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11 October 2001

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# REPORT

1. on the initiative of the Kingdom of Belgium and of the Kingdom of Sweden with a view to the adoption of a Council Regulation on the development of the second generation Schengen Information System (SIS II)

(9844/2001 - C5-0315/2001 - 2001/0818

and

2. on the initiative of the Kingdom of Belgium and of the Kingdom of Sweden with a view to the adoption of a Council Decision on the development of the second generation Schengen Information System (SIS II)

(9845/2001 - C5-0316/2001 - 2001/0819(CNS))

Committee on Citizens' Freedoms and Rights, Justice and Home Affairs

Rapporteur: Christian Ulrik von Boetticher

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# Symbols for procedures

- \* Consultation procedure *majority of the votes cast*
- \*\*I Cooperation procedure (first reading)

  majority of the votes cast
- \*\*II Cooperation procedure (second reading)

  majority of the votes cast, to approve the common position

  majority of Parliament's component Members, to reject or amend
  the common position
- \*\*\* Assent procedure

  majority of Parliament's component Members except in cases

  covered by Articles 105, 107, 161 and 300 of the EC Treaty and

  Article 7 of the EU Treaty
- \*\*\*I Codecision procedure (first reading)

  majority of the votes cast
- \*\*\*II Codecision procedure (second reading)

  majority of the votes cast, to approve the common position

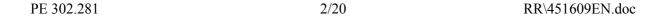
  majority of Parliament's component Members, to reject or amend
  the common position
- \*\*\*III Codecision procedure (third reading)

  majority of the votes cast, to approve the joint text

(The type of procedure depends on the legal basis proposed by the Commission)

# Amendments to a legislative text

In amendments by Parliament, amended text is highlighted in *bold italics*. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the legislative text for which a correction is proposed, to assist preparation of the final text (for instance, obvious errors or omissions in a given language version). These suggested corrections are subject to the agreement of the departments concerned.



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### PROCEDURAL PAGE

By letter of 29 June 2001 the Council consulted Parliament, pursuant to Article 67 of the EC Treaty, on an initiative of the Kingdom of Belgium and of the Kingdom of Sweden with a view to the adoption of a Council Regulation on the development of the second generation Schengen Information System (SIS II) (9844/2001 - 2001/0818(CNS)).

By letter of 29 June 2001 the Council consulted Parliament, pursuant to Article 39(1) of the EU Treaty on an initiative of the Kingdom of Belgium and of the Kingdom of Sweden with a view to the adoption of a Council Decision on the development of the second generation Schengen Information System (SIS II) (9845/2001 – 2001/0819(CNS)).

At the sitting of 5 July 2001 the President of Parliament announced that she had referred these initiatives to the Committee on Citizens' Freedoms and Rights, Justice and Home Affairs as the committee responsible and the Committee on Budgets for its opinion (C5-0315/2001 and C5-0316/2001).

The Committee on Citizens' Freedoms and Rights, Justice and Home Affairs appointed Christian Ulrik von Boetticher rapporteur at its meeting of 11 July 2001.

The committee considered the initiatives of the Kingdom of Belgium and the Kingdom of Sweden and draft report at its meetings of 27 August, 12 September and 10 October 2001.

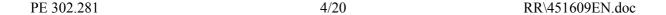
At the last meeting it adopted the draft legislative resolutions by 25 votes to 4.

The following were present for the vote: Graham R. Watson, chairman; Robert J.E. Evans, vice-chairman; Christian Ulrik von Boetticher, rapporteur; Michael Cashman, Charlotte Cederschiöld, Ozan Ceyhun, Carlos Coelho, Gérard M.J. Deprez, Jorge Salvador Hernández Mollar, Anna Karamanou, Margot Keßler, Ole Krarup, Rodi Kratsa-Tsagaropoulou (for Mary Elizabeth Banotti), Alain Krivine (for Pernille Frahm), Lucio Manisco (for Giuseppe Di Lello Finuoli), Luís Marinho (for Adeline Hazan), Hartmut Nassauer, Elena Ornella Paciotti, Hubert Pirker, Martine Roure (for Martin Schulz), Gerhard Schmid, Ilka Schröder (for Alima Boumediene-Thiery pursuant to Rule 153(2)), Patsy Sörensen, Sérgio Sousa Pinto, Joke Swiebel, Anna Terrón i Cusí, Astrid Thors (for Baroness Sarah Ludford pursuant to Rule 153(2)), Gianni Vattimo and Jan-Kees Wiebenga.

