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*Plenary sitting*

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**A8-0287/2016**

Part 1

13.10.2016

# REPORT

on the Council position on the draft general budget of the European Union for the financial year 2017  
(11900/2016 – C8-0373/2016 – 2016/2047(BUD))

Part 1: Motion for a resolution

Committee on Budgets

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- Decisions taken by the Committee on Budgets at its meetings of 28/29 September 2016 on the draft amendments to the draft general budget.....

Part 2 – A8-0287/2016

## MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

**on the Council position on the draft general budget of the European Union for the financial year 2017 (11900/2016 – C8-0373/2016 – 2016/2047(BUD))**

*The European Parliament,*

- having regard to Article 314 of the Treaty on the Functioning of the European Union,
- having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,
- having regard to Council Decision 2007/436/EC, Euratom of 7 June 2007 on the system of the European Communities' own resources<sup>1</sup>,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>,
- having regard to Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020<sup>3</sup> (the "MFF Regulation"),
- having regard to the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management<sup>4</sup> (IIA),
- having regard to the Communication from the Commission to the European Parliament and the Council on the Mid-term review/revision of the multiannual financial framework 2014-2020 (COM(2016)0603),
- having regard to its resolution of 9 March 2016 on general guidelines for the preparation of the 2017 budget, Section III - Commission<sup>5</sup>,
- having regard to its resolution of 14 April 2016 on Parliament's estimates of revenue and expenditure for the financial year 2017<sup>6</sup>,
- having regard to its resolution of 6 July 2016 on "Preparation of the post-electoral revision of the MFF 2014-2020: Parliament's input ahead of the Commission's proposal"<sup>7</sup>,
- having regard to the draft general budget of the European Union for the financial year 2017, which the Commission adopted on 18 July 2016 (COM(2016)0300),

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<sup>1</sup> OJ L 163, 23.6.2007, p. 17.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> OJ L 347, 20.12.2013, p. 884.

<sup>4</sup> OJ C 373, 20.12.2013, p. 1.

<sup>5</sup> Texts adopted, P8\_TA(2016)0080.

<sup>6</sup> Texts adopted, P8\_TA(2016)0132.

<sup>7</sup> Texts adopted, P8\_TA(2016)0309.

- having regard to the position on the draft general budget of the European Union for the financial year 2017, which the Council adopted on 12 September 2016 and forwarded to Parliament on 14 September 2016 (11900/2016 – C8-0373/2016),
  - having regard to Rule 88 of its Rules of Procedure,
  - having regard to the report of the Committee on Budgets and the opinions of the other committees concerned (A8-0287/2016),
- A. whereas in a situation of scarce resources, greater importance should be attached to the need to observe budgetary discipline and to use funds efficiently and effectively;
- B. whereas the dialogue between Parliament and the Commission provided for in Article 318 TFEU should stimulate a performance-oriented culture within the Commission, including increased transparency and enhanced accountability;

### ***Section III***

#### *General overview*

1. Stresses that budget 2017 has to be considered in the wider context of the mid-term revision of the multiannual financial framework (MFF); stresses the need to ensure a balance between long-term priorities and new challenges and underlines therefore that budget 2017 has to be in line with the EU2020 targets, which represent its main orientation and overarching priority;
2. Reiterates its firm conviction that, in the particular current context, initiatives such as the suspension of the ESI funds by the European Commission, as provided for by Article 23(15) of Regulation (EU) No 1303/2013 (Common Provisions Regulation - CPR)<sup>8</sup>, are not only unfair and disproportionate, but also politically unsustainable;
3. Stresses that Parliament's reading of the 2017 budget fully reflects the political priorities adopted by an overwhelming majority in its abovementioned resolution of 9 March 2016 on general guidelines and its resolution of 6 July 2016 on the “Preparation of the post-electoral revision of the MFF 2014-2020: Parliament’s input ahead of the Commission’s proposal”;
4. Emphasises that peace and stability are core values that need to be maintained by the Union; considers that the Good Friday Agreement, which has proven vital to peace and reconciliation in Northern Ireland, must be protected; underlines the need for specific measures to ensure support for the regions which will be particularly affected in the case of a negotiated exit from the Union following the invocation by the United Kingdom of Article 50 of the Treaty of Lisbon, in accordance with the expressed will of its citizens;
5. Highlights that the Union is currently facing a number of serious emergencies and new challenges, which could not be foreseen at the time that the MFF 2014-2020 was set-up; is convinced that increased financial resources need to be deployed from the Union budget, in order to meet the political challenges and allow the Union to deliver answers and effectively respond to those crises as a matter of utmost urgency and priority; considers that a strong political commitment is needed to secure fresh appropriations in 2017 and until the end of the programming period for this purpose;
6. Stresses the need for the 2017 budget to meet the needs of the migration challenge and slow economic growth following the economic crisis; notes that funding should be boosted for research and infrastructure projects as well as for fighting youth unemployment;
7. Recalls that whilst Parliament has immediately approved the additional financing needed for tackling the current refugee and migratory challenges while continuing with

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<sup>8</sup> Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (OJ L 347, 20.12.2013, p. 320).

the support of sustainable development goals, it has always insisted that this challenge should not take precedence over other important Union policies, in particular the creation of decent and quality employment and the development of enterprises and entrepreneurship for smart, sustainable and inclusive growth; notes that the Heading 3 ceiling is vastly insufficient to provide for appropriate funding for the internal dimension of the current refugee and migratory challenges and insists on the need for adopting a comprehensive and human rights-based approach linking migration with development and guaranteeing the integration of migrant workers and asylum seekers and refugees as well as priority programmes, such as culture programmes; stresses that, in order to ensure the necessary additional funding in this field, an unprecedented resource to the MFF special instruments, including the full use of the Flexibility Instrument, as well as the substantial mobilisation of the "last resort" Contingency Margin, was proposed by the Commission in the Draft Budget 2017 (DB), and accepted by the Council;

8. Reiterates its position that requests for additional funding needed for addressing the current refugee and migratory challenge should not be deployed to the detriment of the Union's existing external action, including its development policy; repeats that the setting-up of the Facility for Refugees in Turkey (FRT), Trust Funds, and any other ad-hoc instruments cannot be financed by cuts to other existing instruments; is concerned that the establishment of ad-hoc instruments outside the Union budget could threaten the unity of the budget and circumvent the budgetary procedure, that requires the involvement and scrutiny of the European Parliament; strongly questions whether the Heading 4 ceiling (Global Europe) is sufficient to provide a sustainable and effective response to the current external challenges, including the current refugee and migratory challenges;
9. Reiterates its conviction that the Union budget should find ways of financing new initiatives which are not to the detriment of existing Union programmes and policies and calls for the identification of sustainable means to finance new initiatives; is concerned that the Preparatory Action for defence research, which will amount to EUR 80 million in the next three years will be squeezed under the current budget of the MFF; is convinced that with an already underfinanced Union budget, additional efforts for operations, administrative costs, preparatory actions and pilot projects in relation to the common security and defence policy also need additional financial means by the Member States; considers that the current MFF mid-term review/revision should be used by the Member States in that respect; underlines the need to clarify the long-term funding of common defence research;
10. Recalls that the Union ratified the COP 21 agreement and needs to dedicate part of its financial resources to respect its international commitments; notes that, according to the Statement of Estimates for the financial year 2017, the budget is expected to allocate 19,2 % of expenditure to this aim; strongly encourages the Commission to pursue this track so to apply the 20 % target, in line with the Commission's commitment to mainstream climate action in the current MFF;
11. Restores all cuts proposed by the Council to the DB; fails to understand the reasoning behind the proposed cuts and contests Council's declared intention to recreate artificial margins in some headings such as subheading 1a (Competitiveness for Growth and

Jobs) and Heading 4 (Global Europe), particularly considering that margins would in any way be too small to react to unforeseen circumstances or crises;

12. Notes that the Council's reading failed to predict the actual execution of the Union budget for the last five years and that, taking all amending budgets into account, considerably more funds were needed in each of the final budgets; therefore calls on the Council to adjust its position in the conciliation committee in order to provide adequate funding for the 2017 budget immediately from the beginning;
13. Announces that, for the purpose of adequately financing those pressing needs, and considering the very tight MFF margins in 2017, Parliament will finance the reinforcements above the DB by the exhaustion of all margins available and an increased recourse to the Contingency Margin;
14. Compensates in full all cuts related to the European Fund for Strategic Investments (EFSI) in the Connecting Europe Facility (CEF) and Horizon 2020 for a total of EUR 1 240 million in commitments for 2017 via new appropriations to be obtained through the mid-term revision of the MFF; insists on the need to provide an effective response to youth unemployment across the Union; therefore increases the Youth Employment Initiative by an additional EUR 1 500 million in commitment appropriations to enable its continuation; considers that the appropriate additional financing for these important Union programmes should be decided in the framework of the mid-term revision of the MFF;
15. Expects that the Council will share this approach and that an agreement will easily be reached in conciliation, allowing the Union to rise to the occasion and effectively respond to the challenges ahead;
16. Sets the overall level of appropriations for 2017 at EUR 161,8 billion and EUR 136,8 billion in commitment and payment appropriations respectively;

#### *Subheading 1a – Competitiveness for growth and jobs*

17. Notes that subheading 1a is once again severely affected by the Council's reading with 52 % of the overall Council cuts in commitments falling within this heading; questions therefore how the Council's political priority on jobs and growth is reflected in this reading;
18. Strongly disagrees with these cuts in a heading that symbolises the European added value and delivers more growth and jobs for citizens; consequently decides to restore all cuts made by the Council;
19. Delivering on the commitment taken in June 2015 to minimise to the maximum the budgetary impact of the creation of the EFSI on Horizon 2020 and CEF in the framework of the annual budgetary procedure, decides to fully restore the original pre-EFSI profile of the Horizon 2020 and CEF lines that were cut for the provisioning of the EFSI Guarantee Fund; stresses the importance of the Union's biggest research and innovation programme, Horizon 2020, which transforms great ideas into products and services, thus stimulating growth and jobs; demands the corresponding additional commitments appropriations of EUR 1,24 billion above DB; expects an overall



agreement on this pressing matter to be reached in the framework of the mid-term revision of the MFF; points out that EFSI should be improved in order to be fully efficient and effective by ensuring that the additionality principle is respected, by improving the geographical and sectorial balances and by improving the transparency in the decision-making process;

20. In line with its continued priorities for Jobs and Growth and after careful assessment of their absorption capacity so far, decides to propose some selective increases above the level of the DB for the COSME, Progress, Marie Curie, European Research Council, Eures and Erasmus+ programmes; notes that such increases can be financed within the available margin of this subheading;
21. As a result, increases the level of commitment appropriations for Heading 1a above the DB by EUR 69,367 million (excluding EFSI, pilot projects and preparatory actions);

*Subheading 1b – Economic, social and territorial cohesion*

22. Underlines that around one third of the annual Union budget is targeted at economic, social and territorial cohesion; underlines that cohesion policy is the Union's main investment policy and a tool for reducing disparities between all EU regions, and that it plays an important role in the delivery of the Europe 2020 strategy for smart, sustainable and inclusive growth;
23. Disapproves of Council's proposed cuts of EUR 3 million in commitments and, more importantly, EUR 199 million in payments under subheading 1b, including on support lines; calls on the Council to explain how these cuts are compatible with its objective of providing "necessary appropriations enabling the smooth implementation of the new programmes in the fourth year of the multiannual financial framework 2014-2020"; recalls that the level of payments proposed by the Commission under this heading is already 23,5 % lower than in the 2016 budget; stresses, in this respect, that any additional cuts in payments cannot be justified or accepted;
24. Calls for an impact evaluation of Union policies based on impact assessment reports in order to determine to what extent they managed, amongst others, to reduce economic disparities, develop competitive and diversified regional economies and boost sustainable growth and jobs;
25. Is alarmed by the significant delays in the implementation of the European Structural and Investment Fund cycle, which is likely to have a serious detrimental effect on the timely achievement of results on the ground but risks also to lead to the reconstitution of a new backlog of unpaid bills in the second half of the current MFF; urges the Member States concerned to promptly designate the remaining managing, paying and certifying authorities and tackle all other causes of delay in the implementation of the programmes; notes the Commission's proposals for more simplification in this field and considers that every effort should urgently be made by Member States to ensure that the programmes reach full swing; calls consequently for more synergies and complementarity between public investment policies by the Member States budgets and the Union budget and those aimed at promoting the growth and sustainable employment creation which is the cornerstone for the Union;

26. Takes note of the Commission's proposal on the establishment of the Structural Reform Support Programme with a financial envelope of EUR 142 800 000 and underlines that this funding should be allocated with a view to strengthening economic, social and territorial cohesion;
27. Regrets that the Commission has not proposed any commitment appropriations for the Youth Employment Initiative (YEI) in 2017 as a result of its frontloading in the years 2014-2015; reiterates its strong support for the continuation of the YEI; decides, as a first step and in line with the Regulation on the European Social Fund<sup>9</sup> which foresees the possibility of such a continuation, to increase the YEI by EUR 1 500 million in commitment appropriations and EUR 500 million in payment appropriations to provide an effective response to youth unemployment, drawing lessons from the results of the Commission's evaluation of the YEI implementation; notes that, in line with Parliament's requests, an overall agreement on the appropriate additional financing of the YEI for the remainder of this programming period should be reached in the context of the upcoming mid-term revision of the MFF; urges the Member States to do their utmost to speed up the implementation of the Initiative on the ground, for the direct benefit of young Europeans;
28. Decides to restore the DB in both commitments and payments for the lines cut by the Council; increases commitment appropriations for subheading 1b by EUR 1 500 million and payment appropriations by EUR 500 million above DB for the Youth Employment Initiative, and by EUR 4 million for commitments and 2 EUR million for payments for the Fund for European Aid to the Most Deprived, thus exceeding the current ceiling for commitments by EUR 1 486 798 635;
29. Underlines that subheading 1b bears the biggest part of the current outstanding commitments (RAL), which stood at EUR 151 119 million at the beginning of September 2016, and risks jeopardizing the implementation of new programmes;
30. Stresses the important contribution of cohesion policy with regard to the effective implementation of gender budgeting; calls on the Commission to support measures to establish appropriate tools in order to achieve gender equality, such as incentive structures using the Structural Funds to encourage gender budgeting at the national level.

## *Heading 2 – Sustainable growth: natural resources*

31. Notes that the Council reduced appropriations in Heading 2 by EUR -179,5 million in commitments and EUR -198 million in payments, on administrative support lines, on operational technical assistance lines (such as the European Maritime and Fisheries Fund and the LIFE programme), on operational lines under the European Agricultural Guarantee Fund (EAGF), which is essential to maintain agriculture in living territories, and on decentralised agencies; notes that the biggest cuts in payments are borne by rural development; considers that the Amending Letter should remain the basis for any reliable revision of EAGF appropriations; restores the DB levels accordingly;

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<sup>9</sup> Regulation (EU) No 1304/2013 of the European Parliament and of the Council of 17 December 2013 on the European Social Fund and repealing Council Regulation (EC) No 1081/2006 (OJ L 347, 20.12.2013, p. 470).

32. Anticipates the presentation of the Amending Letter for the emergency support package in particular for the dairy sector and decides to express its strong support for the agricultural sector in the Union; increases therefore the appropriations by EUR 600 million above the DB, in order to tackle the effects of the dairy sector crisis and the effects of the Russian embargo on the milk sector;
33. Welcomes the allocations for research and innovation related to agriculture under Horizon 2020, to secure sufficient supplies of safe and high quality food and other bio-based products; underlines the need to prioritize projects that involve primary producers;
34. Emphasises that the implementation of the new CFP entails a paradigm shift in fisheries management both for Member States and for fishermen and recalls, in this regard, the difficulties encountered in previous financial years when appropriations were reduced.
35. Regrets, however, against this background and while welcoming the increase of EUR 30,9 million in commitments in the DB for the LIFE programme, that, this year again, the LIFE programme, with a total funding of EUR 493,7 million, constitutes a share of only 0,3 % of the whole DB;
36. Highlights the previous problems entailed by the lack of payment appropriations for the LIFE programme, which impeded and delayed its proper implementation;
37. In line with its EU2020 targets and with its international commitments to tackle the climate change, decides to propose an increase above the level of the DB for the LIFE + programme;
38. Increases therefore commitment appropriations by EUR 619,8 million and payment appropriations by EUR 611,3 million (excluding pilot projects and preparatory actions), leaving a margin of EUR 19,4 million below the ceiling for commitments in Heading 2;

### *Heading 3 – Security and Citizenship*

39. Underlines that Parliament continues to put the current migration challenge at the top of its agenda; welcomes the Commission's proposal for an additional EUR 1,8 billion to tackle the migration challenge in the Union, above what had initially been programmed for 2017; notes that the big deviation of the original programming advocates in favour of an upwards adjustment of the Heading 3 ceilings; stresses that the Commission proposes to finance these reinforcements largely through the mobilisation of the Flexibility Instrument (for EUR 530 million, thereby fully exhausting the funding available for this year) and the Contingency Margin (for EUR 1 160 million); given the unprecedented level of funding for migration-related expenditure (totalling EUR 5,2 billion in 2017 in Headings 3 and 4 and the mobilisation of the European Development Fund) and the proposals for applying flexibility on the table, does not request further reinforcements for migration-related policies; at the same time, will resist any attempts to reduce funding for Union actions in this field;
40. Reiterates that budgetary flexibility has its limits and can only be a short-term solution; is strongly convinced that a forward-looking and brave answer in the face of these long-term refugee and migratory challenges, that involves the entire continent and shows no

signs of abating, points to an upwards adjustment of the ceiling of Heading 3; considers that all recent budgetary decisions to secure fresh appropriations in this field have actually shown the need for a revision of this ceiling;

41. In the context of the current security and migration challenges, welcomes the increase in the funding of AMIF (EUR 1,6 billion) and ISF (EUR 0,7 billion); considers that the increase of AMIF increases the need to ensure a fair and transparent distribution of annual funding between the different programs and objectives of the fund and a better readability on how these financial resources will be spent;
42. Notes that a new Instrument for emergency support within the Union was adopted on 15 March 2016, with an indicative envelope of EUR 700 million over three years (2016-2018), and has already led to immediate results on the ground in the form of emergency support measures in response to the humanitarian needs of a large number of refugees and migrants arriving in the Member States; however, reiterates its position that in the future a more sustainable legal and budgetary framework should be envisaged in order to allow for humanitarian aid to be mobilised within the Union; insists on holding a regular dialogue with the Commission on the functioning and financing, present and future, of this Instrument, based on full transparency of information and impact assessment reports;
43. In the face of increased threat levels in several Member States, the concurrent challenges of migration management, the fight against terrorism and organised crime and the necessity for a coordinated European response, requests funding for additional staff for Europol, with the aim to establish a 24/7 counter-terrorism cell providing Member States' competent authorities with intelligence responses; considers that this increase is also provided to improve the fight against trafficking with human beings (with a special focus on unaccompanied minors), the fight against cybercrime (new EC 3 Staff) and to reinforce the human resources at the Italian and Greek hotspots; recalls that Europol currently has only 3 staff members at their disposition to be deployed to 8 permanent and additional non-permanent Hot-Spots in Italy alone; considers this number to be too low for Europol to be able to fulfil their tasks in terms of fight against human trafficking, terrorism and other serious cross-border crime;
44. Welcomes the creation of a new budget line to provide funding for the victims of terrorism; supports resources being made available to tackle the broad areas of need of victims, including physical treatments, psycho-social services and financial support; believes that too often the needs of innocent victims of terrorism are either forgotten, or considered secondary, when measures to tackle the terrorist threat are proposed;
45. Condemns the Council's cuts to numerous programmes in the areas of culture, the media, citizenship, fundamental rights and public health by a total of EUR 24,3 million in commitment appropriations; considers it a detrimental sign by the Council to cut culture programmes in order to free funds for the current refugee and migratory challenges; deplores that many of these cuts seem applied in an arbitrary manner and disregard excellent implementation rates; is of the opinion that even small cuts risk jeopardising the achievement of programme outcomes and the smooth implementation of Union actions; therefore restores all cuts to the level of the DB;
46. Insists on the need to reinforce funding for a number of actions under the Creative

