NOTE

from: The Presidency

to: Coreper/Council

Subject: Financial Perspectives 2007-2013

Delegations will find attached a Presidency paper with a view to the orientation debate to be held at the General Affairs and External Relations Council on 13 September 2004.
On 26 July, Commissioner Schreyer presented to the Council a first set of detailed proposals setting out the legal framework for key policy areas and their financial implications during the period 2007-2013. The Commission proposals highlight the Lisbon Agenda, the fulfilment of the aspirations of EU-citizens and the global role of the EU as the key priorities for the future.

Member States will be aware that we are now entering a new phase of the discussion on the Financial Perspective 2007-2013. Progress strongly depends on the active participation of Member States. The Dutch Presidency intends to open the discussion of the following months with a debate on overarching issues. To structure the debate a number of questions have been formulated. Interventions of Member States should focus on these although the Presidency does not want to limit Member States' contribution in any way. As a matter of course, the Presidency is aware that statements of Member States at this stage in the process cannot prejudge the political decisions or the specific positions of delegations as the debate evolves over the coming year.

**Added value**

In reaction to the Analytical Report of the Irish Presidency, the Commission has given in its Communication (COM(2004) 487) an analysis of the value added of the proposed actions. The Commission tested its various proposals for effectiveness (results can only be achieved through action at EU level), efficiency (EU action offers better value for money) and synergy (EU action to complement, stimulate, and leverage action).

1. *Do Member States agree with the case for EU-value added as presented in the Communication of the Commission and specifically:*

2. *Do Member States agree that effective results can only be achieved at the EU-level in the case of education and training (mobility), transport networks (cross-border) and external relations (pooling experience)?*
3. Do Member States agree that a greater efficiency and value for money can be achieved in the area's of research, common approach to (natural) disasters, large scale actions eg Galileo, immigration and asylum (border control, financial solidarity) and external relations (eg Millennium Development Goals?)

4. Do Member States agree that a greater synergy can be achieved in the areas of Cohesion policy, rural development, combating terrorism and external relations?

Structure
The Commission proposes to substantially modify the structure of the current financial perspectives by regrouping activities under five Headings, with Heading 1 subdivided into two Sub-Headings and CAP payments identified separately under Heading 2.

The Commission points out that this new structure provides for greater flexibility and represents a step towards consolidating and rationalizing the organization of spending by policy.

5. Do Member States consider that the new structure will contribute to the achievement of the objectives outlined while respecting transparency, coherence and avoiding legal uncertainty?

6. Do Member States share the view of the Commission that greater flexibility is needed?