The opinion of the Committee on Budgets is attached.

The report was tabled on 11 October 2001.

The deadline for tabling amendments will be indicated in the draft agenda for the relevant part-session.





### LEGISLATIVE PROPOSAL

1. On the initiative of the Kingdom of Belgium and of the Kingdom of Sweden with a view to the adoption of a Council Regulation on the development of the second generation Schengen Information System (SIS II) (9844/2001 – C5-0315/2001 – 2001/0818(CNS))

The initiative is amended as follows:

Text proposed by the Governments of the Kingdom of Belgium and the Kingdom of Sweden<sup>1</sup>

Amendments by Parliament

Amendment 1 Recital 13 (new)

Whereas the Schengen Information System should be managed within the EU framework by a separate agency, financed from the EU budget; whereas the Community information system operating under the responsibility of the Commission should be established under a single computer network system for the data received under the three conventions (Schengen, Europol and Customs Use).

Justification:

The rapporteur refers to the Parliament's position on the Schengen information system as approved in paragraph 19 of the resolution on crossing external borders and the development of Schengen cooperation (resolution A5-0233/2001 from 20 September 2001). The rapporteur considers that the Parliament should reinstate this demand, as such an arrangement would be more transparent and justified from both an administrative and operational perspective.

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<sup>&</sup>lt;sup>1</sup> OJ C 183, 29.6.2001, p. 12.

# Amendment 2 Article 1

In order to ensure the realisation of the objectives of the Community with regard to the free movement of persons in the absence of controls when crossing internal borders and the exercise of controls at external borders over the entry of third country nationals into the Community, it is necessary for the Member States to have in place a joint information system enabling the authorities designated by them to have access, by means of an automated search procedure, to alerts on third country nationals for the purpose of checks to be carried out at external borders and elsewhere within the territory, and for the purpose of examining visa applications and applications for residence permits.

In order to ensure the realisation of the objectives of the Community with regard to the free movement of persons in the absence of controls when crossing internal borders and the exercise of controls at external borders over the entry of third country nationals into the Community, it is necessary for the Member States to have in place, under the supervision of the Joint Supervisory Authority for data protection, a joint information system enabling the authorities designated by them to have access, by means of an automated search procedure, to alerts on third country nationals for the purpose of checks to be carried out at external borders and elsewhere within the territory, and for the purpose of examining visa applications and applications for residence permits.

# Justification

To protect natural persons against the processing of personal data by SIS the participation of the Joint Supervisory Authority set up by the Schengen Agreement is required.

# Amendment 3 Article 7

The Commission shall submit by the end of every six month period, and for the first time by the end of the second six month period of 2002, a progress report to the Council concerning the development of SIS II.

The Commission shall submit by the end of every six month period, and for the first time by the end of the second six month period of 2002, a progress report to the Council *and the European Parliament* concerning the development of SIS II.

# Justification

As the development of SIS II will be funded from the EU budget pursuant to Article 41(3) of the EU Treaty, in legal terms it would seem to be desirable for Parliament also to be informed of the progress of such development.

### DRAFT LEGISLATIVE RESOLUTION

European Parliament legislative resolution on the initiative of the Kingdom of Belgium and of the Kingdom of Sweden with a view to the adoption of a Council Regulation on the development of the second generation Schengen Information System (SIS II) (9844/2001 - C5-0315/2001 - 2001/0818(CNS))