Europe and Europe for Citizens programmes that have long been underfunded; strongly believes these programmes are more relevant than ever, both in terms of boosting the contribution of the cultural and creative industries to job creation and growth and encouraging citizens' active participation in Union policy making and implementation; fails to understand how the Council can justify reducing funding for SMEs in the cultural and creative sectors, when the Cultural and Creative Sectors Guarantee Facility, for which funding had already been backloaded, has only just been launched in June 2016 and constitutes an excellent illustration of an innovative solution to a significant market failure by building capacity and offering credit risk protection to financial intermediaries building loans in the cultural and creative sectors;

47. Highlights that the Union programmes in the field of culture, education, youth and citizenship present clear European added value, additionalities and synergies with integration policies for migrants and refugees; invites the Union institutions, therefore, to respond with the appropriate increases in funding of directly managed programmes, such as Creative Europe, as well as for the relevant budget lines in the Structural and Investment Funds;
48. Notes that the necessary budgetary guarantees for the preparatory activities of the implementation of the 2018 European Year of Cultural Heritage must be provided for;
49. Recalls that the Union Civil Protection Mechanism represents a cornerstone of Union solidarity; underlines that the Union plays an 'enabling role' to support, coordinate or supplement the actions of the Member States in the prevention of, preparedness for, and response to disasters; notes the slight increase in the commitments for this programme;
50. Welcomes the creation of a budget line for an EU Search and Rescue Fund, which is to cover search and rescue activities carried out by the Member States and coordinated at the Union level, in particular in the Mediterranean; is of the opinion that creating a dedicated Fund constitutes a more adequate solution than continuously increasing the budgets of Frontex or the newly created European Border and Coast Guard;
51. Welcomes the creation of a budget line for supporting the European Citizens' Initiative (ECI) which is a newly created instrument aiming at involving citizens in the Union decision-making process and deepening European democracy; is of the opinion that the level of commitment appropriations as proposed in the DB is too low; decides to increase that budget line;
52. Notes that the Commission proposes an amount of EUR 840 000 in commitment appropriations for the separate budgetary line for the ECI, created last year, and points to the need of sufficient funding to promote the use of this instrument, as this is a valuable tool of participatory democracy;
53. Welcomes the increase in funding for communication of the Commission Representations, Citizens' dialogues and 'Partnership' actions with appropriations for 2017 amounting to EUR 17,036 million in commitment appropriations and EUR 14,6 million in payment appropriations, as these concern initiatives to reach out to European citizens, gain their trust and foster their understanding of Union politics and policies;
54. Underlines the need to provide the Joint Transparency Register Secretariat with

sufficient and adequate administrative and financial means in order to fulfil its tasks, following the adoption of the new Interinstitutional Agreement on the Transparency Register.

55. Notes that its reading (excluding pilot projects and preparatory actions) exceeds the ceiling of Heading 3 by EUR 71,28 million in commitments, while increasing payment appropriations by EUR 1 857,7 million; given the absence of a margin already at the DB level, proposes to finance these reinforcements under the ceiling, while at the same time mobilising the Contingency Margin for a number of essential migration-related expenditure items;

#### *Heading 4 – Global Europe*

56. Notes that, in the light of the ongoing refugee and migratory challenges, the Union's external action is faced with ever growing funding needs which largely exceed the current size of Heading 4; therefore, strongly questions whether Heading 4 ceilings are sufficient to provide for appropriate funding for the external dimension of the refugee and migratory challenges; deplores, that in order to fund new initiatives such as the FRT, the Commission chose in its DB to cut other programmes such as the Development Cooperation Instrument (DCI) and the Instrument contributing to Stability and Peace (IcSP); stresses that this should not come at the cost of policies in other areas; therefore, decides to mitigate, to a great extent, a shift of important financial resources from two instruments which amongst other things address the root causes of migratory flows; recalls that the primary objective of the Union's development policy must remain the reduction of poverty; regrets that appropriations for humanitarian aid and for the Mediterranean strand of the European Neighbourhood Instrument (ENI) are below those approved in the 2016 budget, despite their obvious relevance in tackling the large number of external challenges; deplores the unjustified cuts made by the Council;
57. Decides, therefore, to reverse all Council's cuts in Heading 4; decides also to reinstate the 2016 levels for the ENI Mediterranean lines and for humanitarian aid; furthermore decides to mitigate the cuts made by the Commission in the DCI and the IcSP; considers it essential to maintain the Union's pivotal role and the level of financial support in supporting the Middle East Peace Process, the Palestinian Authority and UNRWA as well as ENI Eastern Partnership lines; underlines the importance of the European Instrument for Democracy and Human Rights;
58. Decides to increase macro-financial assistance which had been significantly cut compared to 2016; believes that a higher funding level than proposed will be required to ensure that all future requests for loans can be accommodated;
59. Lends its full support to the FRT and proposes to frontload to 2016 part of the Union budget contribution planned in 2017 due to its good implementation record and the large margins still available in the 2016 budget; calls, therefore, for reinforcing IPA II by EUR 400 million via an amending budget for 2016 and to mobilise the Contingency Margin accordingly; puts the same amount in reserve in the 2017 budget pending a comprehensive agreement on an alternative financing for the FRT, which would alleviate the unprecedented pressure put on other external financing instruments;

60. Notes with concern that, despite their topical nature and significant size, EU Trust Funds as well as the FRT are virtually invisible in the Union budget; calls for them to be incorporated in a way that is more transparent and more respectful of the unity of the Union budget and of the prerogatives of the budgetary authority, and creates new budget lines to that end; also calls on the Commission to provide evidence that the use of financial instruments under the Trusts Funds does not result in diverting appropriations from the objectives under their initial legal bases; notes that the objective of leveraging national contributions on top of the Union budget has so far notoriously failed; highlights in that respect that, in future calls for an EU budget contribution to the Trust Funds, the Parliament will only agree to them once a comparable amount of Member States' contributions has been delivered; invites, therefore, Member States to live up to their commitments as soon as possible;
61. Notes that the guarantee fund for external actions, which covers defaults on loans and loan guarantees granted to non-Member States or for projects in non-Member States, has, according to the Commission report on guarantees covered by the general budget (COM(2016) 576 final), additional financial needs in order to reach the target amount, which consequently led to a provisioning of EUR 228,04 million being inserted in the DB; is concerned that these requirements put additional pressure on the already very tight ceilings in Heading 4;
62. Welcomes the Commission's budgetary proposals in relation to the new Migration Partnership Framework and the External Investment Plan; expresses its concerns, however, about the creation of potential new 'satellites' outside the Union budget; reiterates the need to keep full parliamentary scrutiny over the Union budget; strongly insists on the respect of the principle of the unity of the budget; is convinced that the new priority should not be financed to the detriment of existing Union projects; believes that additional flexibility should be mobilised in order to provide an ambitious framework to promote investment in Africa and the EU Neighbourhood equipped with adequate, fresh appropriations;
63. Reiterates its request that the budget line for EU Special Representatives be transferred, in a budget-neutral manner, from the CFSP budget to the administrative budget of the EEAS in order to further consolidate the Union's diplomatic activities;
64. As a result, increases the level of commitment appropriations for Heading 4 above the DB by EUR 497,9 million in commitment appropriations and by EUR 495,1 million in payment appropriations (excluding pilot projects and preparatory actions and including the transfer of EU Special Representatives to the EEAS budget);
65. Deems it necessary to increase appropriations for the Turkish Cypriot Community budget line (+EUR 3 million) for the purpose of contributing decisively to the continuation and intensification of the mission of the Committee on Missing Persons in Cyprus and of supporting the bicommunal Technical Committee on Cultural Heritage, thus promoting trust and reconciliation between the two communities;

*Heading 5 - Administration; Other headings - administrative and research support expenditure*

66. Considers that Council's cuts are unjustified and harmful and restores the DB for all

Commission administrative expenditure, including administrative and research support expenditure in Headings 1 to 4;

67. Decides, in the light of recent revelations and in order to regain the confidence of Union citizens and the credibility of the Union institutions, to hold 20% of appropriations of the Temporary Allowances for former Members in reserve until the Commission enforces a stricter Code of conduct for Commissioners to prevent conflict of interests and the revolving doors;
68. Considers that interinstitutional administrative cooperation is a source of efficiency as know-how, capacities and resources developed for an institution can be made available to others; therefore asks to establish a system which limits administrative burdens to the necessary minimum, ensures the appropriate quality of services, provides the main responsible institution with the necessary budgetary means and incentivises the cooperation of the other institutions by limiting their share to the marginal costs caused by the cooperation and as such aligning sound financial management decisions on level of the institutions with the overall sound financial management of the budget;

#### *Agencies*

69. Endorses, as a general rule, the Commission's estimates of the budgetary needs of agencies; notes that the Commission has already considerably reduced the initial requests of most agencies; Considers, therefore, that any further cuts proposed by the Council would endanger the proper functioning of the agencies and would not allow them to fulfil the tasks they have been assigned;
70. Welcomes the budget increase of the efficient JHA agencies, especially those involved with migration and security; stresses that these agencies must be sufficiently resourced (including for investing in new technologies) and staffed when their mandates are increased;
71. In the context of the current security challenges, and, bearing in mind the necessity for a coordinated European response, considers that some of these increases are not sufficient and decides to reinforce the appropriations for the European Police Office (Europol), the European Union's Judicial Cooperation Unit, the European Agency for the operational management of large-scale IT systems (EU-LISA) and the European Union Agency for Network and Information Security (ENISA);
72. Stresses that while the budgetary resources and the number of posts for the European Border and Coast Guard seem adequate for now, the future needs of the agency in terms of operational resources and staff will have to be closely monitored so that the agency does not fall behind reality;
73. In detail, stresses the need for sufficient human and material resources for Europol's newly established European Counter Terrorism Center, EC3 and IRU, including with regards to joint operational planning and threat assessment in order to strengthen a coordinated approach between the Member States to fight organised crime, cybercrime and internet related crime, terrorism and other serious crime; asks for additional funding for joint investigation teams;



74. Recalls the planned improvement and interoperability of the different JHA information systems announced by the Commission in its communication "the future framework for stronger and smarter information systems for border management and internal security" dated 6 April 2016; urges to foresee the need for appropriate resources for those technical solutions to be implemented swiftly and efficiently;
75. Welcomes the inclusion in the 2017 budget of the adequate resources to support the long term transformation of Frontex into a European Border and Coast Guard agency and the transformation of EASO into a fully-fledged asylum agency; stresses that, while the resources for the European Border and Coast Guard seem adequate for now, the future needs of the agency in terms of operational resources and staff will have to be closely monitored to that the agency does not lag behind reality;
76. In view of the deteriorating humanitarian situation in Europe's southern neighbourhood, the increased number of asylum seekers, and mainly the intention to reinforce its mandate further than the Commission's proposal, decides furthermore to increase the 2016 budget appropriations for the European Asylum Support Office;
77. Reiterates its disagreement for the Commission's and the Council's approach to agencies' staffing, and therefore modifies a substantial number of establishment plans; underlines once more that each agency should cut 5 % of posts over 5 years as agreed in the IIA, but that new posts that are needed to fulfil additional tasks due to new policy developments and new legislation since 2013 have to be accompanied by additional resources and need to be counted outside the IIA staff reduction target; emphasises therefore again its opposition to the concept of a redeployment pool amongst agencies, but reaffirms its openness to free posts by means of achieving efficiency gains between agencies through increased administrative cooperation or even mergers where appropriate and through pooling certain functions with either the Commission or another agency;
78. Stresses that substantial operational and personnel savings could be achieved if agencies operating from more than one place (ENISA, eu-LISA, ERA) were limited to one seat only; is of the opinion that current operational needs of those agencies make such change feasible; underlines that moving the European Banking Authority (EBA) away from London and merging it with at least one of the two other Supervisory Authorities could lead to considerable savings in the costs of the two agencies; invites the Commission to put forward a proposal in this respect;

#### *Pilot projects and preparatory actions (PP-PAs)*

79. Having carried out a careful analysis of the pilot projects and preparatory actions submitted as regards the rate of success of the on-going ones, excluding initiatives already covered by existing legal bases and taking fully into account the Commission's assessment of the projects' implementability, decides to adopt a compromise package made up of a limited number of PP-PAs, also in view of the limited margins available and the ceilings for PP-PAs;

#### *Special instruments*

80. Recalls the importance of the Emergency Aid Reserve (EAR) in providing a rapid response to specific aid requirements for third countries for unforeseen events and its earlier call for a substantial increase in its financial envelope, as part of the revision of the MFF; notes that its very quick consumption in 2016, likely to use up all possibilities of carry-over, is an indication that this special instrument will prove to be insufficient to address all additional needs in 2017; increases therefore its appropriations to reach an annual allocation of EUR 1 billion, pending a decision on the annual allocation of the EAR to be taken in the context of the mid-term revision of the MFF;
81. Restores the DB for Reserves for the European Globalisation Adjustment Fund and the European Union Solidarity Fund in order to ease the mobilisation of these special instruments;

#### *Payments*

82. Voices concern over the important decrease in payments appropriations in the DB as compared with the 2016 budget; notes that this reveals implementation delays which are not only worrying for the delivery of Union policies but also entail the risk of rebuilding a backlog of unpaid bills at the end of the current programming period; considers that this matter should be tackled as part of the revision of the MFF; regrets, furthermore, the Council's cuts in payments, despite the comfortable margins available below the ceilings;
83. Stresses that, at the request of Parliament, a payment plan has been agreed with the aim of reducing the backlog of outstanding cohesion policy-related payment claims for 2007-2013 to a 'normal' level of EUR 2 billion by the end of 2016; points out that at least EUR 8,2 billion of unpaid bills were identified at the end of 2015 for 2007-2013 in the field of cohesion policy, a figure which is expected to fall below EUR 2 billion by the end of 2016; believes that a joint payment plan for 2016-2020 should be binding, developed and agreed between the three institutions; insists that such a new payment plan should be based on sound financial management and provide for a clear strategy to meet all payment needs in all headings until the end of the current MFF, and to avoid a 'hidden backlog' caused by an artificial slowdown in the implementation of certain multiannual programmes and other mitigating measures, such as the reduction of pre-financing rates;
84. Decides to restore the DB in payments on all lines cut by the Council and reinforces payment appropriations on all those lines which are amended in commitment appropriations;

#### *Performance-based budgeting*

85. Recalls that in its resolution of 3 July 2013 on the Integrated Internal Control Framework<sup>10</sup> Parliament shared the view expressed by the Court of Auditors that it makes no sense to attempt to measure performance without having budgeted on the basis of performance indicators<sup>11</sup>, and calls for the establishment of a performance-

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<sup>10</sup> OJ C 75, 26.2.2016, p. 100.

<sup>11</sup> Contribution of Kersti Kaljulaid at the hearing on the integrated internal control framework organised by CONT on 22 April 2013.

based public budgeting model in which each budget line is accompanied by objectives and outputs measured by performance indicators;

86. Welcomes the Programme Statements of operational expenditures attached to the DB as they partially respond to the request made by Parliament concerning objectives, outputs and indicators; notes that such statements complement the usual activity-based budgeting method with some performance data;
87. Insists that with a view to simplifying the internal management tools of the Commission, Directors General should stick to the political objectives and indicators contained in the Programme Statements of operational expenditure when adopting their management plans and annual activity reports, and that the Commission should draft its Article 318 TFEU evaluation report on this basis;

### ***Other sections***

#### *Section I – European Parliament*

88. Maintains unchanged the overall level of its budget for 2017, as adopted by the plenary on 14 April 2016 at EUR 1 900 873 000; incorporates the budgetary neutral technical adjustments to reflect into the budget its recent decisions and releases the reserve on the transport of Members, persons and goods budget line;
89. Approves the changes in its establishment plan and corresponding budgetary appropriations to respond to additional needs of the political groups; fully compensates these reinforcements by reducing the appropriations in the contingency reserve and fitting out of premises budget line;
90. Recalls its political decision to exempt the political groups from the 5% staff reduction target, as underlined in its resolutions on the budgets 2014<sup>12</sup>, 2015<sup>13</sup> and 2016<sup>14</sup>;
91. Reduces the establishment plan of its General secretariat<sup>15</sup> for 2017 by 60 posts (1% staff reduction target), in accordance with the agreement of 14 November 2015 reached with the Council on the general budget of the European Union for the financial year 2016; recalls that the budgetary impact of this measure was already taken into account in the estimates;
92. Reduces further its establishment plan by 20 posts to reflect the end of the transfer of posts foreseen in the cooperation agreement with the European Economic and Social Committee and the Committee of the Regions; stresses that as these posts were not budgeted, no appropriations need to be reduced on Parliament's side;
93. Encourages the Secretaries-General of the European Parliament, the Committee of the Regions and the European Economic and Social Committee to work together on

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<sup>12</sup> Texts adopted, P7\_TA(2013)0437

<sup>13</sup> Text adopted, P8\_TA(2014)0036

<sup>14</sup> Text adopted, P8\_TA(2015)0376

<sup>15</sup> As a political decision on excluding the political groups from this calculation has been taken, this reduction is being applied to the Secretariat-General's part of the establishment plan

possible further arrangements for the sharing of back office functions and services between the three institutions; calls on the Secretaries-General to also undertake a study on whether synergies in back office functions and services can also be made between the Parliament, the Commission and the Council;

94. Maintains in its establishment plan for 2017 the new 35 posts, as requested in the DAB 3/2016 for the reinforcement of the security of the institutions; exempts these posts from the 5% staff reduction target as they corresponds to new activities for the Parliament;
95. Reiterates that the implementation of the staff reduction target should not jeopardize the proper functioning of the Institution and the exercise by the Parliament of its core powers, nor alter its legislative excellence, or the quality of the working conditions for members and staff;
96. In light of the multiple problems encountered in this year's internal budgetary procedure, concludes that the overhaul of chapter 9 and relevant parts of other chapters of its Rules of Procedure is inevitable in order to achieve what the European Parliament called for in its resolution of 14 April 2016 on Parliament's estimates of revenue and expenditure for the financial year 2017, i.e. that "any relevant information should be presented to Members of the Bureau and the Committee on Budgets at every stage of the procedure in a timely and intelligible manner and with the necessary level of detail and breakdowns in order to enable the Bureau, the Committee on Budgets and the political groups to conduct proper deliberations and base decisions on a comprehensive picture of the state and needs of Parliament's budget" ;
97. Pursuant to paragraph 15 of its resolution of 14 April 2016 on Parliament's estimates of revenue and expenditure for the financial year 2017, requires that the method of establishment of the budget of the Parliament on the basis of the current needs and not on the basis of a system of coefficients is used for the first time during the budgetary procedure for the financial year 2018;
98. Recalls that the administration committed to submit a medium and long term budgetary planning, including a clear distinction between investments and operating expenditure relating to the functioning of the institution, including the compulsory statutory obligations; expects therefore that 2018 preliminary draft estimates would be presented in the same format;
99. Recalls the 2013 Fox-Häfner report<sup>16</sup>, which estimated the costs of the geographic dispersion of the Parliament to be between EUR 156 million and EUR 204 million and equivalent to 10 % of the Parliament's budget; notes the finding that 78 % of all missions by Parliament statutory staff arise as a direct result of the Parliament's geographic dispersion; emphasises that the report also estimates the environmental impact of the geographic dispersion to be between 11,000 to 19,000 tonnes of CO2 emissions; reiterates the negative public perception caused by this dispersion and calls therefore for a roadmap to a single seat and a reduction in the relevant budget lines;
100. Regrets that, despite numerous calls by the Committee on Budgets, the mid-term and long-term strategy for Parliament buildings is not available for informed committee

