

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
of 19 May 2003
on the revision of the financial perspective

(2003/430/EC)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to the Interinstitutional Agreement (IIA) of 6 May 1999 between the European Parliament, the Council and the Commission on budgetary discipline and improvement of the budgetary procedure ⁽¹⁾, and in particular points 19 to 21 thereof,

Having regard to the proposal from the Commission ⁽²⁾,

Acting in accordance with the procedure laid down in the fifth subparagraph of Article 272(9) of the Treaty ⁽³⁾,

Whereas:

- (1) The European Parliament and the Council have jointly adopted the adjustment of the financial perspective for enlargement ⁽⁴⁾, as provided for in point 25 of the Interinstitutional Agreement of 6 May 1999.
- (2) They have subsequently agreed on a Declaration on Article 32 and Annex XV of the Accession Treaty. The Declaration provides for the ceiling of heading 3 (internal policies) to be raised,

HAVE DECIDED AS FOLLOWS:

Article 1

The annual ceilings for appropriations for commitments in heading 3 (internal policies) of the financial perspective, as adjusted under point 25 of the Interinstitutional Agreement of 6 May 1999, shall be raised by the following amounts, expressed in millions of euro in 1999 prices.

2004	2005	2006
50	190	240

Article 2

1. The resulting financial perspective for an enlarged European Union with 25 Members (excluding the budgetary implications resulting from a political settlement in Cyprus), in 1999 prices, is presented in Table 1a attached to this Decision.

In the event of a political settlement being reached in Cyprus, the financial perspective for a European Union with 25 Members at 1999 prices, as presented in Table 1b, shall apply.

⁽¹⁾ OJ C 172, 18.6.1999, p. 1.

⁽²⁾ Not yet published in the Official Journal.

⁽³⁾ Decision of the European Parliament of 9 April 2003 and Decision of the Council of 14 April 2003.

⁽⁴⁾ OJ L 147, 14.6.2003, p. 25.

2. The corresponding financial perspective resulting from the technical adjustment for 2004, in line with movements in gross national income (GNI) and prices, are presented in Tables 2a and 2b attached to this Decision.

Done at Brussels, 19 May 2003.

For the European Parliament

The President

P. COX

For the Council

The President

G. PAPANDREOU

Table 1a: Financial perspective (EU-25) adjusted for enlargement at 1999 prices

	(EUR million)						
Commitment appropriations	2000	2001	2002	2003	2004	2005	2006
1. AGRICULTURE	40 920	42 800	43 900	43 770	44 657	45 677	45 807
1(a) Common agricultural policy	36 620	38 480	39 570	39 430	38 737	39 602	39 612
1(b) Rural development	4 300	4 320	4 330	4 340	5 920	6 075	6 195
2. STRUCTURAL ACTIONS	32 045	31 455	30 865	30 285	35 665	36 502	37 940
Structural funds	29 430	28 840	28 250	27 670	30 533	31 835	32 608
Cohesion fund	2 615	2 615	2 615	2 615	5 132	4 667	5 332
3. INTERNAL POLICIES	5 930	6 040	6 150	6 260	7 877	8 098	8 212
4. EXTERNAL ACTIONS	4 550	4 560	4 570	4 580	4 590	4 600	4 610
5. ADMINISTRATION ⁽¹⁾	4 560	4 600	4 700	4 800	5 403	5 558	5 712
6. RESERVES	900	900	650	400	400	400	400
Monetary reserve	500	500	250	0	0	0	0
Emergency aid reserve	200	200	200	200	200	200	200
Guarantee reserve	200	200	200	200	200	200	200
7. PRE-ACCESSION STRATEGY	3 120	3 120	3 120	3 120	3 120	3 120	3 120
Agriculture	520	520	520	520			
Pre-accession structural instrument	1 040	1 040	1 040	1 040			
Phare (applicant countries)	1 560	1 560	1 560	1 560			
8. COMPENSATION					1 273	1 173	940
TOTAL APPROPRIATIONS FOR COMMITMENTS	92 025	93 475	93 955	93 215	102 985	105 128	106 741
TOTAL APPROPRIATIONS FOR PAYMENTS	89 600	91 110	94 220	94 880	100 800	101 600	103 840
Ceiling, appropriations for payments as % of GNI (ESA 95)	1,07 %	1,08 %	1,11 %	1,10 %	1,08 %	1,06 %	1,06 %
Margin for unforeseen expenditure	0,17 %	0,16 %	0,13 %	0,14 %	0,16 %	0,18 %	0,18 %
Own resources ceiling	1,24 %	1,24 %	1,24 %	1,24 %	1,24 %	1,24 %	1,24 %