# (Consultation procedure)

The European Parliament,

- having regard to the initiative by the Kingdom of Belgium and the Kingdom of Sweden (9844/2001<sup>1</sup>),
- having regard to Article 66 of the EC Treaty,
- having been consulted by the Council pursuant to Article 67 of the EC Treaty (C5-0315/2001),
- having regard to Rule 67 of its Rules of Procedure,
- having regard to the report of the Committee on Citizens' Freedoms and Rights, Justice and Home Affairs and the opinion of the Committee on Budgets (A5-0333/2001),
- 1. Approves the initiative by the Kingdom of Belgium and the Kingdom of Sweden as thus amended;
- 2. Calls on the Council to notify Parliament should it intend to depart from the text approved by Parliament;
- 3. Calls for the conciliation procedure to be initiated should the Council intend to depart from the text approved by Parliament;
- 4. Asks to be consulted again if the Council intends to amend the initiative of the governments of the Kingdom of Belgium and the Kingdom of Sweden substantially;
- 5. Instructs its President to forward its position to the Council and Commission.

<sup>&</sup>lt;sup>1</sup> OJ C 183, 29.6.2001, p. 12.

### LEGISLATIVE PROPOSAL

2. Initiative of the Kingdom of Belgium and of the Kingdom of Sweden with a view to the adoption of a Council Decision on the development of the second generation Schengen Information System (SIS II) (9845/2001 – C5-0316/2001 – 2001/0819(CNS))

The initiative is amended as follows:

Text proposed by the Governments of the Kingdom of Belgium and the Kingdom of Sweden<sup>1</sup>

Amendments by Parliament

Amendment 4 Recital 11 (new)

Whereas the Schengen Information System should be managed within the EU framework by a separate agency, financed from the EU budget; whereas the Community information system operating under the responsibility of the Commission should be established under a single computer network system for the data received under the three conventions (Schengen, Europol and Customs Use).

Justification:

The rapporteur refers to Parliament's position on the Schengen information system as approved in paragraph 19 of the resolution on crossing external borders and the development of Schengen cooperation (resolution A5-0233/2001 of 20 September 2001). The rapporteur considers that the Parliament should reinstate this demand, as such an arrangement would be more transparent and justified from both an administrative and operational perspective.

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<sup>&</sup>lt;sup>1</sup> OJ C 183, 29.6.2001, p. 14.

### DRAFT LEGISLATIVE RESOLUTION

European Parliament legislative resolution on the initiative of the Kingdom of Belgium and of the Kingdom of Sweden with a view to the adoption of a Council Decision on the development of the second generation Schengen Information System (SIS II) (9845/2001 - C5-0316/2001 - 2001/0819(CNS))

# (Consultation procedure)

The European Parliament,

- having regard to the initiative by the Kingdom of Belgium and the Kingdom of Sweden (9845/2001<sup>1</sup>),
- having regard to Article 34(2)(c) of the EU Treaty,
- having been consulted by the Council pursuant to Articles 39(1) of the EU Treaty (C5-0316/2001),
- having regard to Rules 106 and 67 of its Rules of Procedure,
- having regard to the report of the Committee on Citizens' Freedoms and Rights, Justice and Home Affairs and the opinion of the Committee on Budgets (A5-0333/2001),
- 1. Approves the initiative by the Kingdom of Belgium and the Kingdom of Sweden as thus amended;
- 2. Calls on the Council to notify Parliament should it intend to depart from the text approved by Parliament;
- 3. Calls for the conciliation procedure to be initiated should the Council intend to depart from the text approved by Parliament;
- 4. Asks to be consulted again if the Council intends to amend the initiative of the governments of the Kingdom of Belgium and the Kingdom of Sweden substantially;
- 6. Instructs its President to forward its position to the Council and Commission.

<sup>&</sup>lt;sup>1</sup> OJ C 183, 29.6.2001, p. 14.

### **EXPLANATORY STATEMENT**

### I. The Schengen Information System (SIS)

### (a) Operation

The Schengen Information System was set up pursuant to Title IV of the Convention of 1990 implemented the Schengen Agreement of 14 June 1985 on the gradual abolition of checks at common borders.

The SIS is a cross-border computer based police search system giving the contracting States to the Schengen implementing Convention on-line access to more than 8 million pieces of search data, about 85% of them specific search data. It is currently used by 13 Member States, Iceland and Norway.