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<sup>16</sup> Texts adopted, P7\_TA(2013)0498.

deliberations;

#### *Section IV - Court of Justice*

101. Regrets that the Council raises the standard abatement rate from 2,5 % to 3,8 % which is equivalent to a reduction of -EUR 3.4 million and in contradiction with the extremely high rate of occupation of posts of the Court (98 % at the end of 2015); readjusts therefore the standard abatement rate to the DB level allowing the Court to accomplish its mission in a context of the continuous increase in the judicial caseload;
102. Decides furthermore to restore the DB regarding an additional six budget items cut by the Council across Titles I and II of the Court's budget which would impact particularly strongly the priorities of the Court in the linguistic and security fields;
103. Expresses its dissatisfaction with the unilateral statement of the Council and the related appendix on the 5 % staff reduction in the Council's position on the 2017 DB according to which the Court still needs to reduce its establishment plan by 19 posts; underlines that those 19 posts correspond to the 12 and 7 posts duly granted by Parliament and the Council in the 2015 and 2016 budgetary procedures respectively to address additional needs and insists therefore that those 19 posts should not be given back, the Court having already duly achieved its 5 % staff reduction requirement by suppressing 98 posts during the period 2013-2017;

#### *Section V - Court of Auditors*

104. Restores the standard abatement rate to its initial level of 2,6 % in order to allow the Court of Auditors to meet its needs in respect of the establishment plan;
105. Restores an additional five budget items cut by Council for the Court of Auditors to implement its work programme and deliver the planned Audit Reports;
106. Partially restores the DB regarding three budget items in line with proposals for savings identified by the Court of Auditors itself;

#### *Section VI - European Economic and Social Committee*

107. Restores the standard abatement rate to its initial level of 4,5 % in order to allow the European Economic and Social Committee to meet its needs and cope with the continued reduction of staff in the context of the cooperation agreement between Parliament and the European Economic and Social Committee and the Committee of the Regions of February 2014;
108. Reinstates the 12 posts and related appropriations cut by the Commission in the DB in accordance with the abovementioned cooperation agreement , thus reflecting the actual number of posts transferred from the European Economic and Social Committee to Parliament;
109. Decides further to adjust the item concerning the supplementary services for the translation services to the level estimated by the institution itself and thereby partially compensating for the transfer of 36 posts from the European Economic and Social

Committee to Parliament in line with the abovementioned cooperation agreement;

#### *Section VII - Committee of the Regions*

110. Reinstates the eight posts and related appropriations cut by the Commission in the DB in accordance with the abovementioned cooperation agreement, thus reflecting the actual number of posts transferred from the Committee of the Regions to Parliament;
111. Furthermore reinstates the appropriations cut by the Commission in its DB related to the office expenses and IT allowances of the Members of the Committee to the level estimated by the Committee to ensure sufficient financing for the office expenses and IT allowances of the Members of the Committee of the Regions;
112. Regrets the cuts on the budget item “fitting-out premises” by the Commission in its DB and decides to restore the item to the level estimated by the Committee itself to respond to increased security needs, to keep the buildings in good shape and in compliance with legal obligations and to improve energy efficiency;
113. Finally reinstates the appropriations related to the communication activities of the political groups revised down by the Commission in the DB to ensure adequate funding of the communication activities of the Committee’s political groups;

#### *Section VIII - European Ombudsman*

114. Notes that the Council has decreased the DB of the Ombudsman by -EUR 195 000; underlines that this reduction would impose a disproportionate burden on the very limited budget of the Ombudsman and would have major impact on the institution's capacity to serve the European citizens effectively; restores therefore all the budget lines cut by Council in order to enable the Ombudsman to fulfil her mandate and commitments;

#### *Section IX - European Data Protection Supervisor*

115. Notes with regret that the Council has decreased the DB of the European Data Protection Supervisor by -EUR 395 000; points out that this is in sharp contrast with the additional task conferred upon the institution by Parliament and the Council and would jeopardise the institution’s capacity to serve the European institutions effectively; restores therefore all the budget lines cut by Council to enable the European Data Protection Supervisor to fulfil his obligations and commitments;

#### *Section X- European External Action Service*

116. Restores all lines cut by the Council;
117. Decides furthermore to create a Strategic Communication Capacity budget item in line with the European Council conclusions of March 2015 and equip the EEAS with adequate staff and tools to face the challenge of disinformation from third states and non-state actors;
118. Welcomes the written commitments of the High Representative of the Union for Foreign Affairs and Security Policy to address the existing imbalances in the EEAS

staffing in terms of share of Member States diplomats and EU statutory staff in certain positions and to present a review of the EEAS human resources policy in the course of 2017; calls on the High Representative of the Union for Foreign Affairs and Security Policy to inform Parliament of the steps taken by spring 2017 at the latest, in advance of the start of the next budgetary procedure;

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119. Is convinced that the Union budget can contribute to addressing effectively not only the consequences but also the root causes of the crises that the Union is currently facing; takes the view, however, that unforeseen events with a Union-wide dimension should be tackled by pooling efforts and putting additional means at Union level rather than by calling past commitments into question or reverting to the illusion of purely national solutions; stresses, therefore, that flexibility provisions are there to enable such a joint and speedy response and should be used to the full in order to make up for the tight constraints of the MFF ceilings;
120. Instructs its President to forward this resolution, together with the amendments to the draft general budget, to the Council, the Commission, the other institutions and bodies concerned and the national parliaments.

8.9.2016

## **OPINION OF THE COMMITTEE ON FOREIGN AFFAIRS**

for the Committee on Budgets

on the draft general budget of the European Union for the financial year 2017  
(2016/2047(BUD))

Rapporteur: Neena Gill

### **SUGGESTIONS**

The Committee on Foreign Affairs calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Notes the increase in Heading 4 commitment appropriations, but considers it far from sufficient in view of the current political and security situation in our neighbourhood and beyond; urges an increase above the Heading 4 ceiling as set out in the MFF, using the existing flexibility mechanisms, which is necessary in order to provide a sustainable and effective response to the many challenges of external origin that the EU is facing, including the migration and refugee crisis;
2. Notes the pledges made by the EU at the London conference on supporting Syria and in the context of the Facility for Refugees in Turkey and expresses its concern regarding the impact of those pledges on the external financing instruments and the humanitarian aid budget; while supporting those pledges, stresses that their fulfilment must not be to the detriment of other priority areas and long-term policies; calls in particular for an increase in the funding of the European Neighbourhood Instrument (ENI), which plays a vital role in supporting stability among Europe's eastern and southern neighbouring countries; draws attention notably to Tunisia, which is the success story of democratic transition in the region, but which remains potentially fragile; recalls that the first objective of the European Neighbourhood Policy is growth and employment, especially for young graduates, and calls for increased ENI support to youth employment in the neighbourhood; considers it essential to maintain the EU's pivotal role in supporting the Middle East Peace Process, the Palestinian Authority and UNRWA;
3. Stresses the importance of ensuring further support for candidate and potential candidate countries in adopting and implementing political, economic and social reforms; reminds that respect for human rights, fundamental freedoms and rule of law is essential for the



enlargement process; notes that the performance-based approach was used for the budgeting of the Instrument for Pre-accession Assistance (IPA);

4. Stresses that, in view of the dynamic developments taking place in the global security and humanitarian situation, EU crisis response mechanisms need to be reinforced; strongly rejects the proposed cuts to the Instrument contributing to Stability and Peace and stresses that weakening the Union's unique crisis response, crisis preparedness and conflict prevention instrument would amount to a strategic mistake; highlights the importance of providing sufficient funds for the Common Foreign and Security Policy (CFSP) budget, funding civilian crisis-management missions that contribute to the building of peace and security around the world;
5. Notes the proposal for a preparatory action on defence research following a pilot project initiated by the European Parliament, which could positively contribute to increased cooperation between the Member States in the field of security and defence;
6. Underlines the importance of the European Instrument for Democracy and Human Rights, including its support of election observation, stressing that respect of human rights, democracy and the rule of law are key for stability and prosperity in the world; welcomes the increase in the funding of that Instrument, which should be further reinforced;
7. Calls for increasing investment in the visibility of EU external action in order to strengthen the impact of funding in that field;
8. Reiterates its request that the budget line for EU Special Representatives be transferred, in a budget-neutral manner, from the CFSP budget to the administrative budget of the EEAS in order to further consolidate the EU's diplomatic activities;
9. Underlines that youth exchange programmes are one of the most successful measures to increase intercultural skills and to foster understanding and connectivity between people and countries; draws therefore particular attention to the funds which are annually transferred to the Erasmus+ Programme from ENI, IPA2 and the PI.

## RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	30.8.2016
<b>Result of final vote</b>	+: 50 -: 6 0: 5
<b>Members present for the final vote</b>	Lars Adaktusson, Michèle Alliot-Marie, Nikos Androulakis, Francisco Assis, Petras Auštrevičius, Elmar Brok, James Carver, Aymeric Chauprade, Andi Cristea, Mark Demesmaeker, Georgios Epitideios, Anna Elżbieta Fotyga, Eugen Freund, Michael Gahler, Iveta Grigule, Richard Howitt, Sandra Kalniete, Manolis Kefalogiannis, Tunne Kelam, Afzal Khan, Janusz Korwin-Mikke, Andrey Kovatchev, Eduard Kukan, Ilhan Kyuchyuk, Ryszard Antoni Legutko, Arne Lietz, Sabine Lösing, Andrejs Mamikins, David McAllister, Tamás Meszerics, Pier Antonio Panzeri, Demetris Papadakis, Vincent Peillon, Alojz Peterle, Tonino Picula, Kati Piri, Andrej Plenković, Cristian Dan Preda, Jozo Radoš, Sofia Sakorafa, Jacek Saryusz-Wolski, Jaromír Štětina, Charles Tannock, Ivo Vajgl, Hilde Vautmans, Boris Zala
<b>Substitutes present for the final vote</b>	Laima Liucija Andrikienė, Neena Gill, Takis Hadjigeorgiou, Liisa Jaakonsaari, Othmar Karas, Javi López, Igor Šoltes, Dubravka Šuica, Eleni Theoharous, Ernest Urtasun, Janusz Zemke
<b>Substitutes under Rule 200(2) present for the final vote</b>	Heidi Hautala, Ernest Maragall, Marian-Jean Marinescu, Antonio Tajani

6.9.2016

## **OPINION OF THE COMMITTEE ON DEVELOPMENT**

for the Committee on Budgets

on the draft general budget of the European Union for the financial year 2017  
(2016/2047(BUD))

Rapporteur: Nirj Deva

### **SUGGESTIONS**

The Committee on Development calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Underlines that the ambitious Agenda 2030 and the 17 Sustainable Development Goals, in particular Goal 3 on health, Goal 4 on education and Goal 5 on gender equality, to which the Union and Member States signed up in September 2015, requires development assistance from the EU budget to be kept at least at the level foreseen in the MFF, while maintaining its focus on long-term efforts to eradicate poverty, as stipulated by Article 208 TFEU;
2. Urges the Commission and Member States to ensure that funding mechanisms and budgetary lines reflect all Agenda 2030 commitments agreed to; calls on the EU and its Member States to re-commit without delay to the 0.7% of GNI target for ODA and to submit a timeline on how to gradually increase ODA in order to reach the 0.7% target by 2030;
3. Calls for the Commission to fully reflect in its Budget proposals the Union's commitment to working with the private sector and financial institutions in development cooperation, where appropriate; highlights therefore the potential to leverage new resources for development through socially responsible public-private partnerships, blending and other innovative ways, in compliance with development effectiveness, human rights principles and equity outcome-oriented results; looks forward to the detailed proposals on the setting up of an investment plan for Africa, which should be people-centred and should focus on capacity building and technical assistance, industrialisation, trade and investment opportunities, access to energy and infrastructure requirements; stresses the important role that Parliament must play in supporting and monitoring such an investment plan;
4. Calls for investments in projects that enhance tailored training for professionals on issues of gender-based violence and harmful practices, as well as projects promoting

community engagement, in light of the fact that 2017 will be the European Year of Combating Violence Against Women;

5. Insists that priorities and funding must reflect the transcontinental nature of gender-based violence and development issues; funding for projects must therefore invest in the coherent engagement of the EU to work across continents, for the commitment in the SWD on Gender Equality to be turned into actions;
6. Stresses that the alarming gravity of the humanitarian needs triggered by the Syrian crisis and other unprecedented conflicts necessitates using the Emergency Aid Reserve (over and above the MFF ceilings) and the Flexibility Instrument to the fullest extent possible, while also using the margin under heading IV to address the humanitarian crisis; is concerned that the new funding mechanisms affecting development funds have an uncertain goal and regrets the lack of involvement by the European Parliament; recalls that it is strongly against the use of development funds for non-development objectives; calls on the Union to strengthen its capacity to link security and development in the implementation of the Union's development policy; insists, furthermore, on the need to ensure proper funding for humanitarian aid budget lines;
7. Takes the view that action to establish special funds must provide a flexible response to emergencies plus genuine added value, supplementing existing sources of funding, and that those funds must accordingly be endowed with new money; urges the Member States to honour their pledges and pay over the amounts announced;
8. Stresses the need to address the security-development nexus and deliver on Goal 16 of the 2030 Development Agenda; recalls, nevertheless, that funding which is not DAC-able must stem from other instruments than the Development Cooperation Instrument or the European Development Fund;
9. Regrets the cuts to the DCI human development line in comparison to the 2016 budget in order to finance EU policy priorities; considers this as contrary to fundamental development effectiveness principles and therefore requests the restoration of budget 2016 levels;
10. Considers it of paramount importance to address protracted humanitarian crises, and to focus on prevention, building resilience, and cooperation with the multiple stakeholders, in order to help bridge the global funding gap in humanitarian action; considers that potential synergies between governments, civil society and the private sector should be explored, while avoiding negative interactions, as contributions to preparedness, prevention and resilience outcomes;
11. Welcomes the Commission's proposal to increase support for local private sector development in partner countries and calls for the respective budgetary allocations to be introduced as early as possible in next year's budget, although not at the expense of support to other development actors, such as civil society organisations; highlights the importance of encouraging a climate where small and medium sized enterprises can flourish in line with the UN guiding principles on business and human rights, through legislative capacity building and a strong rule of law, sound banking systems and regulations, functioning tax systems, increased transparency and accountability;

12. Insists that the development budget for 2017 must reflect more consistently the Union's focus on fragile states, Least Developed Countries, youth unemployment, and women and girls facing gender-based violence, harmful practices and those in conflict situations; considers the reduction in the Development Cooperation Instrument lines targeting human development to be inappropriate in light of these needs and the EU's commitment to allocate at least 20 % of its ODA to basic social services, namely education and health;
13. Is concerned about the insufficient level of appropriations for the development cooperation instrument lines for Asia and the Middle East, in particular taking into account the external and internal stress and instability that countries such as Bangladesh, Pakistan, Iraq, Yemen, Ethiopia and Somalia are facing;
14. Urges the Commission and Member States to support developing countries in setting up robust and resilient quality public social security and public health systems; calls on the Commission to continue promoting better access to medicines in poor countries; reiterates the need to invest in neglected diseases; calls, in this context, on the Commission for a follow-up of the Ebola virus disease;
15. Calls for the Commission to ensure that the financing of adaptation to impacts of climate change and of other climate actions in vulnerable third countries are additional to financing of actions through development cooperation instruments; this climate financing shall count towards the fulfilment of the Union's climate financing commitments, but be additional to, and not count as, financing for development.

## RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	31.8.2016						
<b>Result of final vote</b>	<table><tr><td>+: </td><td>21</td></tr><tr><td>–: </td><td>2</td></tr><tr><td>0: </td><td>3</td></tr></table>	+:	21	–:	2	0:	3
+:	21						
–:	2						
0:	3						
<b>Members present for the final vote</b>	Louis Aliot, Beatriz Becerra Basterrechea, Ignazio Corrao, Doru-Claudian Frunzulică, Nathan Gill, Charles Goerens, Enrique Guerrero Salom, Heidi Hautala, Maria Heubuch, György Hölvényi, Teresa Jiménez-Becerril Barrio, Stelios Kouloglou, Arne Lietz, Linda McAvan, Norbert Neuser, Cristian Dan Preda, Lola Sánchez Caldentey, Manuel dos Santos, Eleni Theoharous, Paavo Väyrynen, Bogdan Brunon Wenta, Rainer Wieland, Anna Záborská						
<b>Substitutes present for the final vote</b>	Brian Hayes, Joachim Zeller						
<b>Substitutes under Rule 200(2) present for the final vote</b>	Liliana Rodrigues						

1.9.2016

## **OPINION OF THE COMMITTEE ON INTERNATIONAL TRADE**

for the Committee on Budgets

on the draft general budget of the European Union for the financial year 2017  
(2016/2047(BUD))

Rapporteur: Reimer Böge

### **SUGGESTIONS**

The Committee on International Trade calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Notes that the Union has an increasingly ambitious trade agenda, as outlined in the 'Trade for all' strategy, leading to an increased workload for DG Trade; emphasises the need for additional efforts to boost the ex ante, interim and ex post monitoring (including by civil society) of the application and repercussions of trade agreements signed by the Union, as well as the need for appropriate public communication and dissemination of information in respect thereof, to ensure the implementation and enforcement of the obligations of the Union and its trading partners, in particular with regard to the fight against poverty, sustainable development and the respect for human rights; acknowledges the negative impact of the planned CETA and TTIP on the level of own-resources; stresses, however, that the funding for Aid for Trade initiatives should be increased and sufficient resources allocated to ensure that DG Trade is adequately staffed to carry out the increasing number of simultaneous negotiations and monitoring activities; 2. Underlines the urgent need for a thorough reorganisation of the Union budget and its structure in the context of the review of the MFF and with regard to the trade policy agenda, and calls on the Commission to take the initiative on this vis à vis the Council and Parliament;
3. Notes that the citizens of the Union are increasingly asking for more involvement and engagement in Union trade policy and that the Commission has made this citizens' interest a priority; stresses in this regard that it is crucial that enough resources are allocated in order to actively involve citizens in Union trade policy-making, through active engagement, stakeholder meetings, online and offline communication initiatives and the translation of fact sheets, negotiation texts and position papers; calls on Member States to take a more active role in explaining the added value of Union trade policy, since it is them who formulate the negotiating mandates, and to allocate sufficient resources for such explanations in their own national budgets;