⁽¹⁾ The expenditure on pensions included under the ceiling for this heading is calculated net of staff contributions to the pension scheme, up to a maximum of EUR 1 100 million at 1999 prices for the period 2000 to 2006.

Table 1b: Financial perspective (EU-25) adjusted for enlargement at 1999 prices

(including budgetary implications of a political settlement in Cyprus)

(EUR million)							
Commitment appropriations	2000	2001	2002	2003	2004	2005	2006
1. AGRICULTURE	40 920	42 800	43 900	43 770	44 650	45 675	45 805
1(a) Common agricultural policy	36 620	38 480	39 570	39 430	38 740	39 611	39 622
1(b) Rural development	4 300	4 320	4 330	4 340	5 910	6 064	6 183
2. STRUCTURAL ACTIONS	32 045	31 455	30 865	30 285	35 718	36 579	38 052
Structural funds	29 430	28 840	28 250	27 670	30 571	31 899	32 703
Cohesion fund	2 615	2 615	2 615	2 615	5 147	4 680	5 349
3. INTERNAL POLICIES	5 930	6 040	6 150	6 260	7 891	8 112	8 226
4. EXTERNAL ACTIONS	4 550	4 560	4 570	4 580	4 590	4 600	4 610
5. ADMINISTRATION ⁽¹⁾	4 560	4 600	4 700	4 800	5 403	5 558	5 712
6. RESERVES	900	900	650	400	400	400	400
Monetary reserve	500	500	250	0	0	0	0
Emergency aid reserve	200	200	200	200	200	200	200
Guarantee reserve	200	200	200	200	200	200	200
7. PRE-ACCESSION STRATEGY	3 120	3 120	3 120	3 120	3 120	3 120	3 120
Agriculture	520	520	520	520			
Pre-accession structural instrument	1 040	1 040	1 040	1 040			
Phare (applicant countries)	1 560	1 560	1 560	1 560			
8. COMPENSATION					1 273	1 173	940
TOTAL APPROPRIATIONS FOR COMMITMENTS	92 025	93 475	93 955	93 215	103 045	105 218	106 865
TOTAL APPROPRIATIONS FOR PAYMENTS	89 600	91 110	94 220	94 880	100 800	101 600	103 840
Ceiling, appropriations for payments as % of GNI (ESA 95)	1,07 %	1,08 %	1,11 %	1,10 %	1,08 %	1,06 %	1,06 %
Margin for unforeseen expenditure	0,17 %	0,16 %	0,13 %	0,14 %	0,16 %	0,18 %	0,18 %
Own resources ceiling	1,24 %	1,24 %	1,24 %	1,24 %	1,24 %	1,24 %	1,24 %

⁽¹⁾ The expenditure on pensions included under the ceiling for this heading is calculated net of staff contributions to the pension scheme, up to a maximum of EUR 1 100 million at 1999 prices for the period 2000 to 2006.