The SIS comprises a central computer in Strasbourg (C.SIS =  $\underline{C}$ entral  $\underline{S}$ chengen  $\underline{I}$ nformation  $\underline{S}$ ystem) and the 10 present national systems (N.SIS =  $\underline{N}$ ational  $\underline{S}$ chengen  $\underline{I}$ nformation  $\underline{S}$ ystem). Data are forwarded from the N.SIS to the C.SIS which, via retrieval and input dialogues and operating a reference data bank ensures the synchronisation of data and then distributes the data to all N.SIS so that data is available to all Schengen Implementing Convention countries simultaneously with practically no delay after input in the N.SIS.

In addition, the Schengen Convention set up an independent Joint Supervisory Authority (JSA) to supervise the system and in particular data protection and produce an annual report on the operation of the SIS.

SIS I, which has been in operation since 1995, is the most comprehensive data bank in Europe.

# (b) Development

At the Amsterdam Intergovernmental Conference in June 1997 the Heads of State or Government of the EU decided to integrate the Schengen Convention into the legal framework of the EU (Council Decision 1999/436/EC).

In the absence of agreement on the legal basis for the SIS, the latter, pursuant to Article 2(1), last subparagraph of the Protocol integrating the Schengen acquis into the framework of the European Union is to fall under the third pillar. There is however a majority opinion that Article 96 (SIS data on persons listed for refused entry to a Schengen State) falls under the first pillar.

The current candidates for accession to the European Union will take part in SIS on their accession. Bilateral cooperation treaties with its neighbouring countries are being prepared for Switzerland, which would then be the only country in Western Europe without access to SIS,. This brings closer a uniform European search area with uniform search data accessible to all national police authorities.

SIS I, designed for a maximum of 18 Member States, will reach its ceiling with the forthcoming enlargement of the EU. The development of a new generation of the information system - SIS II - is therefore unavoidable.

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# II. The initiatives of the Kingdom of Belgium and the Kingdom of Sweden for the adoption of a regulation/decision on the development of SIS II

In the absence of consensus among the Member States on the pillar under which SIS data should fall, Belgium and Sweden have submitted two initiatives, for the adoption of a regulation for matters relating to the first and a of decision for matters relating to the third pillar.

The initiatives on which Parliament is being consulted seek to have the development of SIS II from the year 2002 funded with Community appropriations pursuant to the relevant provisions of the Treaties. This second generation SIS which the Commission is required to develop, will incorporate the latest IT technology and therefore both be more powerful and allow participation by the applicant countries.

Participation by Member States via the commitology procedure should in Belgium's and Sweden's view be ensured by a combination of administrative and regulatory committee (Articles 4 and 5 of Council Decision 1999/468/EC of 28 June 1999).

The initiatives also provide for expenditure on the development of SIS II pursuant to the relevant Council conclusions of 29 May 2001 to be funded from the European Union budget pursuant to Article 41(3) and (4) of the EU Treaty.

# III. The rapporteur's views

The rapporteur welcomes these initiatives.

He believes that they are necessary to fund the preliminary work on the development of SIS II, as the latter extend over a period of more than three years and hence under the rules governing the budget will require a legal basis.

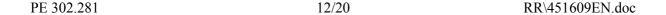
He does however consider that the combination of management and regulatory committee laid down in the initiatives would not contribute to the effective and rapid development of SIS II.

There is no need to set up a regulatory committee pursuant to Article 5 of Decision 1999/468/EC. Recital 7 of that decision states that the regulatory procedure should be used only in the case of measures of general scope designed to apply essential provisions of basic instruments. The Commission's preparatory measures relating to the matters referred to in Article 5 are clearly not of this order of importance.

On the other hand, the development of SIS II will involve a great deal of discussion of technical aspects, and, as with the establishment of Eurodac, the participation of an informal network of engineers from the Member States would very probably be more appropriate.

Adoption of the measures required for the development of SIS II (Article 5 of the initiative for a regulation) could be carried out under the management procedure laid down in Article 4 of Decision 1999/486/EC.

Elsewhere, in order to keep the preparatory stage free of red tape, the management procedure could be replaced by the advisory procedure pursuant to Article 3 of Decision 1999/468/EC.