4. Stresses that international trade is an important tool throughout Union foreign policy which, if it is underpinned with the necessary funding and implemented by means of coherent political, economic, trade and development strategies, can contribute to sustainable development, particularly in developing countries, thus enabling the Union to play an active role in tackling migration causes;
5. Emphasises that the trade-related technical support and economic assistance provided by the European Neighbourhood Policy (ENP) to our close partners in the Eastern Partnership as well as to the post-Arab-Spring countries make an important contribution to stability in those regions; expresses concern therefore by the proposed funding cuts to the Mediterranean axis as well as the assistance to Palestine and UNRWA; reiterates that in partner countries, the objective must be, above all, tangible and sustainable improvements to the living conditions of ordinary people;
6. Deplores the proposed significant cuts to macro-financial assistance compared to its exceptionally high level in 2016, given that many partner countries continue to face severe economic difficulties; believes that a higher funding level than proposed will be required to ensure that all future requests for loans can be accommodated; stresses that MFA loans and the corresponding repayment conditions should not create a fresh dependency for recipient countries;
7. Expresses concern about the increasing recourse to guarantees and financial instruments outside the Union budget to respond to multiple crises, financed in part from the Union budget through cuts of programmes under Heading IV; points to the failure of Member States to match the Union contributions to the two Trust Funds which limits their potential impact; insists that such funding instruments must adhere to the established criteria of aid effectiveness, such as ownership and alignments, and must remain an exception, since they do not require advance confirmation by the European Parliament and thus lack democratic legitimacy; reiterates that those instruments should eventually be included in the Union budget to allow for proper democratic control;
8. Welcomes the announcement by the Commission that it will present a proposal for an External Investment Plan as part of the New Migration Partnership Framework in autumn 2016; believes that the External Investment Plan will offer new investment opportunities for European business in developing third countries and contribute to the sustainable political and economic stabilisation of the European Neighbourhood; deplores that the forthcoming proposals are not reflected in the draft general budget 2017; stresses that the creation of the new fund should not go to the detriment of the already under-funded programmes in Heading IV but make use of the funds as well as the expertise and the management capacities of the European Investment Bank;
9. Notes the proposed increase in commitment appropriations and the significant reinforcement in payment appropriations for the Partnership Instrument; expresses concern that individual trade promotion projects implemented under this instrument are not complementary to existing local and regional programmes but pose unfair competition to them; asks the Commission to assess the existing tools aimed at promoting SME internationalisation regarding their coherence with other European SME support instruments such as COSME as well as regarding subsidiarity, non-duplication and complementarity in relation to Member State programmes; calls on the



Commission to make timely proposals for the midterm review of those programmes with a view to improving their efficiency and effectiveness;

## RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	31.8.2016
<b>Result of final vote</b>	+: 27 -: 8 0: 1
<b>Members present for the final vote</b>	Maria Arena, David Campbell Bannerman, Daniel Caspary, Salvatore Cicu, Marielle de Sarnez, Santiago Fisas Aixelà, Karoline Graswander-Hainz, Yannick Jadot, Ska Keller, Jude Kirton-Darling, David Martin, Emmanuel Maurel, Emma McClarkin, Anne-Marie Mineur, Sorin Moisă, Alessia Maria Mosca, Franz Obermayr, Artis Pabriks, Franck Proust, Inmaculada Rodríguez-Piñero Fernández, Tokia Saïfi, Marietje Schaake, Helmut Scholz, Joachim Schuster, Joachim Starbatty, Adam Szejnfeld, Hannu Takkula, Iuliu Winkler
<b>Substitutes present for the final vote</b>	Reimer Böge, Edouard Ferrand, Seán Kelly, Stelios Kouloglou, Gabriel Mato, Georg Mayer, Bolesław G. Piecha, Jarosław Wałęsa

28.9.2016

## **OPINION OF THE COMMITTEE ON BUDGETARY CONTROL**

for the Committee on Budgets

on the draft general budget of the European Union for the financial year 2017  
(2016/2047(BUD))

Rapporteur: Martina Dlabajová

### **SUGGESTIONS**

The Committee on Budgetary Control calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- A. whereas in a situation of scarce resources, greater importance should be attached to the need to observe budgetary discipline and to use funds efficiently and effectively;
- B. whereas the main objective of the 2017 draft budget will be to ensure that the Union budget is provided with the means it requires to fully deliver its reinforced contribution to economic, social and territorial cohesion, jobs creation, growth, investment and solidarity, and to respond to continuing challenges and new developments, and their impact regarding delayed economic recovery and increasing inequalities, as well as immigration, humanitarian aid and security;
- C. whereas a fundamental rethink of taxation at Union level should be made and one or more new own resources in the true sense should be established in order to finance Union priorities (investment projects, Horizon 2020, etc.);
- D. whereas the dialogue between Parliament and the Commission provided for in Article 318 TFEU should stimulate a performance-oriented culture within the Commission, including increased transparency and enhanced accountability;

#### *Statement of operational expenditure accompanying the 2017 budget*

- 1. Recalls that in its resolution of 3 July 2013 on the Integrated Internal Control Framework<sup>17</sup> Parliament shared the view expressed by the Court of Auditors that it makes no sense to attempt to measure performance without having budgeted on the

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<sup>17</sup> OJ C 75, 26.2.2016, p. 100.

basis of performance indicators<sup>18</sup>, and calls for the establishment of a performance-based public budgeting model in which each budget line is accompanied by objectives and outputs measured by performance indicators;

2. Welcomes the Programme Statements of operational expenditures attached to the 2017 draft budget as they partially respond to the request made by Parliament concerning objectives, outputs and indicators; notes that such statements complement the usual activity-based budgeting method with some performance data;
3. Insists that, as a branch of the budgetary authority, Parliament is entitled to express views on the abovementioned objectives and indicators and their conformity with Union priorities as stipulated in the Treaties, and strategic documents such as the Europe 2020, and that before adopting the budget, Parliament should scrutinise the European added value of each budget line;
4. Insists that with a view to simplifying the internal management tools of the Commission, Directors General should stick to the political objectives and indicators contained in the Programme Statements of operational expenditure when adopting their management plans and annual activity reports, and that the Commission should draft its Article 318 TFEU evaluation report on this basis;
5. Expresses concern at the payments situation, given that RAL levels remain extremely high and are at odds with the spirit of the Treaties, which calls for a balanced budget; calls on the Commission and the Member States to bring rigour to bear on the selection of priorities to finance and to abandon those projects which have no obvious added value;

#### *Mid-term review*

6. Is of the opinion that the MFF mid-term review, to be presented by the Commission by the end of 2016, is the first and best opportunity to tackle structurally a number of serious crises and the high level of RAL, to take account of new political initiatives not anticipated at the time of the MFF's adoption, to assess and review the effectiveness of programmes already financed, and to deal with the high level of RAL; asks the Commission to find appropriate solutions to: (i) the updating of sectoral policies financed by the Union; (ii) making material progress in the simplification process for content and procedure regarding the use of the Union budget; (iii) and ensuring that financial instruments are properly targeted to bring best results; urges the Commission to come up with a proposal to revise the MFF in order to accommodate all resulting budgetary consequences, among other matters the RAL;
7. Calls on the Commission to submit a communication to Parliament in time for the mid-term review of the MFF with proposals explaining how it will in future reconcile long-term political objectives such as Europe 2020 with the future post-2020 MFF;

#### *Financial corrections and recoveries*

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<sup>18</sup> Contribution of Kersti Kaljulaid at the hearing on the integrated internal control framework organised by CONT on 22 April 2013.

8. Notes that the total financial corrections and recoveries confirmed and imposed by the Commission on Member States that fail to implement sound systems amounted to EUR 3 499 million in 2015 which is less than in 2014 (when it was EUR 4 728 million); asks the Commission to indicate clearly which amounts recovered in 2015 have been registered as revenue in the accounts of the Union or have been offset, along with the budget line from which they come, and the extent to which financial corrections and recoveries decided in 2016 may impact on payment requirements for the 2017 budget;
9. Urges the Commission and the Member States to ensure greater transparency with regard to recoveries, in particular with regard to the year in which payment is made, the year in which the related error is detected and the year in which recoveries or financial corrections are disclosed in the notes to the accounts;

#### *Sectorial policies*

10. Is of the opinion that the sectorial policy adjustment within the mid-term review is to be considered as a preliminary step for the real MFF reform after 2020 under new rules and principles reflecting the expected Union needs and priorities for the third decade of 21st century; asks the Commission to adjust the Union budget in terms of a sharper focus on basic Union priorities as updated, including finding synergies among them;
11. Recalls that “societal challenge 6” of the Horizon 2020 programme (Europe in a changing world - Inclusive, innovative and reflective societies), and in particular the contribution of the social sciences and humanities to meeting this challenge, was a priority of Parliament, which it introduced during the development of Horizon 2020; recalls the importance of this component in the domains in which the Union is facing particular challenges, such as tackling unemployment, poverty, radicalisation, terrorism, supporting migrants, economic and monetary governance, and the fight against inequality; is concerned, therefore, that during the implementation phase of the programme, the social sciences and humanities have been downgraded through the loss of their dedicated leadership and the reduction in their commitment appropriations by 40 %, at a time when the overall envelope for Horizon 2020 under the 2014-2020 MFF has increased;
12. Underlines that the success rate after the first 100 calls of Horizon 2020 reaches 14 % (comparing to 20 % of the overall FP7). Recalls that only 20 % of the budget targeted for SMEs was allocated (5 % contribution from the SME instrument), 38 % of the successful candidates were newcomers and very few move from the 1st to the 2nd phase. This leads to the conclusion that the second and third phase, which support a feasibility study to become real innovation and its further commercialisation, lose part of their potential. In addition, the role of SMEs must be strengthened;
13. Moreover, East and Central European countries are lagging far behind from the Western and Northern counterparts in their success rate and funding share. Urges for more technical assistance where needed and sharing of good practices. Simplified and understandable synergy between Horizon 2020 and ESIF/ EFSI is also recommended;
14. Recalls that the Union budget should serve as an important trigger in accelerating

medium- and long-term investment activities, also in countering increasing inequalities and completely new social problems; notes that Union budget could more strongly support the investments into areas making and contributing the Union more cohesive and less vulnerable to external shocks, like the key projects in energy, mobility, IT as well as the research and development, which have also their social aspects and implications that have to be efficiently accented;

15. Calls on the budgetary authority to highlight the Union's efforts to prevent and combat fraud, corruption and any other illegal activities affecting its financial interests; reiterates its calls on the Commission to provide adequate technical assistance to Member States and stimulate exchange of good practices as preventive measures against irregularities and errors when using EU funds, and is concerned, in this context, that the Commission has proposed reallocating resources from such technical assistance to activities of completely different nature;

#### *Simplification and transparency*

16. Stresses that current and recent practice reveals a strong need to continue to simplify the process by which Union funds are utilised and accessed by users; is of the opinion that the more simple rules are, the more uniform they are and the less potential for unintended errors and omissions exists, and the clearer and more authoritative these rules are, the less space there is for illegal and criminal activities surrounding the process; notes that the more simple and more transparent the process is, the less there is potential for an inappropriate allocation and redistribution of Union funds;
17. Simplifying the process of accessing Union funding and making this more transparent would result in take-up with visible and positive effects in the Member States;
18. Notes that overregulation and gold-plating are key obstacles for the beneficiaries of the European Structural and Investments Funds (ESIFs) and for the relevant auditing bodies; urges the Commission and the Member States to reduce the administrative burden and pressure for the beneficiaries, e.g. through single audit strategy; is concerned, however, at the slow uptake of the simplifications by the Member States and calls on the Commission to assist national authorities in this regard;
19. Points out that complete transparency ensures that funds are used entirely in accordance with the rules; expresses disquiet about transparency as regards major EU-funded works, especially where data on subcontractors are concerned; calls on the Commission to set up systems affording greater transparency, extending also to funds widened to encompass countries outside the Union;

#### *Added-value of the Union budget*

20. Stresses that it is crucial to bring a culture oriented towards measurable results to the heart of Union spending; emphasises that performance- and output-related assessment should become, where appropriate, a key principle; welcomes the Commission's "Budget Focused on Results" initiative as a first step towards performance-based budgeting; urges the Commission and the Member States to strive to ensure the most efficient use of scarce financial resources, e.g. through moving the project implementation focus from quantity criteria such as RAL and RAC towards quality

criteria such as results, effectiveness, efficiency and added value;

#### *Financial instruments*

21. Notes that the financial engineering instruments (FEI), if implemented in a targeted manner, for appropriate project typology and reasonable purpose, might be tools for the effective allocation of Union funds with the potential to form part of mainstream best practice in budget expenditure allocation in the future; urges the Commission to improve transparency in the use of FEI, to regularly report on leverage, losses and risks and to present a cost-benefit analysis of FEI compared with more direct forms of project funding; calls on the Commission to implement effective monitoring systems to analyse the demand for financial instruments in the Member States, in order to avoid overcapitalisation, which commits funds without contributing to the implementation of EU policies, as identified by the Court of Auditors in its Special Report 5/2015;
22. Notes with concern that the EFSI implementation figures show that the majority of the investments are concentrated in the Union top five economies.

## RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	26.9.2016
<b>Result of final vote</b>	+ : 21 - : 1 0 : 1
<b>Members present for the final vote</b>	Nedzhmi Ali, Inés Ayala Sender, Ryszard Czarnecki, Dennis de Jong, Martina Dlabajová, Luke Ming Flanagan, Jens Geier, Ingeborg Gräßle, Verónica Lope Fontagné, Georgi Pirinski, Petri Sarvamaa, Claudia Schmidt, Bart Staes, Marco Valli, Derek Vaughan, Joachim Zeller
<b>Substitutes present for the final vote</b>	Cătălin Sorin Ivan, Andrey Novakov, Julia Pitera, Miroslav Poche, Richard Sulík
<b>Substitutes under Rule 200(2) present for the final vote</b>	John Stuart Agnew, Edouard Ferrand



6.9.2016

## **OPINION OF THE COMMITTEE ON ECONOMIC AND MONETARY AFFAIRS**

for the Committee on Budgets

on the draft general budget of the European Union for the financial year 2017  
(2016/2047(BUD))

Rapporteur: Markus Ferber

### **SUGGESTIONS**

The Committee on Economic and Monetary Affairs calls on the Committee on the Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Calls for the 2017 draft budget to reflect and support the priorities outlined in the European Semester, specifically relaunching investments, in particular for innovation, growth and job creation, pursuing sustainable structural reforms to modernise European economies, conducting responsible fiscal policies, and increasing competitiveness, thereby also promoting the growth and competitiveness of SMEs;
2. In that regard, notes with particular concern the continuing high levels of youth unemployment, despite the fact that the Union has returned to modest economic growth;
3. Recalls the key role played by the European Fund for Strategic Investments (EFSI) in mobilising private sector financing and new sources of finance in investments crucial for the competitiveness and economic recovery of the Union; emphasises the need to finance new investments in line with the criteria set out in Regulation (EU) 2015/1017 of the European Parliament and of the Council<sup>19</sup>, in particular additionality, sustainability and territorial and social cohesion;
4. Takes the view that it is essential to boost public investment in order to preserve and enhance the quality of health and education systems and the quality of services provided for the public, as well as in order to create favourable conditions for economic development;

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<sup>19</sup> Regulation (EU) 2015/1017 of the European Parliament and of the Council of 25 June 2015 on the European Fund for Strategic Investments, the European Investment Advisory Hub and the European Investment Project Portal and amending Regulations (EU) No 1291/2013 and (EU) No 1316/2013 — the European Fund for Strategic Investments (OJ L 169, 1.7.2015, p. 1).

## **Civil-society capacity building in the area of financial services**

5. Notes that after five years, entities benefiting from funding of the civil-society capacity building in the area of financial services remain dependent on EU funding with EU grants consistently representing more than 50 % of their respective budgets; emphasises that such entities should continue to demonstrate their added value by achieving a higher degree of self-funding; notes that a co-financing rate above 50% exists for the funding of several non-industry representatives; points out that the Commission proposal which continues the funding arrangements for civil-society capacity building should be adopted before the end of the year to allow for continuous funding;
6. Calls for continued investment in structural funds across all regions, including transition areas, in order not to interrupt the effects of measures and efforts already implemented;

## **ESAs and supervision**

7. Points out the present and future role of the three European Supervisory Authorities (ESAs) in relation to Union-level financial and banking supervision, the capital markets union, the promotion of supervisory convergence, the establishment of the single rulebook in banking and other financial services, and the assessment of the risks to financial stability and the banking union; emphasises that the 2017 draft budget must provide sufficient resources for the ESAs to fulfil their mandate; highlights the need for the ESAs to be adequately financed and staffed in order to be able to perform the tasks assigned to them; points out that sufficient resources should be allocated to the area of investor and consumer protection;
8. Points out, however, that in the case of EBA, sufficient resources should be provided for in the 2017 and any future draft budget to prepare for a relocation away from London, such relocation to take place when the United Kingdom and the European Union finish negotiations pursuant to Article 50 of the Treaty on the European Union and the UK withdraws from the European Union;
9. Emphasises that the ESAs must stick strictly to the tasks assigned to them by the Union legislator and must not seek to de facto broaden their mandate beyond those assignments;
10. Stresses that in the field of digitalisation of financial services, particularly with regards to distributed ledger technology (DLT), a build-up of technical expertise is urgently needed in order to be better able to react rapidly to potential challenges; therefore expressly supports the funding of a horizontal task force on DLT;

## **Tax issues and Fiscalis 2020**

11. Points out that in light of the legislative revisions with regard to the exchange of information in the field of taxation between national tax authorities, the legal basis for the Fiscalis 2020 programme may need to be revised in order to properly reflect those changes and to fight tax fraud, tax evasion and aggressive tax planning.
12. Supports the continuation of the pilot project on capacity building, programmatic development and communication in the context of the fight against tax avoidance, tax

evasion and tax fraud, launched in 2016.

13. Deplores the fact that Eurostat does not provide up to date data on the Europe 2020 indicators despite several reminders from the European Parliament; is critical of the fact that the user-friendliness of Eurostat's website continues to leave significant room for improvement; calls on Eurostat to make improvements in that regard and to ensure that all objectives from the European Statistical Programme are in fact accomplished.

#### **EFrag**

14. Calls on the Commission to continue the reform of the European Financial Reporting Advisory Group (EFrag), in particular with regard to its task and responsibilities, thereby also strengthening the Union's influence in international accounting standard-setting.

## RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	1.9.2016
<b>Result of final vote</b>	+: 43 -: 7 0: 6
<b>Members present for the final vote</b>	Gerolf Annemans, Burkhard Balz, Hugues Bayet, Pervenche Berès, Udo Bullmann, Esther de Lange, Anneliese Dodds, Markus Ferber, Sven Giegold, Neena Gill, Sylvie Goulard, Roberto Gualtieri, Brian Hayes, Danuta Maria Hübner, Cătălin Sorin Ivan, Petr Ježek, Barbara Kappel, Othmar Karas, Georgios Kyrtos, Alain Lamassoure, Philippe Lamberts, Werner Langen, Olle Ludvigsson, Fulvio Martusciello, Marisa Matias, Bernard Monot, Luděk Niedermayer, Stanisław Ożóg, Pirkko Ruohonen-Lerner, Alfred Sant, Pedro Silva Pereira, Peter Simon, Theodor Dumitru Stolojan, Paul Tang, Ernest Urtasun, Marco Valli, Tom Vandenkendelaere, Cora van Nieuwenhuizen, Miguel Viegas, Jakob von Weizsäcker, Marco Zanni
<b>Substitutes present for the final vote</b>	Enrique Calvet Chambon, Matt Carthy, David Coburn, Mady Delvaux, Ramón Jáuregui Atondo, Syed Kamall, Thomas Mann, Siegfried Mureşan, Eva Paunova, Joachim Starbatty, Tibor Szanyi, Antonio Tajani, Romana Tomc, Miguel Urbán Crespo
<b>Substitutes under Rule 200(2) present for the final vote</b>	Ernest Maragall

2.9.2016

## **OPINION OF THE COMMITTEE ON THE ENVIRONMENT, PUBLIC HEALTH AND FOOD SAFETY**

for the Committee on Budgets

on the draft general budget of the European Union for the financial year 2017  
(2016/2047(BUD))

Rapporteur: Giovanni La Via

### **SUGGESTIONS**

The Committee on the Environment, Public Health and Food Safety calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Recalls that a high level of environmental and health protection in the Union is a precondition for economic prosperity, and that food and feed safety and mechanisms to help protect against natural and man-made disasters are of core value to all European citizens and, hence, to the European Parliament;
2. Observes that Member States should view environment and climate-friendly policies, measures and projects as an opportunity to improve public health and promote growth;
3. Points out the crucial importance of investments in research and innovation in several areas which are under the remit of the Committee on the Environment, Public Health and Food Safety, and stresses that it is essential for the draft budget for 2017 to appropriately reflect the fact that such investments are a priority; points out that the sustainable growth and innovation capacity of small and medium-sized enterprises (SMEs) in the Union is one of the main competitive advantages that the Union has in globalised markets;
4. Acknowledges that a substantial part of the draft budget for 2017 (especially of heading 3) has to be dedicated to the challenges that the Union is currently facing, especially to addressing the migration and security crises; points out, however, that the substantial European added value of the policies and financing instruments in the remit of the Committee on the Environment, Public Health and Food Safety has to be borne in mind by the budgetary authorities when deciding on the draft budget for 2017 and urges the Council in particular to refrain from making any cuts in respect of policies and financing instruments within the remit of that committee which have clearly demonstrable Union added value;

5. Welcomes the Paris Agreement concluded in December 2015 and underlines that the Union budget must support the fulfilment of the objectives of that Agreement and the Union's long-term climate goals; recalls that the Paris Agreement requires that finance flows be made consistent with a pathway towards low greenhouse gas emissions and climate-resilient development; stresses the commitment by developed countries to mobilise climate finance to developing countries from public and private sources and underlines the need to scale up predictable, new and additional climate finance in line with that Agreement; calls on the Commission to undertake a full evaluation of the consequences of the Paris Agreement for the Union budget in due time to allow it to be considered for revision, and to develop a dedicated, automatic Union finance mechanism, providing additional and adequate support towards the Union's fair share in delivering the USD 100 billion international climate finance goal;
6. Underlines that the review of the MFF creates an excellent opportunity to ensure that the target of spending 20 % on climate-related actions is reached; notes that the Commission's climate mainstreaming methodology indicates that 19,2 % of total commitment appropriations proposed in the draft budget for 2017 are climate-related, compared to 20,8% in 2016; calls on the Commission to ensure that the mechanism of climate action mainstreaming is put fully into operation and that the current method of tracking such spending is improved;
7. Recalls, furthermore, that the Union is also committed to implementing the United Nations Convention's Strategic Plan for Biodiversity and underlines that it should dedicate sufficient resources to fulfilling its commitments in that respect; notes in this regard that 8,2 % of total commitment appropriations proposed in draft budget for 2017 are related to reversing the decline in biodiversity, compared to 9 % in 2016; calls on the Commission to provide further explanation for the apparent fall in both climate and biodiversity-related spending as a proportion of the overall budget;
8. Recalls the added value that ecosystems and biodiversity bring to the European environment, and calls therefore for sufficient resources to be allocated in the draft budget for 2017 to ensure the long-term protection of biodiversity; reminds the Commission and the Member States, therefore, of their obligation under Article 8 of the Habitats Directive to ensure an adequate level of financing for the conservation measures needed to restore the species and habitats in Natura 2000 sites to a favourable conservation status;
9. Underlines the importance of mainstreaming biodiversity protection in the development, implementation and funding of all Union policies and considers transparency of Member States' spending on nature protection and biodiversity conservation to be equally important for the consistency and coherence of Union expenditure;
10. Calls on the Commission to ensure that Union financial resources do not contain subsidies that are harmful for the climate, do not lock in fossil fuel infrastructure, such as fossil fuel subsidies, do not support activities which are harmful to biodiversity, and do not damage ecosystems; calls on the Commission furthermore to introduce an effective method of tracking biodiversity spending in the Union budget;

## **LIFE**

11. Recalls that LIFE is the Union's financial instrument supporting environmental, nature conservation and climate action projects throughout the Union;
12. Recalls, in particular, that climate action is a key, cross-sector priority, as set out in the Europe 2020 Strategy and in Commission's agenda for 'Jobs, Growth, Fairness and Democratic change' and emphasizes that the specific sub-programme for climate action under the LIFE programme supports the Union's role and key legislation (including the development of the EU emissions trading scheme), and paves the way for the transition to a low carbon economy by 2050; recalls that at least 20 % of the Union budget has to be climate-related, with contributions from different policies;
13. Regrets, however, against this background and while welcoming the increase of EUR 30,9 million in commitments in the draft budget for 2017 in the LIFE budget, that, this year again, the LIFE programme, with a total funding of EUR 493,7 million, constitutes a share of only 0,3% of the whole draft budget for 2017;
14. Highlights the previous problems entailed by the lack of payment appropriations for the LIFE programme, which impeded and delayed its proper implementation;
15. Welcomes the project-level tracking system for LIFE put in place by the Commission; notes that project-level performance information has been collected since 2015 and will be used for the mid-term evaluation and aggregated at programme level; acknowledges that the tracking system is expected to be fully operational for the second LIFE multi-annual work programme 2017-2020;

#### **Public health, food safety and civil protection**

16. Takes note of the proposed EUR 64,5 million in commitments (+3,8 % compared to 2016) and EUR 57,7 million in payments (-17,8 % compared to 2016) for health under the draft budget for 2017; regrets that this represents, as in previous years, a share of only 0,04 % in commitments in the draft budget for 2017 and a share of only 1,5 % of heading 3 (in commitments), and does not fully reflect the importance of health as a value in itself and as a prerequisite to promote growth;
17. Welcomes the fact that a joint action on health technology assessment shall start in 2016 and shall contribute directly to the Commission's objective of achieving a 'deeper and fairer internal market with a strengthened industrial base'; acknowledges that financially this is the largest action ever co-funded from the health programme with EUR 12 million co-funding;
18. Highlights that the Union has the highest standards for food safety in the world; takes note of the proposed EUR 256,2 million in commitments (+1,3 % compared to 2016) and EUR 234,5 million in payments (-3,1 % compared to 2016) for food and feed under the draft budget for 2017; regrets that this represents a share of only 0,16 % in commitments in the draft budget for 2017 and a share of only 6 % of heading 3, and that it does not fully reflect the importance of food and feed safety in the Union; underlines that the activities related to ensuring effective, efficient and reliable controls, as well as funding emergency measures related to animal and plant health have suffered decreases in payment appropriations of 10,4 % and 11,1 % respectively, in comparison to 2016; considers that these decreases have the potential to undermine the prevention and the reduction of the

incidence of animal and plant diseases and the implementation of effective official controls in the area;

19. Recalls that the Union Civil Protection Mechanism represents a cornerstone of Union solidarity; underlines that the Union plays an ‘enabling role’ to support, coordinate or supplement the actions of the Member States in the prevention of, preparedness for, and response to disasters; notes the slight increase in the commitments for this programme;

### **Decentralised agencies**

20. Recalls the paramount role of decentralised agencies in carrying out technical, scientific or managerial tasks that substantially help the Union’s institutions to make and implement policies; recalls, moreover, the very important tasks of the agencies which are under the remit of the Committee on the Environment, Public Health and Food Safety (EEA, ECHA, ECDC, EFSA, EMA) and the paramount importance of their enhanced cooperation to perform these tasks, both for the Union institutions and citizens; highlights in this respect, that it is of paramount importance that these agencies receive adequate human and financial resources, properly taking into account a case-by-case evaluation of the respective needs of each agency; expresses, nevertheless, its concerns that staff reductions in EEA (-3 posts), ECHA (-5 posts), ECDC (-4 posts), EFSA (-7 posts) and EMA (-6 posts), could negatively impact their contribution to the implementation of Union policies; highlights also that for fee-financed agencies, establishment plan posts that are needed to support the delivery of fee-financed tasks should be considered separately, recognising that they are demand driven and do not place an additional burden on the Union budget;
21. Notes, with regard to the fee-earning agencies, that the Union contribution remains stable or decreases; recalls that fee income from industry may be prone to market fluctuations and that dependence on other revenue sources therefore introduces an element of unpredictability in the funding structure of agencies; highlights both the difficulty to accurately forecast the amount of fees to be collected- leading to possible shortfall against forecast of fee revenue and the need to ensure the availability of the necessary funding to those agencies; calls on consideration to be given to a 5 % prudency margin in ECHA fee estimates;
22. Recalls that in view of the publication, on 15 June 2016, of two draft legal acts, which set the criteria to identify endocrine disruptors, the Commission has asked the relevant agencies to immediately start preparatory work to accelerate the process once the criteria are in force; highlights, therefore, that it is crucial that adequate financial and human resources are at the disposal of EFSA and ECHA;
23. Recognises, moreover, that unforeseen costs for EMA may arise in 2017 or beyond as a consequence of the negative answer given by the British people in a referendum in June 2016 on whether the United Kingdom should remain a member of the Union (so-called Brexit) and therefore, it would seem prudent to allow EMA to use any possible positive budgetary outturn of 2016 in future years; notes also that EMA may in the course of 2017 need to seek the support of the budgetary authorities to make additional budgetary funds available to meet those exceptional costs;

### **Pilot projects and preparatory actions**



24. Stresses that pilot projects and preparatory actions are very valuable tools to initiate new activities and policies; reiterates that several ideas of the Committee on the Environment, Public Health and Food Safety have been implemented successfully in the past as pilot projects or preparatory actions; stresses that the scope for new pilot projects and preparatory actions has been reduced by the lack of commitment appropriations available, and the lack of margin in heading 3; considers that it is likely, therefore that that committee must make careful use of those instruments in 2017.

## RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	1.9.2016
<b>Result of final vote</b>	+: 53 -: 9 0: 0
<b>Members present for the final vote</b>	Marco Affronte, Margrete Auken, Pilar Ayuso, Zoltán Balczó, Catherine Bearder, Biljana Borzan, Soledad Cabezón Ruiz, Nessa Childers, Birgit Collin-Langen, Mireille D'Ornano, Seb Dance, Jørn Dohrmann, Ian Duncan, Stefan Eck, Bas Eickhout, Eleonora Evi, Karl-Heinz Florenz, Francesc Gambús, Elisabetta Gardini, Gerben-Jan Gerbrandy, Jens Gieseke, Julie Girling, Sylvie Goddyn, Françoise Grossetête, Andrzej Grzyb, György Hölvényi, Anneli Jäätteenmäki, Jean-François Jalkh, Karin Kadenbach, Kateřina Konečná, Giovanni La Via, Peter Liese, Susanne Melior, Massimo Paolucci, Bolesław G. Piecha, Pavel Poc, Frédérique Ries, Michèle Rivasi, Daciana Octavia Sârbu, Annie Schreijer-Pierik, Dubravka Šuica, Tibor Szanyi, Claudiu Ciprian Tănăsescu, Estefanía Torres Martínez, Nils Torvalds, Jadwiga Wiśniewska, Damiano Zoffoli
<b>Substitutes present for the final vote</b>	Clara Eugenia Aguilera García, Paul Brannen, Caterina Chinnici, Albert Deß, Herbert Dorfmann, Martin Häusling, Ulrike Müller, Alojz Peterle, Bart Staes, Tom Vandenkendelaere, Carlos Zorrinho
<b>Substitutes under Rule 200(2) present for the final vote</b>	Olle Ludvigsson, Gabriel Mato, Anthea McIntyre, Martina Werner

6.9.2016

## **OPINION OF THE COMMITTEE ON THE INTERNAL MARKET AND CONSUMER PROTECTION**

for the Committee on Budgets

on the draft general budget of the European Union for the financial year 2017  
(2016/2047(BUD))

Rapporteur: Liisa Jaakonsaari

### **SUGGESTIONS**

The Committee on the Internal Market and Consumer Protection calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Notes that the responsibility of the Committee on the Internal Market and Consumer Protection (IMCO) in the budget procedure covers budget lines in titles 2 (Internal market, Industry, Entrepreneurship and SMEs), 14 (Taxation and customs union) and 33 (Justice and consumer protection);
2. Recalls that a strengthened and well-functioning single market is fundamental for the Union's capacity to absorb shocks; stresses that the Union's budget must support the transition to a circular economy and an inclusive, accessible, diverse and competitive Digital Single Market;
3. Underlines the importance of a strong consumer policy that reinforces consumer safety and awareness and adjusts consumer rights to societal, technological and economic changes, such as big data and the internet of things, the circular economy, the so-called collaborative economy and e-commerce; recalls, in this context, the importance of consumer empowerment and education, as well as of product safety and market surveillance in the internal market, including the Digital Single Market; stresses that new challenges to consumer policy should be addressed through the allocation of an appropriate budget;
4. Welcomes the fact that, in the 2017 budgetary procedure, most of IMCO's main priorities in the areas of the single market, the customs union and consumer protection have been properly taken into account with adequate levels of appropriations allocated;
5. Welcomes appropriations for the COSME programme, a key instrument to support entrepreneurship and investment in growth and jobs, as a priority;

6. Is concerned, however, at the reduction in the COSME budget line 02 02 02 'Improving access to finance for SMEs - equity and debt', as SMEs and microenterprises still face difficulties in finding appropriate funding; believes that an efficient financial framework, including increased venture capital availability and fully applying the 'Think Small First' principle, will foster research, innovation, adoption of circular economy business models, scale-up and internationalisation of SMEs and microenterprises, which in turn will help increase competitiveness, support growth and create jobs;
7. Underlines the need to secure adequate financing for the Enterprise Europe Network in 2017 in order to foster growth of SMEs and help them to overcome challenges relating to access to the single market as well as the global market;
8. Recalls the need to finance the multilingual tool for the Online Dispute Resolution (ODR) platform; emphasises that well-functioning ODR systems can encourage consumer trust and strengthen cross-border e-commerce;
9. Welcomes the allocation of funds for the modernisation of the customs union, which supports the timely implementation of the Union Customs Code and the development of the electronic customs systems, leading to effective tools for combating fraud and guaranteeing both consumer protection and fair competition; regrets, however, the Council's position regarding the allocation for budget line 14 02 01 "Supporting the functioning and modernisation of the Customs Union", which may place at risk adequate funding for crucial modernisation tools for the Customs Union;
10. Supports the continuation of funding for the Single Market Forum, which is instrumental in the creation of better market conditions for European companies, and intends to monitor the situation with a view to ensuring that it is appropriately financed from the budget line 02 02 01;
11. Stresses the important role of standardisation for the single market, which ensures the interoperability of products and services and enhances the competitiveness of companies; underlines that standards should be set in a market-driven, open and inclusive way, with consumer and stakeholder involvement, in order to be easily implementable by SMEs; welcomes the continuation of the budgetary support in 2017 that guarantees the financial sustainability and efficiency and effectiveness of the standardisation activities performed by European Committee for Standardisation (CEN), the European Committee for Electrotechnical Standardisation (CENELEC) and the European Telecommunications Standards Institute (ETSI);
12. Acknowledges the allocation of financing for internal market governance tools, including SOLVIT; recalls the importance of strengthening and streamlining existing tools for SMEs in order to simplify their cross-border expansion; urges the Commission and the Member States to place greater emphasis on streamlining and improving Product Contact Points and Points of Single Contact; believes that further efforts are also needed to ensure that these tools operate well together, with a view to maximising the added value of allocated resources; encourages the initiative for a Single Digital Gateway;
13. Asks for the financing of new pilot projects entitled 'Dynamic development of cross-border e-commerce through efficient parcel delivery solutions' to collect information on best practice in the area of parcel delivery, and 'Algorithmic Awareness Building

Initiative’, which aims to increase algorithmic transparency, raise awareness for the benefit of citizens and our democracies and contribute to the development of the Digital Single Market, and ‘Application of web accessibility requirements in web-authoring tools and platforms by default’ (Web Access By Default) to encourage and support the adoption of accessibility requirements of the European Standard.

## RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	5.9.2016						
<b>Result of final vote</b>	<table><tr><td>+: </td><td>23</td></tr><tr><td>–: </td><td>6</td></tr><tr><td>0: </td><td>3</td></tr></table>	+:	23	–:	6	0:	3
+:	23						
–:	6						
0:	3						
<b>Members present for the final vote</b>	Dita Charanzová, Carlos Coelho, Lara Comi, Daniel Dalton, Nicola Danti, Evelyne Gebhardt, Antanas Guoga, Sergio Gutiérrez Prieto, Liisa Jaakonsaari, Philippe Juvin, Antonio López-Istúriz White, Margot Parker, Eva Paunova, Marcus Pretzell, Virginie Rozière, Christel Schaldemose, Andreas Schwab, Olga Sehnalová, Catherine Stihler, Róza Gräfin von Thun und Hohenstein, Mylène Troszczynski, Marco Zullo						
<b>Substitutes present for the final vote</b>	Lucy Anderson, Birgit Collin-Langen, Filiz Hyusmenova, Emma McClarkin, Julia Reda, Marc Tarabella, Josef Weidenholzer						
<b>Substitutes under Rule 200(2) present for the final vote</b>	Pál Csáky, Judith Sargentini, Michaela Šojdrová						

1.9.2016

## **OPINION OF THE COMMITTEE ON TRANSPORT AND TOURISM**

for the Committee on Budgets

on the draft general budget of the European Union for the financial year 2017  
(2016/2047(BUD))

Rapporteur: Isabella De Monte

### **SUGGESTIONS**

The Committee on Transport and Tourism calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Recalls that transport infrastructures, including cross-border infrastructures, are fundamental to the freedom of movement of persons, goods and services on which the single market is based, and that this freedom of movement is both a powerful catalyst for EU integration, job creation and the development of sustainable tourism and is a key factor in the performance of European trade, industry, while at the same time protecting the climate, the environment and the quality of life; takes the view that transport infrastructures should meet certain quality criteria, in order to ensure increased consumer safety and protection;
2. Underlines that Union transport policy, in particular with regard to the Trans-European transport Network (TEN-T), is one of the most ambitious and successful Union policies; points out that the TEN-T network plays a fundamental role in commercial exchanges within the Union and with neighbouring countries, contributing to the wealth of its citizens; recalls, therefore, the importance of adequate financing for completing missing and cross-border links, particularly abandoned or dismantled regional rail connections, and for removing bottlenecks of the TEN-T network; stresses the importance of linking the transport networks of all Union regions, including remote mountainous and island areas, and of solving such problems as the lack of appropriate infrastructure, accessibility and a low interoperability between the Central and Eastern, and Western parts of the Union;
3. Regrets the significant decrease in budget for removing bottlenecks, rail interoperability and bridging missing links, sustainable and efficient transport systems, and integration and interconnection of transport modes and emphasises, in this context, the vital importance of a complete restoration of the budget for these areas;

4. Welcomes the Commission's proposal to include missing rail links in the 2016 calls for proposals; calls on the Commission to provide advisory support to the project promoters and competent authorities to ensure that they put forward high-quality proposals; considers that cross-border missing links which represent significant European added value in terms of jobs, tourism and sustainability and which connect areas that were historically linked by rail should be funded through the Connecting Europe Facility (CEF) and other ad hoc funding sources;
5. Notes that the European Fund for Strategic Investments (EFSI) is not yet producing the results expected as regards transport infrastructures; stresses therefore, as key priorities for the 2017 budget, the need to restore the CEF credits, which were redeployed to form the EFSI; guarantee fund; draws attention to the importance of securing, as soon as possible, sufficient budget in order to immediately launch a call for proposals, bearing in mind that CEF projects are long-term projects running over several years;
6. Welcomes the overall success of CEF and asks the Commission to launch, as a matter of priority, a third call for proposals with the remaining budget for CEF in order to further plan the remaining commitments;
7. Points out the massive oversubscription of projects and at the high number of high-quality projects, which were rejected in 2014-2015 due to insufficient Union budget and notes that additional resources in addition to those resulting from the recovery of redeployed funds could be absorbed;
8. Recalls that point 17 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management<sup>20</sup> (Interinstitutional Agreement) provides for 10% flexibility to increase CEF budget in annual budgetary procedures; calls on the Commission to increase, in line with the Interinstitutional Agreement, the total envelope of the CEF, including an increase in the cohesion envelope of the CEF;
9. Points out that there are two key transport policy areas closely related to infrastructure development, i.e. the establishment of the European Rail Traffic Management System (ERTMS) and the promotion of Motorways of the Sea and inland waterways which aim at relieving land transport corridors and may constitute their "waterborne leg"; stresses that it is of utmost importance for the sustainability of transport in the Union that goods and passenger traffics are shifted from road to rail, maritime and inland means of transport; therefore underlines the vital importance of adequately funding the development of ERTMS, promoting Motorways of the Seas and inland waterways;
10. Considers that the optimisation of transport modes integration and interconnection and intermodal connections, along with the development of freight corridors, represent essential elements for shifting freight from road to rail and for improving the sustainability of rail;
11. Welcomes the adoption of the technical pillar of the fourth railway package; underlines the greater role the European Railway Agency can play in terms of certification and

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<sup>20</sup> OJ C 373, 20.12.2013., p.1.



infrastructure development and stresses that the agency should be given appropriate budgetary resources to that end; insists that there is a need for continuous efforts to be put on research and innovation in the rail sector and calls, in this context, on adequate funding for the Shift2Rail Joint Undertaking, the re-establishing of regional cross-border links and maintenance of rail infrastructure;

12. Welcomes the first calls for proposals for the Shift2Rail joint initiative; calls on the governing body, and on the Commission in particular, to speed up the implementation of its work programme to make up for the time lost while setting up the initiative and, furthermore, to place particular emphasis on resolving core interoperability issues in the European rail network;
13. Underlines that the revision of Regulation (EC) No 216/2008 of the European Parliament and of the Council<sup>21</sup> envisages broadening the scope of competence of the European Aviation Safety Agency (EASA); stresses the importance of allocating adequate funding to the EASA to ensure the successful uptake of these new responsibilities;
14. Underlines moreover that EASA has already cut 5 % of posts over five years as agreed in the Interinstitutional Agreement; considers, therefore, that any further cuts proposed by the Council could endanger the proper functioning of EASA and could prevent the EASA from fulfilling the tasks already assigned and those that will be assigned by the legislative authority; underlines further that the new EASA posts that are required, due to new policy developments and new legislation, in order to fulfil additional tasks need to be counted outside any reduction target;
15. Stresses that the EASA posts (including the related pensions) which are fully financed from industry and therefore have no impact on the Union budget should not be subject to any staff reduction including the Interinstitutional Agreement;
16. Emphasises that it should be left to the discretion of EASA to increase the number of posts that are fully financed by industry during the financial year according to the fluctuating workload i.e. industry demands; stresses that, for this purpose, the budgetary authority should, in addition to the number of posts financed by fees and charges already authorised through the adoption of the EASA budget, also indicate the additional percentage (within an upward ceiling of 10%) of posts that could be allowed by the EASA Management Board on a proposal of the EASA to respond to an unforeseen evolution of the market demand; further underlines that the decision of the Management Board should be based on a documented evaluation of the unforeseen workload and of the efficiency criteria;
17. Stresses the need for accurate funding for the implementation of the components of Single European Sky ATM Research (SESAR) in order to ensure the deployment of ATM functionalities that are considered essential for the improvement of the Union's ATM system performance;

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<sup>21</sup> Regulation (EC) No 216/2008 of the European Parliament and of the Council of 20 February 2008 on common rules in the field of civil aviation and establishing a European Aviation Safety Agency, and repealing Council Directive 91/670/EEC, Regulation (EC) No 1592/2002 and Directive 2004/36/EC (OJ L 79, 19.3.2008., p.1.)

18. Recalls the importance of addressing the refugee and migrant issue and the contribution the European Maritime Safety Agency (EMSA) can make to this situation, including with regard to the protection of the Union's external borders; notes that the mandate of the European Maritime Safety Agency has been broadened to enhance its cooperation with national authorities and the European Border and Coast Guard Agency; emphasises the importance of adequate funding to ensure the optimal use of state-of-the-art technology, information sharing, in accordance with the principles of personal data protection, and staff training;
19. Stresses the importance of the goals set by COP 21 with regard to transport in order to combat climate change; underlines that financial means should be available to ensure a modal shift from road to rail as well as waterborne and inland waterway transport and encouraging Member States to invest in smart, sustainable, accessible integrated public transport; recommends also paying attention to noise reduction in transport to provide citizens with an environment of high quality; furthermore insists on the need to reduce external costs caused by transport, thereby decreasing the burden on future public budgets;
20. Underlines that efficient green logistics management across all transport modes in the Union can greatly contribute to decongesting of traffic and a reducing CO2 emissions; encourages the Commission to promote digitalisation in logistics, such as cargo-pooling initiatives; draws attention to the fact that Motorways of the Seas are cornerstones in logistics and that ports and hinterland interconnections are main nodes for multi-modal transport schemes;
21. Underlines the key role of digital technologies in the development of safe, efficient, intermodal and sustainable transport and mobility management; encourages the Commission to support the development of digitalisation and automation across all transport modes, as well as the development of innovative solutions, such as shared mobility in cities and rural areas interconnected with public transport, to the benefit of all Union citizens, tourists and businesses, including small and medium-sized enterprises (SMEs);
22. Underlines the importance to allocate sufficient funding for Galileo and The European Geostationary Navigation Overlay Service (EGNOS) in 2017 in order to ensure the Commission's commitments regarding safety and efficiency in aviation, road, rail and maritime transport; reiterates the importance of providing swiftly uninterrupted global navigation satellite system (GNSS) services for smart roads and connected vehicles, smart fleet and cargo and traffic management such as ATM, ERTMS, eCall;
23. Calls on the Commission to support various options for financing measures that aim to achieve the accessibility of the transport services, vehicles, infrastructure and intermodal connecting hubs, and other measures to improve accessibility for persons with disabilities;
24. Encourages the Commission to support initiatives that aim to improve road safety and that could help to achieve the goal of reducing road deaths by half by 2020 and significantly reduce serious injuries;
25. Considers that ensuring the security of transport means and infrastructures is a high

priority and that adequate funding must be safeguarded for this purpose.

26. Calls for the introduction of a direct budgetary line for tourism in the Union budget for 2017, as it existed in the past, given the importance of this economic activity for SMEs and green jobs in Europe and the need to further improve its attractiveness and competitiveness in a worldwide competitive environment; calls on the Commission to ensure the availability in all Union languages of the Guide on EU funding 2014-2020 for the tourism sector; asks the Commission to present a yearly overview of the Tourism projects co-financed through the different Union funds;
27. Requests that a comprehensive strategy for the tourism industry be drawn up which contains all the necessary aspects of an innovative and competitive tourist sector, such as: sector financing, professional development, accessibility, infrastructure, a visa regime, digitisation and promotion;
28. Underlines the importance of rural, mountainous, island, coastal and remote areas in the further development of sustainable tourism in Europe; believes that means should be made available for the promotion of local cultures and biodiversity in those regions as well as in tourist locations not addressed by mass tourism; believes that specific schemes that aim to provide barrier-free access, by persons with reduced mobility or any other disability, to tourist facilities in Europe should be developed.

## RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	1.9.2016
<b>Result of final vote</b>	+: 42 -: 2 0: 1
<b>Members present for the final vote</b>	Daniela Aiuto, Lucy Anderson, Inés Ayala Sender, Georges Bach, Izaskun Bilbao Barandica, Deirdre Clune, Michael Cramer, Andor Deli, Karima Delli, Isabella De Monte, Ismail Ertug, Jacqueline Foster, Tania González Peñas, Dieter-Lebrecht Koch, Stelios Kouloglou, Miltiadis Kyrkos, Bogusław Liberadzki, Peter Lundgren, Marian-Jean Marinescu, Georg Mayer, Cláudia Monteiro de Aguiar, Jens Nilsson, Markus Pieper, Salvatore Domenico Pogliese, Gabriele Preuß, Christine Revault D'Allonnes Bonnefoy, Dominique Riquet, Massimiliano Salini, Claudia Ţapardel, Keith Taylor, Pavel Telička, István Ujhelyi, Wim van de Camp, Elissavet Vozemberg-Vrionidi, Janusz Zemke, Roberts Zile, Kosma Złotowski, Elżbieta Katarzyna Łukacijewska
<b>Substitutes present for the final vote</b>	Ivo Belet, Michael Gahler, Karoline Graswander-Hainz, Werner Kuhn, Jozo Radoš, Henna Virkkunen
<b>Substitutes under Rule 200(2) present for the final vote</b>	Urszula Krupa

8.9.2016

## **OPINION OF THE COMMITTEE ON REGIONAL DEVELOPMENT**

for the Committee on Budgets

on the draft general budget of the European Union for the financial year 2017  
(2016/2047(BUD))

Rapporteur: Derek Vaughan

### **SUGGESTIONS**

The Committee on Regional Development calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Acknowledges the Commission's efforts in developing the strategy 'EU budget focused on results'; calls on the Commission to further simplify EU funding, always taking into account the principle of proportionality, with a proper balance between simplification and control especially with regard to the implementation and management of EU-funded projects particularly at a regional and local level; in that respect stresses the need for the Commission to implement a streamlined approach to the entire life-cycle of EU-funded projects with a strong focus on timely payments, measurable results and updated indicators;
2. Calls for the 2017 draft budget to reflect and support the priorities outlined in the European Semester, specifically relaunching investments for innovation, growth and job creation, fostering convergence, pursuing sustainable and socially balanced structural reforms to modernise European economies making them more competitive, and conducting fiscal policies which would ensure investments and sustainable growth;
3. Underlines that around one third of the annual Union budget is targeted at economic, social and territorial cohesion; underlines that cohesion policy is the Union's main investment policy and a tool for reducing disparities between all EU regions, and that it plays an important role in the delivery of the Europe 2020 strategy for smart, sustainable and inclusive growth;
4. Notes with concern that heading 1b (economic, social and territorial cohesion) of the 2017 draft budget foresees a huge drop in payment appropriations (EUR 37,3 billion representing a 23,5 % reduction compared to 2016); notes that at the same time commitments amount to EUR 53,6 billion, (a 5,4 % increase compared to 2016); is of the

opinion that the payments proposed are not sufficient to cope with the level of payments needed under this heading; that, therefore, this endangers the full implementation of the programmes and might undermine the citizens' trust in Union policies;

5. Takes note of the Commission press release on the 2017 draft EU budget, issued on 30 June 2016 and stating that, based on the relatively slow take-up of certain spending programmes, especially in the area of cohesion policy, the Commission expects to receive fewer invoices in 2017 than in 2016; asks the Commission to provide Parliament with more details on this issue and to consider the risk that this decrease in payments would create again an important backlog of payments from 2017 onwards;
6. Draws attention to the increasing gap under heading 1b of the 2017 draft budget between commitments and payments appropriations: from EUR 2 billion in 2016 to EUR 16,3 billion in 2017; highlights that, as the implementation rate of the European Structural and Investment Funds is expected to increase in 2017, sufficient budgetary resources are needed to match that increase; raises awareness that the late designation of authorities for the operational programmes could delay the payments in 2017; is seriously concerned that this situation will negatively influence the backlog of payments, notably through the possible accumulation of unpaid invoices over the second half of the multiannual financial framework;
7. Is convinced that decommitments across all headings and in particular under heading 1b, resulting from justified total or partial non-implementation should be re-injected into the annual budgetary procedure; calls on the Commission to make proposals to this regard already concerning the 2017 Union budget;
8. Calls on the Commission to update and adapt its payment plan, which has been established to reduce and prevent the reoccurrence of the payment backlog, taking also into account the increased payment needs deriving from the technical adjustment in accordance with Article 7 of Council Regulation (EU, Euratom) No 1311/2013 laying down the multiannual financial framework for the years 2014-2020, and to present it to Parliament;
9. Reiterates that the funds under heading 1b represent the main resource available to the local and regional authorities in order to deal with the management of unexpected challenges such as the refugee crisis; in this framework calls on the Commission to work with Member States in an effective and more flexible way at their request for programmes' modifications in order to provide a sufficient level of payment appropriations and ensure better coordination among the ESI Funds; notes in this context the uneven impact that the refugee crisis has had at local and regional levels; suggests that the additional resources following the technical adjustment should be allocated to areas with high European added-value, such as youth employment and sustainable investment, with a view to enhance growth and also to limit the disparities within the Union;
10. Urges the Commission and Member States to carry out on-going evaluations of the operational programmes in implementation and in case of non-efficiency, the latter to be modified so as to be directed to more effective and efficient management of the ESI Funds with view to achieve the envisaged objectives;

11. Recalls that in accordance with Article 7 of Council Regulation (EU, Euratom) No 1311/2013, the Commission has reviewed, in 2016, together with the annual technical adjustment for 2017, all Member States' total allocations under the "Investment for growth and jobs" goal of cohesion policy for the years 2017 to 2020; notes the effect of the adjustment is a EUR 4,6 billion increase in the 2017-2020 ceilings for commitments under heading 1b; underlines the implications of this adjustment for the 2017 budget;
12. Underlines the key role of the European Fund for Strategic Investments (EFSI) in mobilising private sector financing and new sources of finance for investments which are crucial for Europe's competitiveness and economic recovery; points out that better consistency, synergy and complementarities must be ensured between ESI Funds, the EFSI and other Union-funded and national programmes in order to attain the Europe 2020 strategy goals and boost investments; calls on the Commission to take actions to increase the visibility of ESI Funds projects and investments under EFSI and other Union-funded programmes;
13. Takes note of the Commission's proposal on the establishment of the Structural Reform Support Programme with a financial envelope of EUR 142 800 000 and underlines that this funding should be allocated with a view to strengthening economic, social and territorial cohesion;
14. Stresses the important contribution of cohesion policy with regard to the effective implementation of gender budgeting; calls on the Commission to support measures to establish appropriate tools in order to achieve gender equality, such as incentive structures using the Structural Funds to encourage gender budgeting at the national level.

## RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	8.9.2016
<b>Result of final vote</b>	+: 27 -: 1 0: 3
<b>Members present for the final vote</b>	Pascal Arimont, Franc Bogovič, Victor Boștinăru, Steeve Briois, Andrea Cozzolino, Rosa D'Amato, Michela Giuffrida, Ivan Jakovčić, Marc Joulaud, Constanze Krehl, Louis-Joseph Manscour, Martina Michels, Iskra Mihaylova, Jens Nilsson, Andrey Novakov, Stanislav Polčák, Fernando Ruas, Monika Smolková, Maria Spyraiki, Ramón Luis Valcárcel Siso, Matthijs van Miltenburg, Lambert van Nistelrooij, Derek Vaughan, Kerstin Westphal, Joachim Zeller
<b>Substitutes present for the final vote</b>	Jan Olbrycht, Dimitrios Papadimoulis
<b>Substitutes under Rule 200(2) present for the final vote</b>	Czesław Hoc, Karol Karski, Julia Reda, Tatjana Ždanoka



1.9.2016

## **OPINION OF THE COMMITTEE ON AGRICULTURE AND RURAL DEVELOPMENT**

for the Committee on Budgets

on the draft general budget of the European Union for the financial year 2017  
(2016/2047(BUD))

Rapporteur: Peter Jahr

### **SUGGESTIONS**

The Committee on Agriculture and Rural Development calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Takes note of the proposed EUR 58.9 billion in commitments and deplores this -5.7% decrease compared to 2016 (with the impact of the reprogramming neutralised), and EUR 55.2 billion in payments (+0.2%) under the Draft Budget (DB) 2017 for Heading 2;
2. Regrets that, given the ceiling imposed by the 2014-2020 Multiannual Financial Framework (MFF) for Heading 2, major categories of Common Agricultural Policy (CAP) spending are likely, to be cut in 2017, including rural development, direct payments and market measures;
3. Regrets in particular the proposed cuts in rural development in commitments and payments; deplores the 23,1 % reduction in commitments and 4,6 % reduction in payments; notes that the higher amounts are due to the offset of the 2014 commitments to the budgetary years 2015 and 2016; stresses that funding for rural development under the European Agricultural Fund for Rural Development (EAFRD) has a high added value for the economy and public services in rural areas across the Union including a real potential for maintaining jobs and creating new ones;
4. Welcomes the farmers' support package announced in July 2016 and considers it a step toward better management of production; regrets, nevertheless, that the portion allocated to Union-level measures, compared with the amount allocated to national envelopes, is too small when production management must be Union-wide in order to avoid the risk of re-nationalisation and maintain a level playing field; considers that structural measures should be anticipated and integrated into the budgets of future years;

5. Highlights the objectives of increasing the competitiveness and sustainability of Union agriculture, and asks for resources to be provided in order to fulfil these objectives; recalls the potential of agriculture policy in terms of job creation, technical and social innovation and sustainable development, particularly in the rural areas where they promote regional development;
6. Condemns year-on-year decreases in rural development commitment and spending;
7. Notes with regret that DB 2017 leaves a massively reduced unallocated margin of 0.64 billion under Heading 2; insists, notwithstanding any urgencies in other budgetary Headings, that the allocated contingency margin of 0,65 billion remain in Heading 2 to address the continuing crisis in agricultural markets and any possible forthcoming crises and frequently occurring price volatility; highlights that a foreign policy decision has led to the Russian embargo, which subsequently placed farmers to bear the brunt of that decision and triggered the crisis; insists therefore that the entire margin remains within Heading 2;
8. Notes that Union agriculture has increasingly been exposed to crises in recent years; calls therefore on the Commission to reconsider the system of contingency funding and to create a new instrument that allows rapid political intervention in the event of a crisis, without impacting on the annual direct payments;
9. Calls on the Commission and the Member States to monitor, in a timely way, the price volatility of agricultural products, with a particular focus on the dairy sector, which has adverse effects on farmers' incomes, and to react promptly and effectively when needed, giving farmers directly the option of combating such price volatility;
10. Stresses that it is essential that funds earmarked for research in the agri-food sector, in particular from the Horizon 2020 budget, remain fully available as such in order to stimulate innovation in the agricultural sector;
11. Regrets that the measures proposed have not fully reached their objectives; rejects the proposed cuts for intervention in the agricultural markets compared to 2016; sees a continued financial effort being necessary to combat the crisis; asks the Commission to extend emergency measures related to both sales difficulties and consequences of the Russian embargo; is concerned that further markets intervention will be necessary; believes that all measures and interventions should take more into account the specific characteristics and needs of different Member States;
12. Insists that Member States implement without delay a support programme with the objective of reducing milk production; believes that Member States should coordinate their actions in order to reduce the competition between milk producers from different Member States; considers that the best way to have an effective production management would be at Union level, thus ensuring a level playing field;
13. Notes the effects of the abolition of milk quotas and takes the view that preparatory measures are necessary to avoid market imbalances following the abolition of sugar quotas in September 2017;
14. Welcomes the continued support for the school milk scheme of EUR 75 million in the

