgetary authority finally agreed to finance the "Food Facility" through an optimal combination of the Instrument of Flexibility, the Emergency Aid Reserve and redeployment within heading 4 from the Instrument for Stability. The Flexibility Instrument should be mobilised for an amount of EUR 420 million in 2009.

In parallel, MEPs regret the near systematic mobilisation of this instrument to finance additional needs in heading 4 of the financial perspectives (twice in three years of the implementation of the IIA). This shows that there is a persistent problem of the funds available under the ceilings of certain headings in the MFF being insufficient, notably in heading 4. This shows that the insistence of the European Parliament on having this kind of instrument with such characteristics as it has - notably the possibility of "carry over" of non-utilised funds - in the IIA was well founded, despite the resistance of several Member States.

Parliament therefore welcomes the agreement reached during the conciliation on the use of the Flexibility Instrument in favour of the "Food Facility" for a total amount of EUR 420 million for the budget 2009. However, Parliament does stress its concerns about the fact that heading 4 has been under permanent pressure due to its limited available margin, which necessitates repeated mobilisation of flexibility mechanisms under this heading in order to respond to urgent unforeseen situations. It calls for a thorough evaluation of the necessity to increase the amounts available under this heading in order to allow for the smooth development of long-term programmable activities in this area and secure the Union's capacity to fully play its role as a global actor in the international sphere.