Parliament and Council clash again over EU budget

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The latest meeting between the three institutions involved in setting the EU's budget has failed to find an agreement on the next Financial Perspective, for 2007 to 2013, with many MEPs still holding out for more programmes related to competitiveness.

'The EP [European Parliament], Council and the Commission agree to continue work in a higher gear in order to achieve the goal of reaching agreement on the multi-annual financial framework in April,' reads a joint declaration issued after the 21 February meeting.

Although a budget deal was made by the Heads of State and Government at the December European Council, the agreement was rejected by the Parliament. 'The Council cuts mean a reduction of 50 per cent, compared to what Parliament proposed, for programmes for SMEs [small and medium sized enterprises], for lifelong learning, the start up of Galileo and TENs [trans-European networks], of 20 per cent for programmes strengthening internal security, [...] of 40 per cent for the youth and culture programmes and of 20 per cent for external and security policies,' according to the Parliament. Both the Parliament and the Commission had called for a doubling of the EU budget for these areas, which come under the heading of 1A, but the Council wishes to limit the increase to 66 per cent.

Failure to agree on a budget for the EU as a whole has implications for programmes such as the EU's Seventh Framework Programme for research (FP7), which will not be implemented on time if the budget cannot been set.

'New areas such as energy research, information society and nanotechnology would suffer,' according to a statement by the Alliance of Liberals and Democrats for Europe (ALDE).

'It really is extraordinary how short-sighted the Council is being over the
negotiations on the EU's future budgetary needs,' said MEP Anne Jensen, budget spokesperson for ALDE. 'We are not just discussing the budgetary needs for next year but for the next seven years. We must rise to the challenges of an increasingly competitive global market, rapid environmental changes, migratory pressures and capacity building in new Member States, as well as future candidate and near-neighbourhood countries.'

The next three party meeting is due to take place on 21 March.

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