DB for 2017; rejects the cuts of EUR 20 million to the school fruit and vegetables scheme; reiterates the vital importance of both schemes to farmers and Member States and underlines their importance given the current crisis and levels of child malnutrition in the Union; calls on the Commission to reduce bureaucracy in both schemes;

15. Insists that any revenue to the Union budget deriving from any assigned revenues or repayments of irregularities from agriculture in 2015/2016 remain in Heading 2;
16. Welcomes the increase in operational funds for producer organisations; opposes the massive cuts in aid to producer groups for preliminary recognition; welcomes the prolongation of exceptional measures for the fruit & vegetable sector especially in light of the crisis and the Russian embargo that severely hit producers; calls for those measures to remain in force for as long as the Russian embargo lasts and for them to be widened to cover all crop and livestock sectors affected; points out that the milk sector requires particular attention because the Russian embargo is adding to the uncertainty for producers by exacerbating the price fall seen since the quota scheme was abolished;
17. Welcomes the allocations for research and innovation related to agriculture under Horizon 2020, to secure sufficient supplies of safe and high quality food and other bio-based products; underlines the need to prioritize projects that involve primary producers;
18. Calls on the Commission and Member States to ensure that funds allocated to the reserve for crises in the agricultural sector in the 2017 budget, which are subsequently left unspent remain in full in Heading 2 for the following budget year for direct payments to farmers as provided in Regulation (EU) No1306/2013; stresses the need to provide financial and technical support for reconversion addressed to farmers most affected by the current crisis;
19. Insists on the need to provide funds to compensate for the economic losses suffered by farmers due to market crises or other effects; reiterates the need to use the available margins under Heading 2 to this effect;
20. Stresses the need to strengthen the appropriations intended to combat animal diseases and plant pests, currently EUR 20 million, as they are insufficient to cope with the reappearance of diseases such as *Xylella fastidiosa* and Bird Influenza, and with the appearance of contagious nodular dermatosis, a new infectious disease affecting cattle, already present in Greece and Bulgaria and threatening several other countries; calls therefore for additional funding to be earmarked to compensate for the economic losses suffered by farmers, due to market crises and sanitary or phytosanitary crises, i.e. *Xylella fastidiosa*, especially in the olive-growing and olive oil sector, to step up prevention measures in the Union, to combat the spread of this devastating disease and to restructure the sector and consolidate scientific research into the pathogen and its carrier; reiterates the need to use the available margins under Heading 2 to this effect; insists that compensation for eradication should also cover rehabilitation of agroecosystems including the soil, as well as establishing robust biological diversity, especially ensuring genetic diversity of the plant or animal stock that ideally includes resistance to or tolerance of the disease or pest; considers that any aid granted should be with the purpose of ensuring a balanced, biologically diverse agroecosystems and landscapes that are less susceptible to future attacks; calls on the Commission and the

Council to take all the necessary measures to combat the deterioration of those markets;

21. Disagrees with the Commission's decision to increase the funds for voluntary coupled support, as this leads to market distortions amongst Member States in certain agricultural markets; disagrees also with the reduction in support for young farmers;
22. Asks the Commission to create market observatories for meat and other products affected by the volatility of prices in order to establish prognosis and to avoid overproduction;
23. Welcomes the slight increase in funds allocated to support beekeeping and seeks more funding, as Parliament has consistently viewed beekeeping as a priority for the future of agriculture and for the conservation of biodiversity ;
24. Demands that the Commission monitors the significant price volatility of agricultural products, which has adverse effects on farmers' incomes, and that the Commission acts swiftly and effectively when needed;
25. Advocates that the objectives of increasing the competitiveness and sustainability of European agriculture are upheld, and asks for resources to be provided in order to fulfil those objectives;
26. Disagrees with the Commission's decision to delay the presentation of its draft budget for 2017 by more than a month, due to the UK referendum, as it severely disrupts the budgetary procedure.

## RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	30.8.2016
<b>Result of final vote</b>	+: 35 -: 5 0: 2
<b>Members present for the final vote</b>	John Stuart Agnew, Clara Eugenia Aguilera García, Eric Andrieu, Paul Brannen, Daniel Buda, Nicola Caputo, Matt Carthy, Viorica Dăncilă, Michel Dantin, Albert Deß, Herbert Dorfmann, Edouard Ferrand, Luke Ming Flanagan, Beata Gosiewska, Martin Häusling, Jan Huitema, Peter Jahr, Jarosław Kalinowski, Urszula Krupa, Zbigniew Kuźmiuk, Philippe Loiseau, Mairead McGuinness, Giulia Moi, Ulrike Müller, Maria Noichl, Marijana Petir, Jens Rohde, Bronis Ropė, Jordi Sebastià, Jasenko Selimovic, Maria Lidia Senra Rodríguez, Czesław Adam Siekierski, Marc Tarabella, Marco Zullo
<b>Substitutes present for the final vote</b>	Bas Belder, Franc Bogovič, Maria Heubuch, Karin Kadenbach, Norbert Lins, Gabriel Mato, Anthea McIntyre, Sofia Ribeiro, Annie Schreijer-Pierik, Tibor Szanyi, Hannu Takkula, Estefanía Torres Martínez, Ramón Luis Valcárcel Siso

1.9.2016

## **OPINION OF THE COMMITTEE ON FISHERIES**

for the Committee on Budgets

on the draft general budget of the European Union for the financial year 2017  
(2016/2047(BUD))

Rapporteur: Nils Torvalds

### **SUGGESTIONS**

The Committee on Fisheries calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Recalls that the objectives of the CFP can only be effectively achieved if there is a sufficient budget; points out that the budget is concentrated in Section III and Title 11, ‘Maritime Affairs and Fisheries’; notes that the European Maritime and Fisheries Fund (EMFF), which has limited resources at its disposal compared with other EU funds, and the compulsory contributions to regional fisheries management organisations and sustainable fisheries agreements make up most of the budget, and that reining in the constant cuts in appropriations sustained by the latter budget line is vital to ensuring that expectations concerning expansion of the network of agreements with third countries are met.
2. Stresses the need for the Union budget to reflect the stated policy objectives for employment, businesses and entrepreneurship; stresses that fisheries and maritime affairs are also areas where jobs are created and growth is generated and that they contribute actively to regional development and natural-resource management.
3. Stresses the importance of the social and economic dimension of fishing for local communities and some maritime, coastal and island regions that are particularly dependent on fishing; recognises the need to maintain enough financial provisions for enabling coastal, artisanal and small scale fleet sectors to obtain funding.
4. Points out that there is a major economic, social and environmental dimension to fisheries and maritime affairs and that they play a vital role in the blue economy.
5. Stresses that the CFP also contributes to social cohesion in outermost regions and offshore islands; points out that in some cases the fishing enterprises in those regions are handicapped by additional costs and should therefore be especially recognised and supported in accordance with Article 349 of the Treaty on the Functioning of the

European Union, as are regions that suffer from severe and permanent natural or demographic handicaps, in accordance with Article 174 of the Treaty on the Functioning of the European Union.

6. Emphasises that the implementation of the new CFP entails a paradigm shift in fisheries management both for Member States and for fishermen and recalls, in this regard, the difficulties encountered in previous financial years when appropriations were reduced.
7. Points out the need to guarantee sufficient financial support, with no cuts to appropriations for controlling fisheries activities and investments on board and in the ports, in order to ensure and facilitate the implementation of the landing obligation.
8. Stresses that the modernisation of fisheries control policy can only be implemented by modernising its tools, which cannot be done without increasing its budget.
9. Stresses the importance of ensuring a proper funding and maintaining, at the very least, the level of appropriations earmarked in the current financial year for the collection of data, which is a key task to enabling rational and scientific based decisions to be taken on fisheries policy issues.
10. Emphasises the need to invest in analysis and dissemination, throughout the supply chain, of knowledge and understanding of economic aspects of the fisheries and aquaculture market, for which reason funding has to be guaranteed, under the market intelligence budget line, for commitment appropriations needed to cover the envisaged payment estimates.
11. Emphasises the need to give priority to projects focused on job creation (specially through the Youth Employment Initiative), on innovative projects and on diversifying local economies in order to add more value to their fishing activities – by, for example, promoting product labelling or fisheries tourism – and on the protection and recovery of fish stocks and maritime ecosystems.
12. Designates youth employment in this sector a political priority; stresses that it is the responsibility of Member States to do their utmost to make it easier for young people to take up the various occupations within fishing by making use of all tools made available to them, including the Structural Funds.
13. Points out that, taken into account that the implementation of the Union budget for 2017 will coincide with the mid-term review of the Multiannual Financial Framework 2014-2020, the financial year 2017 is the appropriate period to ensure that the Union is granted sufficient resources to effectively address internal and external actions and contemplate the necessary appropriations to respond to the financing needs of the CFP.
14. Reiterates that a large number of mixed fisheries will be affected by the landing obligation for discards as of 1 January 2017, and calls in this connection for a specific budget line to be dedicated to assistance in meeting this obligation in order to ring-fence and promote research and development into the selectivity of fishing gear.
15. Points out that all the operational programmes on fisheries have recently been adopted by the Members States, so in the financial year 2017 the Commission and the national

administrations should speed up actions to ensure a timely implementation of the projects concerned; considers that the Union budget should foresee an appropriate level of payment appropriations and commitment appropriations to prevent payment problems and financial cuts for fisheries actions.

16. Reiterates its call to the Commission to forward to Parliament every year a progress report covering all commitments and payments, broken down by Member State, so as to ensure compliance with the various EMFF ceilings.
17. Calls on DG MARE, under the sustainable fisheries partnership agreements (SFPAs), to monitor sectoral aid closely, using detailed charts, based on the information contained in the project files.
18. Points out that the European Fisheries Control Agency (EFCA) can only perform its role if provided with sufficient technical, economic, human and financial resources; calls on the Commission to ensure sufficient funding for the appropriations devoted to the EFCA in order to enable it to fulfil its new tasks attributed to it under the reformed common fisheries policy and the proposal on a European Border and Coast Guard package; recalls the need to exempt all posts of agencies dealing with the migration crisis from the 5 % staff reduction target.
19. Recommends an increase in the EFCA budget to enable it to carry out the new tasks required under the European Border and Coastguard project.



## RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	31.8.2016
<b>Result of final vote</b>	+ : 16 - : 0 0 : 0
<b>Members present for the final vote</b>	Marco Affronte, Clara Eugenia Aguilera García, Alain Cadec, Richard Corbett, Carlos Iturgaiz, António Marinho e Pinto, Gabriel Mato, Remo Sernagiotto, Ricardo Serrão Santos, Isabelle Thomas, Jarosław Wałęsa
<b>Substitutes present for the final vote</b>	Izaskun Bilbao Barandica, José Blanco López, Nicola Caputo, Ole Christensen, Ian Duncan, Czesław Hoc, Cláudia Monteiro de Aguiar, Maria Lidia Senra Rodríguez, Nils Torvalds

6.9.2016

## **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 2017  
(2016/2047(BUD))

Rapporteur: Bogdan Andrzej Zdrojewski

### **SUGGESTIONS**

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

1. Notes that the delay in the presentation of the draft budget for 2017 by the Commission significantly disrupts the work of Parliament; is of the opinion that such delays should be avoided in the future;
2. Notes the proposed increases in the draft budget for 2017 for the Erasmus+, Creative Europe and Europe for Citizens programmes; highlights that investment in those policy areas can contribute to the Europe 2020 strategy's aim of promoting smart, sustainable, and inclusive growth, and to the EU Youth Strategy's aim of active participation and inclusion of young people in society, as well as representing a strategic investment in people as a critical factor for growth and prosperity, if appropriately targeted;
3. Welcomes the signing of the agreement setting off the Financial Guarantee Facility of Creative Europe, one of the key means to improve access to loan financing for SMEs and organisations working in the cultural and creative sector, and one of the key means for guaranteeing the necessary fair remuneration of creators; welcomes the initiative of the integrated training scheme of the Guarantee Facility proposed to bankers and financial intermediaries; strongly recommends all necessary measures to be put in place in the course of 2016, so that the Guarantee Facility may reach cruising speed as soon as possible;
4. Highlights that the Union programmes in the field of culture, education, youth and citizenship present additionalities and synergies with integration policies for migrants and refugees; invites the Union institutions, therefore, to respond with the appropriate increases in funding of directly managed programmes, such as Creative Europe, as well as for the relevant budget lines in the Structural and Investment Funds;

5. Reiterates its belief that the Youth chapter of Erasmus+ is an emblematic learning mobility programme, equipping young people with the skills and competence needed to face new challenges; stresses that this chapter must receive 10% of the overall programme budget as indicated in the basic act;
6. Notes, in the context of new societal challenges for Europe, the need to strengthen a European approach to face common European challenges by supporting large scale innovation projects in the field of education, training and youth carried out by the European Civil Society networks;
7. Regrets that no additional commitment appropriations for the Youth Employment Initiative are included in the draft budget for 2017; calls upon the Member States and the Commission to ensure the continuation of the scheme in 2017;
8. Highlights that 2017 will mark the 30<sup>th</sup> anniversary of the Erasmus programme; calls, therefore, for the allocation of adequate resources to use this moment of celebration to further promote the benefits of the programme for Europe and its citizens; calls, furthermore, for a large involvement of stakeholders, including youth organisations and other education providers, to reach out to a broad European audience;
9. Notes that the Commission has made no provision for a margin for further reinforcements under which pilot projects and preparatory actions could be financed under heading 3; notes that there is a margin under heading 1a; stresses the potential of pilot projects and preparatory actions as tools for the testing of actions in Union policy areas and the introduction of new innovative initiatives that might turn into standing Union activities;
10. Highlights that an effective Union communication policy must strengthen media plurality and credibility, and promote genuine dialogue with citizens, which must be supported by appropriate provisions in the draft budget; with this in mind, recalls the positive role of pan-European networks made up of local and national media such as Euranet Plus and calls for a budgetary guarantee that would ensure its ongoing activities and stable financing;
11. Underlines, in the context of the evolving migration and refugee crisis, as well as terrorist threats, the role of cultural diplomacy; welcomes the Commission's joint communication entitled Towards the EU strategy for international cultural relations; notes in this context that adequate funding needs to be assigned in order to make culture a powerful tool in service of Union foreign policy and making the Union a stronger global actor;
12. Notes that the necessary budgetary guarantees for the preparatory activities of the implementation of the 2018 European Year of Cultural Heritage must be provided for;
13. Highlights the importance of statistical research and access to comparable data resources allowing for the effective monitoring and analysis of the cultural, economic and societal impact of policies in the field of culture and education; in this respect, recalls the necessity of allocating sufficient resources for that purpose.

## RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	5.9.2016
<b>Result of final vote</b>	+ : 20 - : 2 0 : 2
<b>Members present for the final vote</b>	Andrea Bocskor, Silvia Costa, Mircea Diaconu, Jill Evans, Petra Kammerevert, Svetoslav Hristov Malinov, Stefano Maullu, Luigi Morgano, Momchil Nekov, Michaela Šojdrová, Sabine Verheyen, Julie Ward, Bogdan Brunon Wenta, Bogdan Andrzej Zdrojewski, Milan Zver, Krystyna Lybacka
<b>Substitutes present for the final vote</b>	Rosa D'Amato, Eider Gardiazabal Rubial, Zdzisław Krasnodębski, Ernest Maragall, Martina Michels, Hannu Takkula
<b>Substitutes under Rule 200(2) present for the final vote</b>	Gerolf Annemans, Raymond Finch

2.9.2016

## **OPINION OF THE COMMITTEE ON CIVIL LIBERTIES, JUSTICE AND HOME AFFAIRS**

for the Committee on Budgets

on the draft general budget of the European Union for the financial year 2017  
(2016/2047(BUD))

Rapporteur: Monica Macovei

### **SUGGESTIONS**

The Committee on Civil Liberties, Justice and Home Affairs calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Notes the increase of 5,4 % in commitment appropriations and 25,1 % in payment appropriations under Heading III of the Union budget compared to 2016; welcomes the emphasis in the 2017 budget on allocating sufficient resources to effectively respond to the migration crisis; supports the commitment of the Commission to provide the necessary resources to effectively manage and control the external borders of the Union, to reinforce security inside and outside the Union, to provide Member States with support for the reception of people in need for international protection and to address the root causes of migration flows in the countries of origin and transit; points out however that the EUR 5,2 billion programmed in 2017 for Heading III and IV to address challenges posed by the refugee and migration crisis and the serious threat posed to the security of European citizens by serious organised crime, terrorism and cybercrime of complex, cross-border nature represent less than 3,5% of the total Union budget, which is little considering the existential stakes involved for the Union; considers that the Union should show solidarity with those in real need; believes that the preservation of the Union's fundamental values such as the respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights should be given adequate funding;
2. Calls for a revision of the ceilings for Heading III and IV in the Commission's mid-term MFF review, in order to deliver a more robust, flexible and sustainable response to the current humanitarian and migratory challenges from 2017 on; requests simplification of the financial regulation and procedures, a fair, transparent and accountable distribution of funding, as well as the verification of how European funds are spent;