Table 2a: Financial perspective (EU-25) adjusted for enlargement at 2004 prices

(EUR million)

Commitment appropriations	Current					2004 prices	
	2000	2001	2002	2003	2004	2005	2006
1. AGRICULTURE	41 738	44 530	46 587	47 378	49 305	50 431	50 575
1(a) Common agricultural policy	37 352	40 035	41 992	42 680	42 769	43 724	43 735
1(b) Rural development	4 386	4 495	4 595	4 698	6 536	6 707	6 840
2. STRUCTURAL ACTIONS	32 678	32 720	33 638	33 968	41 035	41 685	42 932
Structural funds	30 019	30 005	30 849	31 129	35 353	36 517	37 028
Cohesion fund	2 659	2 715	2 789	2 839	5 682	5 168	5 904
3. INTERNAL POLICIES	6 031	6 272	6 558	6 796	8 722	8 967	9 093
4. EXTERNAL ACTIONS	4 627	4 735	4 873	4 972	5 082	5 093	5 104
5. ADMINISTRATION ⁽¹⁾	4 638	4 776	5 012	5 211	5 983	6 154	6 325
6. RESERVES	906	916	676	434	442	442	442
Monetary reserve	500	500	250	0	0	0	0
Emergency aid reserve	203	208	213	217	221	221	221
Guarantee reserve	203	208	213	217	221	221	221
7. PRE-ACCESSION STRATEGY	3 174	3 240	3 328	3 386	3 455	3 455	3 455
Agriculture	529	540	555	564			
Pre-accession structural instrument	1 058	1 080	1 109	1 129			
Phare (applicant countries)	1 587	1 620	1 664	1 693			
8. COMPENSATION					1 410	1 299	1 041
TOTAL APPROPRIATIONS FOR COMMITMENTS	93 792	97 189	100 672	102 145	115 434	117 526	118 967
TOTAL APPROPRIATIONS FOR PAYMENTS	91 322	94 730	100 078	102 767	111 380	112 260	114 740
Ceiling, appropriations for payments as % of GNI (ESA 95)	1,07 %	1,08 %	1,11 %	1,09 %	1,08 %	1,06 %	1,06 %
Margin for unforeseen expenditure	0,17 %	0,16 %	0,13 %	0,15 %	0,16 %	0,18 %	0,18 %
Own resources ceiling	1,24 %	1,24 %	1,24 %	1,24 %	1,24 %	1,24 %	1,24 %

⁽¹⁾ The expenditure on pensions included under the ceiling for this heading is calculated net of staff contributions to the pension scheme, up to a maximum of EUR 1 100 million at 1999 prices for the period 2000 to 2006.

Table 2b: Financial perspective (EU-25) adjusted for enlargement at 2004 prices

(including budgetary implications of a political settlement in Cyprus)

(EUR million)

Commitment appropriations	Current					2004 prices	
	2000	2001	2002	2003	2004	2005	2006
1. AGRICULTURE	41 738	44 530	46 587	47 378	49 297	50 429	50 573
1(a) Common agricultural policy	37 352	40 035	41 992	42 680	42 772	43 734	43 746
1(b) Rural development	4 386	4 495	4 595	4 698	6 525	6 695	6 827
2. STRUCTURAL ACTIONS	32 678	32 720	33 638	33 968	41 094	41 770	43 056
Structural funds	30 019	30 005	30 849	31 129	35 395	36 588	37 133
Cohesion fund	2 659	2 715	2 789	2 839	5 699	5 182	5 923
3. INTERNAL POLICIES	6 031	6 272	6 558	6 796	8 737	8 982	9 108
4. EXTERNAL ACTIONS	4 627	4 735	4 873	4 972	5 082	5 093	5 104
5. ADMINISTRATION ⁽¹⁾	4 638	4 776	5 012	5 211	5 983	6 154	6 325
6. RESERVES	906	916	676	434	442	442	442
Monetary reserve	500	500	250	0	0	0	0
Emergency aid reserve	203	208	213	217	221	221	221
Guarantee reserve	203	208	213	217	221	221	221
7. PRE-ACCESSION STRATEGY	3 174	3 240	3 328	3 386	3 455	3 455	3 455
Agriculture	529	540	555	564			
Pre-accession structural instrument	1 058	1 080	1 109	1 129			
Phare (applicant countries)	1 587	1 620	1 664	1 693			
8. COMPENSATION					1 410	1 299	1 041
TOTAL APPROPRIATIONS FOR COMMITMENTS	93 792	97 189	100 672	102 145	115 500	117 624	119 104
TOTAL APPROPRIATIONS FOR PAYMENTS	91 322	94 730	100 078	102 767	111 380	112 260	114 740
Ceiling, appropriations for payments as % of GNI (ESA 95)	1,07 %	1,08 %	1,11 %	1,09 %	1,08 %	1,06 %	1,06 %
Margin for unforeseen expenditure	0,17 %	0,16 %	0,13 %	0,15 %	0,16 %	0,18 %	0,18 %
Own resources ceiling	1,24 %	1,24 %	1,24 %	1,24 %	1,24 %	1,24 %	1,24 %