3. Underlines that the existing efforts of the Union to deal with the refugee and migration flows should adapt adequately to the specific needs and vulnerabilities faced by the increased number of displaced women and girls; calls for earmarked humanitarian funds to ensure a multi-sectoral approach, including adequate implementation of the minimum standards for life-saving sexual and reproductive health services, the prevention and response to sexual and gender-based violence (SGBV) and training of social workers and medical staff across the European refugee route in both Headings III and IV;
4. Expects migratory flows to continue, due to political instability and conflicts in many regions; welcomes the Commission's Communication on establishing a New Partnership Framework with third countries under the European Agenda on Migration; calls for a rapid implementation of the proposals, in order to tackle the root causes of migration in full respect of the values on which the Union is based;
5. Recalls that the fair and transparent distribution of funding between the different objectives of the Asylum, Migration and Integration Fund was a priority for Parliament during negotiations leading to the adoption of that fund; calls on the Commission accordingly to increase the number of budget lines under the Asylum Migration and Integration Fund to facilitate a better readability and transparency of how the financial resources allocated to the different objectives and thus to those budgetary lines that will be spent; calls, in particular, on the Commission to separate expenditure on enhancing fair return strategies from expenditure on legal migration and promoting the effective integration of third-country nationals in all future draft budgets as proposed in the opinion of the Committee on Civil Liberties, Justice and Home Affairs for the 2015 Budget <sup>22</sup>;
6. Welcomes the use of the flexibility instrument and the contingency margin under Heading 3 for an amount of EUR 1,7 billion but is concerned that further flexibility is no longer possible in 2017; notes that actions under Heading 4 are only partially financed by the Union budget; invites Member States to live up to their commitments and the Commission to support the implementation of the agreements as much as possible;
7. Welcomes the establishment of a Victims of Terrorism Response Co-ordination Centre (EURO 2 million) which should overcome barriers such as poor knowledge and weak skills development by bringing together key operational experts, victim advocates and organisation from around Europe to identify key priorities and issues for victims of terrorism and deliver a coordinated support for victims of terrorism across borders in order to have a proper victim-oriented approach in emergency response infrastructures;
8. Is concerned that the establishment of financial instruments outside the Union budget could threaten its unicity and circumvent the budgetary procedure, that requires the involvement and scrutiny of the European Parliament;
9. Welcomes funding of AMIF (EUR 1,6 billion) and ISF (EUR 0,7 billion); considers that this increase adds to the need to ensure a fair and transparent distribution of annual funding between the different programs and objectives of the funds; supports the total funding (EUR 3 billion) for setting up the European Border and Coast Guard agency,

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<sup>22</sup> §12 of EP budget opinion 2015

the new Entry-Exit System, the new Common European Asylum System and for creating the instrument providing fast and efficient emergency humanitarian assistance within the Union;

10. Frontex should provide its Fundamental Rights Officer with adequate resources and staff for setting up the complaint mechanism and for further developing and implementing the Agency's strategy to monitor and ensure the protection of fundamental rights;
11. Stresses that while the budgetary resources and the number of posts for the European Border and Coast Guard seem adequate for now, the future needs of the agency in terms of operational resources and staff will have to be closely monitored so that the agency does not fall behind reality; suggests that the grades of temporary posts be increased to meet the complex nature of the new tasks assigned to the agency by the revised regulation;
12. Acknowledges that the budgetary resources and staff of EASO proposed by the Commission are meeting the Agency's needs. Stresses the importance of not decreasing those resources and staffing levels and that those resources and staffing levels should be revised if a situation of an increased inflow of migrants re-emerges;
13. Supports the budget increase of the efficient JHA agencies, especially those involved with migration and security and requests their exclusion from the 5 % Union staff reduction target; stresses that relevant agencies must be sufficiently resourced and staffed when their mandates are increased; welcomes the Europol European Cybercrime Centre (EC3) fight against online child sexual exploitation and points out the need for more human resources in this field; underlines the need for proper funding adjustments in order to support Eurojust facing the massively increasing workload in areas such as the fight against terrorism, cybercrime, immigrant smuggling and other forms of serious cross-border crime; requests further detailed explanations about the 92 %, EUR 73 million increase in the budget of EU-LISA for the Entry Exit System, the interoperability of Information Systems and the revision of Dublin legislation as well as to explain break-down of appropriations between EU-LISA budget and the ISF;
14. Stresses that a coordinated approach between the Member States to fight organised crime, terrorism, cybercrime and other serious crime with cross-border dimension is more important than ever; believes that further resources should be allocated to training at Union level in the framework of police and judicial cooperation, in particular as regards the activities of the European Border and Coast Guard Agency, and stresses that Eurojust and Europol must be given appropriate operational resources, including for investing in new technologies; underlines especially Europol's need for sufficient human and operational resources; considers that additional posts are needed to improve among others the identification of victims, to destroy the organised networks of sexual abusers and to accelerate the detection, analysis and referral of abuse material on- and offline;
15. In this context is very concerned about the vulnerability of unaccompanied minors, as they require special care, and of young women during the migration crisis; underlines the difficult condition of the unaccompanied minors in refugee camps, subject to potential abuse and trafficking, and calls for the creation of proper tools, using the

emergency funds, in order to rapidly improve the current situation; considers it important to strengthen the funding for child helplines in order to prevent and protect missing children;

16. Welcomes the additional resources dedicated for the development of the European database on New Drugs of European Monitoring Centre for Drugs and Drug Addiction (EMCDDA). Calls on the Commission to ensure in the budgetary planning that EMCDDA is provided with sufficient resources required for the implementation of the envisaged legislative amendment of the EMCDDA founding regulation concerning the Early Warning System and the Risk Assessment of New Psychoactive Substances;
17. Calls on the Commission to ensure that the EU Agency for Network and Information Security (ENISA) is provided with sufficient resources to be able to execute the additional tasks delegated to it by the EU legislation, particularly by the Network and Information Security (NIS) Directive and for the tasks relating to preventing and fighting cybercrime;
18. Notes the increase of the budget line "Ensuring the protection of rights and empowering citizens" and "Promoting non-discrimination and equality", as part of the "Rights, Equality and Citizenship Programme" and expects the Commission to issue new calls for proposals, in particular to ensure the highest level of protection of fundamental rights, including in the digital environment and to support local actors promoting democracy, rule of law and fundamental rights within the Union, for example by setting up an endowment for democracy grant-giving organisations;
19. Believes that there is no direct link between migration and terrorism in Europe; asks for new funding to fight against the radicalisation of young people within the Union; considers that this can be achieved by promoting integration and fighting against discrimination, racism and xenophobia; calls for specific funding to be allocated to tackle growing homo-transphobia in Member States; calls for support projects aiming at the empowerment of women and girls in the communities most concerned;
20. Reiterates its call for specific funding to be allocated to tackle growing antisemitism, islamophobia, afrophobia and antiromism in Member States; calls in particular for the Union to support projects aiming at the empowerment of women and girls from the communities concerned, as proposed in the LIBE opinion for the 2016 Budget <sup>23</sup>;
21. Emphasises the need to increase the Union budget for gender equality policies and the fight against gender-based violence; requests the Commission to clarify the decrease in appropriations allocated to the European Institute for Gender Equality;
22. Calls for the strengthening of EMCDDA in the connection with the planned adoption of the regulation on new psychoactive substances with additional tasks for the agency;
23. Stresses the importance of the 'Justice programme' in order to further develop the European area of justice and to improve the application of mutual recognition; calls on the Union to support training and awareness rising activities aiming at facilitating access to justice for all Europeans, as well as promoting and supporting the rights of

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<sup>23</sup> §12 of EP budget opinion 2016



victims, in particular victims of human trafficking and gender-based violence;

24. Calls for Union development funds and humanitarian aid not to be linked to partner countries' capacity and/or willingness to collaborate in migration control e.g. through readmission clauses;
25. Insists that projects that run against fundamental rights of migrants and give legitimacy to dictatorial regimes should not be supported;
26. Calls on the Commission to ensure that resources within the two Home Affairs Funds are allocated to various policy areas in a way that fully takes into account the Union's and the Member States' commitments to protect and ensure the human rights of migrants. Projects that run counter to fundamental rights of migrants should not be supported. At the same time, Union funding should be used to proactively support a rights-based approach to migration.

## RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	31.8.2016
<b>Result of final vote</b>	+: 43 -: 6 0: 3
<b>Members present for the final vote</b>	Jan Philipp Albrecht, Heinz K. Becker, Michał Boni, Caterina Chinnici, Rachida Dati, Frank Engel, Cornelia Ernst, Tanja Fajon, Monika Flašíková Beňová, Ana Gomes, Nathalie Griesbeck, Sylvie Guillaume, Jussi Halla-aho, Monika Hohlmeier, Brice Hortefeux, Sophia in 't Veld, Barbara Kudrycka, Marju Lauristin, Juan Fernando López Aguilar, Monica Macovei, Roberta Metsola, Claude Moraes, Soraya Post, Judith Sargentini, Birgit Sippel, Csaba Sógor, Traian Ungureanu, Marie-Christine Vergiat, Udo Voigt, Josef Weidenholzer, Cecilia Wikström, Kristina Winberg, Tomáš Zdechovský
<b>Substitutes present for the final vote</b>	Anna Maria Corazza Bildt, Gérard Deprez, Angelika Mlinar, Emilian Pavel, Christine Revault D'Allonnes Bonnefoy, Barbara Spinelli, Kazimierz Michał Ujazdowski, Daniele Viotti, Axel Voss
<b>Substitutes under Rule 200(2) present for the final vote</b>	Amjad Bashir, Fabio Massimo Castaldo, Daniel Dalton, Jørn Dohrmann, Elisabetta Gardini, Danuta Jazłowiecka, Georg Mayer, Maria Noichl, Keith Taylor, Marco Valli

6.9.2016

## **OPINION OF THE COMMITTEE ON CONSTITUTIONAL AFFAIRS**

for the Committee on Budgets

on the draft general budget of the European Union for the financial year 2017  
(2016/2047(BUD))

Rapporteur: György Schöpflin

### **SUGGESTIONS**

The Committee on Constitutional Affairs calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Notes the Commission's proposed increase in appropriations for Heading 3 of 5,4 % in commitment appropriations and 25,1 % in payment appropriations as compared to the 2016 budget; welcomes that this increase is EUR 1,8 billion above the initially programmed amount for the year to respond to the migration challenge; notes that the Commission leaves no margin in Heading 3 and proposes the mobilisation of the Flexibility Instrument for EUR 530 million and the Contingency Margin for commitments for an amount of EUR 1 164,4 million in order to respond to the current asylum and migration crisis;
2. Welcomes in particular the proposed increase of 4,3 % in commitment appropriations and 10,7 % in payment appropriations for the 'Europe for Citizens' programme, as compared to the 2016 budget, as this programme helps to foster civic and democratic participation at Union level, to engage young people as well as the elderly in the Union and contribute to citizens' understanding of the Union, its policies, history and diversity;
3. Notes that the Commission proposes an amount of EUR 840 000 in commitment appropriations for the separate budgetary line for the European Citizens Initiative (ECI),

created last year, and points to the need of sufficient funding to promote the use of this instrument, as this is a valuable tool of participatory democracy;

4. Underlines the importance of further developing tools to enhance e-government, e-governance, e-voting and e-participation and promote digital citizenship and Union citizenship rights by developing online ‘citizenship’ activities which enhances transparency, accountability, responsiveness, engagement, deliberation, inclusiveness, accessibility, participation, subsidiarity and social cohesion;
5. Welcomes the increase in funding for communication of the Commission Representations, Citizens’ dialogues and ‘Partnership’ actions with appropriations for 2017 amounting to EUR 17,036 million in commitment appropriations and 14,6 million in payment appropriations, as these concern initiatives to reach out to European citizens, gain their trust and foster their understanding of Union politics and policies;
6. Underlines the need to provide the Joint Transparency Register Secretariat with sufficient and adequate administrative and financial means in order to fulfil its tasks, following the adoption of the new Interinstitutional agreement on the Transparency register.

## RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	5.9.2016
<b>Result of final vote</b>	+ :                    20 - :                    2 0 :                    0
<b>Members present for the final vote</b>	Mercedes Bresso, Fabio Massimo Castaldo, Richard Corbett, Danuta Maria Hübner, Ramón Jáuregui Atondo, Constance Le Grip, Jo Leinen, Maite Pagazaurtundúa Ruiz, Paulo Rangel, György Schöpflin, Pedro Silva Pereira, Barbara Spinelli, Josep-Maria Terricabras, Kazimierz Michał Ujazdowski, Rainer Wieland
<b>Substitutes present for the final vote</b>	Max Andersson, Gerolf Annemans, Pervenche Berès, Charles Goerens, Jérôme Lavrilleux, Viviane Reding, Helmut Scholz
<b>Substitutes under Rule 200(2) present for the final vote</b>	Claudiu Ciprian Tănăsescu

6.9.2016

## **OPINION OF THE COMMITTEE ON WOMEN'S RIGHTS AND GENDER EQUALITY** for the Committee on Budgets

on the draft general budget of the European Union for the financial year 2017  
(2016/2047(BUD))

Rapporteur: Viorica Dăncilă

### **SUGGESTIONS**

The Committee on Women's Rights and Gender Equality calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- A. whereas according to a joint declaration by the Parliament, the Council and the Commission from November 2013, the annual budgetary procedures should integrate gender-responsive elements; whereas gender budgeting has not been consistently applied by any of the EU institutions;
- B. whereas the Daphne programme played a fundamental role in combating violence against children, young people and women in the EU by funding awareness-raising campaigns and projects that reach out to those most at risk, and Parliament repeatedly asked to ensure that the Daphne programmes' profile is kept as high as possible;
- C. whereas Parliament has called in the past for increase in the number of the staff of the European Institute for Gender Equality (EIGE) in order to fulfil its new, additional task as the European Monitoring Centre on Gender-Based Violence;
- D. whereas the 2008 economic recession saw a rise in austerity measures being applied across Member States in an attempt to stabilise the economy;
- 1. Welcomes the mainstreaming of gender-equality as a cross-cutting policy objective of the EU budget in EU funds and programmes; recalls that spending and revenue decisions impact women and men differently; underlines, therefore, that gender budgeting is a key tool to combat gender inequalities; urges the adoption of gender budgeting, in both Union and national strategies for more effective promotion of gender equality, including quantifiable budget allocations, gender impact assessments on the different consequences that spending decisions have on women and men and results indicators in order to rectify the imbalances between men and women; also calls for the highest level of transparency to be used for funds allocated to gender equality;

2. Calls for the 'Budget for Results' agenda to be used as an opportunity for budget spending to deliver integrated benefits of gender equality with every euro spent;
3. Highlights that jobs, growth and investments remain the overarching priority of the 2017 EU budget; draws attention to the existing gender-related targets in the Europe 2020 strategy, namely increasing female employment from only 63,5 % currently to 75 % and achieving equal pay between women and men, gender equality in the membership of national parliaments and an equal number of women on large company boards, all of which we are a long way from reaching;
4. Stresses the need to sufficiently finance under the European structural and investment funds measures promoting and supporting good-quality education, employability and job creation for women and girls, to improve their chances of good quality offers of employment, continued education, apprenticeships or traineeships; notes that more funds should be allocated for women and girls who would like to start up their own business and for entrepreneurship;
5. Calls for resources to be allocated from Union funds to promote women's rights and gender equality through education, health services, notably sexual and reproductive health and rights services, girls' empowerment, and women's political representation;
6. Calls for the 2017 budget to use European Fund for Strategic Investment and the European Social Fund (ESF) to finance good-quality, accessible and affordable care facilities in areas where there is a shortage to help reach the Barcelona targets and also contribute to the reconciliation of the work-life balance;
7. Highlights that gender segregation is one of the largest contributors to the EU gender pay gap (16.1 % in 2014) and consequently the average EU pension gap (40.2 % in 2014); Notes, in this regard, that more funds should be allocated to increase women's participation in sectors where they are currently underrepresented such as science, technology, engineering, maths and ICT, as a tool to close the pay gap, increase the economic independence of women and elevate their position in the labour market;
8. Notes that the financial crisis has led to cutbacks in public services and benefits in Member States; notes that those cuts fall heaviest on women; highlights the increased financial insecurity due to non-standard forms of employment and temporary contracts, and notes more older women and single mothers living in poverty; therefore calls for the 2017 budget to mobilise the ESF across all Member States by investing in work-life balance reconciliation in order to help more women into work and improve their socio-economic situation; calls for a coherent use of gender budgeting;
9. Notes that the 2017 budget tries to provide an effective European response to the migration challenge; stresses the need to assign funds for providing specific assistance to, and promoting integration, ensuring medical treatment, including access to safe abortion for women and girls who are victims of rape in armed conflicts and monitoring the situation of female refugees and asylum seekers in the EU including skills training, flexible language training, education, health and good-quality childcare facilities to help women refugees integrate into their host countries; believes that, in particular, tailored facilities should be put in place in order to create suitable areas for mothers and children, and special attention should be given to women and girls victims of violence, including

FGM;

10. Deplores the fact that the Daphne programme is no longer considered to be an expenditure area in its own right; welcomes the small increase in the planned allocations of the Daphne specific objective within the Rights, Equality and Citizenship Programme; recalls that the planned allocations do not reach the level of the previous programming period; emphasises its call for sufficient financial support and visibility for Daphne and for the assigned funds to be used fully and effectively; highlights the importance of Daphne Programme funds reaching, in a transparent manner, grass-roots organisations in Member States with expertise in dealing with victims and those at risk as well as proactive awareness-raising campaigns;
11. Calls for increased measures aimed directly at disadvantaged groups of women, investing in high-quality public services and, specifically, guaranteeing adequate provision of high-quality services for childcare, elderly care and care of other dependent persons, and calls for genuine budgetary transparency in respect of the funds (ESF, PROGRESS, Daphne) allocated to gender equality policies;
12. Calls for the adoption of strategies for more effective promotion of equality between men and women; highlights the need to earmark increased funding for the fight against all forms of violence and discrimination against women and girls;
13. Regrets the proposed cut in the number of staff of EIGE; reiterates its call to allocate additional financial resources and staff to EIGE in order for it to fulfil its new, additional task of the European Monitoring Centre on Gender-Based Violence as called for by the European Parliament;
14. Regrets the proposed cuts in humanitarian aid (HUMA) and development cooperation (DCI), as these are especially important for women and gender equality.



## RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	1.9.2016
<b>Result of final vote</b>	+: 17 -: 1 0: 4
<b>Members present for the final vote</b>	Beatriz Becerra Basterrechea, Malin Björk, Vilija Blinkevičiūtė, Anna Maria Corazza Bildt, Iratxe García Pérez, Mary Honeyball, Elisabeth Köstinger, Agnieszka Kozłowska-Rajewicz, Angelika Mlinar, Angelika Niebler, Maria Noichl, Margot Parker, Marijana Petir, João Pimenta Lopes, Terry Reintke, Liliana Rodrigues, Jordi Sebastià, Ernest Urtasun, Anna Záborská
<b>Substitutes present for the final vote</b>	Clare Moody, Julie Ward
<b>Substitutes under Rule 200(2) present for the final vote</b>	Emilian Pavel

## RESULT OF FINAL VOTE IN COMMITTEE RESPONSIBLE

<b>Date adopted</b>	11.10.2016						
<b>Result of final vote</b>	<table><tr><td>+: </td><td>29</td></tr><tr><td>–: </td><td>7</td></tr><tr><td>0: </td><td>1</td></tr></table>	+:	29	–:	7	0:	1
+:	29						
–:	7						
0:	1						
<b>Members present for the final vote</b>	Nedzhmi Ali, Jonathan Arnott, Jean Arthuis, Richard Ashworth, Reimer Böge, Lefteris Christoforou, Jean-Paul Denanot, Gérard Deprez, José Manuel Fernandes, Eider Gardiazabal Rubial, Jens Geier, Esteban González Pons, Ingeborg Gräßle, Iris Hoffmann, Monika Hohlmeier, Bernd Kölmel, Zbigniew Kuźmiuk, Vladimír Maňka, Ernest Maragall, Siegfried Mureşan, Jan Olbrycht, Urmas Paet, Paul Rübig, Petri Sarvamaa, Patricija Šulin, Eleftherios Synadinos, Indrek Tarand, Isabelle Thomas, Inese Vaidere, Daniele Viotti, Auke Zijlstra						
<b>Substitutes present for the final vote</b>	Afzal Khan, Claudia Țapardel, Derek Vaughan						
<b>Substitutes under Rule 200(2) present for the final vote</b>	Daniela Aiuto, Lynn Boylan, Edouard Ferrand						