⁽¹⁾ The expenditure on pensions included under the ceiling for this heading is calculated net of staff contributions to the pension scheme, up to a maximum of EUR 1 100 million at 1999 prices for the period 2000 to 2006.

ANNEX II

Declaration on Article 32 and Annex XV of the Accession Treaty

1. The representatives of the Governments of the Member States meeting within the Council declare that the additional amounts shall be mentioned in Annex XV of the Accession Treaty without prejudice to the European Parliament's rights and the powers and prerogatives of the budgetary authority conferred by Article 272 of the EC Treaty and the relevant provisions of the Interinstitutional Agreement of 6 May 1999 on budgetary discipline and improvement of the budgetary procedure (IIA) in particular points 15, 19 to 21 and 24 thereof and in the negotiations on the future financial perspective.
2. The European Parliament and the Council agree to adjust the Financial Perspective for 2004, 2005 and 2006 due to enlargement, in accordance with point 25 of the Interinstitutional Agreement of 6 May 1999 as proposed by the Commission ⁽¹⁾.
3. In addition, the European Parliament and the Council agree on a revision of the Financial Perspective increasing the ceiling of heading 3, after adjustment under point 25 of the IIA, by EUR 480 million 2004 to 2006, i.e. EUR 50 million for 2004, EUR 190 million for 2005, EUR 240 million for 2006, in accordance with points 19 to 21 of the IIA. The Commission will present the appropriate proposals with a view to adoption before 9 April 2003.
4. They also agree, as proposed by the Commission, to transfer the financing of the aid to Turkey from heading 4 to heading 7 and to modify the title as follows: 'Pre-accession strategy'. Heading 7 would therefore cover expenditure for Bulgaria and Romania and Turkey as a candidate country ⁽²⁾.
5. Once adopted, the adjusted ceilings of the Financial Perspective shall apply to all Member States, without any discrimination through subceilings concerning the new Member States.
6. They also agree to revise (by the end of the budgetary procedure for 2004), in accordance with the codecision procedure, the reference amounts of the coded programmes within the limits of the ceilings resulting from the above-mentioned adjustment and revision of the Financial Perspective.
7. The preliminary draft budget 2004 to be presented by the Commission will cover all current and acceding States, so that the budgetary procedure can lead to an agreement on all relevant appropriations for the enlarged Union.
8. In compliance with Article 28 of the draft Accession Treaty, the 2004 budget 'shall be adapted to take into account the accession of the new Member States through an amending budget that shall enter into effect on 1 May 2004.'
9. The European Parliament, the Council and the Commission recall the importance of the Interinstitutional Agreement of 6 May 1999 in the functioning of budgetary procedures, and this can only function if all institutions comply fully.

⁽¹⁾ COM(2003) 70.

⁽²⁾ The European Parliament and the Council may decide, on a proposal from the Commission, the inclusion of other candidate countries under heading 7.