The rapporteur also takes the view that it is not enough for the Commission to submit half-yearly progress reports to the Council as laid down in Article 7 of the initiative; Parliament also needs to be kept informed of progress in the setting up of SIS.

If these measures are to be charged to the Community budget pursuant to Article 41(3) of the EU Treaty, and pursuant to Article 41(4) of the EU Treaty the budgetary procedure for the European Community therefore applies, the Commission must then also report to Parliament on the results achieved using those appropriations.

### **OPINION OF THE COMMITTEE ON BUDGETS**

for the Committee on Citizens' Freedoms and Rights, Justice and Home Affairs

1. on the initiative of the Kingdom of Belgium and of the Kingdom of Sweden with a view to the adoption of a Council Regulation on the development of the second generation Schengen Information System (SIS II)

(9844/2001 + 9846/2001 - C5-0315/2001 - 2001/0818(CNS))

and

2. on the initiative of the Kingdom of Belgium and of the Kingdom of Sweden with a view to the adoption of a Council Decision on the development of the second generation Schengen Information System (SIS II)

(9845/2001 + 9846/2001 - C5-0316/2001 - 2001/0819(CNS))

Draftsman: Kathalijne Maria Buitenweg

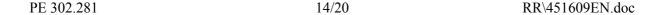
### **PROCEDURE**

The Committee on Budgets appointed Kathalijne Maria Buitenweg draftsman at its meeting of 13 September 2001.

It considered the draft opinion at its meeting of 9 October 2001.

At the last meeting it adopted the following amendments unanimously with 2 abstentions.

The following were present for the vote: Terence Wynn, chairman; Kathalijne Maria Buitenweg, draftsman; Paulo Casaca, Joan Colom i Naval, Carlos Costa Neves, Göran Färm, Neena Gill, Catherine Guy-Quint, Anne Elisabet Jensen, Giovanni Pittella, Esko Olavi Seppänen (for Chantal Cauquil) and Kyösti Tapio Virrankoski.





### SHORT JUSTIFICATION

# 1. Background

The Schengen information system (SIS) was set up as a result of the provisions of the Schengen Agreement on the gradual abolition of checks of common borders. Its objective was to create a joint electronic information system, accessible to the authorities of the Member States, enabling them to provide information on third country nationals and stolen property for the purpose of checks to be carried out at external borders and elsewhere within the territory of Member States.

Such actions were meant to allow for persons who present a threat to public order or the internal security of Member States to be denied access to their territory or to be expelled, for persons who are wanted for purposes of extradition to be provisionally arrested to that end, for missing persons to be detected and have their whereabouts reported, for dangerous persons to be surveyed and for stolen property to be found and returned.

The current SIS has been functioning since 1995. It has been a Community instrument since 1999 as a result of the integration of the Schengen acquis within the framework of the European Union by the Treaty of Amsterdam. Originally, the system was planned to allow for 18 participating countries to be connected. At present, it is serving 13 Member States and two third countries (Norway and Iceland). In the near future, the two remaining Member States, Great Britain and Ireland, will be connected to the system.

Following an initiative from Sweden and Belgium, the Council now proposes to replace the existing SIS by a second-generation system, SIS II. The Council justifies this with several reasons, including the new needs resulting from the future enlargement of the Community.

The proposed legal acts set out the action of the Community with respect to the development and installation of SIS II, and allow for such action to be financed through the general budget of the Community. However, the activities would not concern the practical operation of the new system, which would have to be financed separately once the system is ready for operational use (not foreseen before 2006).

The financial costs of SIS II would be covered from budget line B5-84 (Integration of the Schengen acquis). The estimated breakdown of expenditure for the period 2002-2006 are stated below:

	2002	2003	2004	2005	2006	
Project management	150.000	300.000	300.000	300.000	150.000	1 or 2 persons à 750 EUR/day, 200 days/year
Expertise	300.000	450.000	450.000	300.000	150.000	Based on multi-annual plan 2002-2004
Committees	250.000	250.000	250.000	250.000	250.000	25 meetings à 10.000 EUR
Development & material	500.000	3.500.000	2.500.000	1.000.000	500.000	Based on multi-annual plan 2002-2004
Deployment costs		150.000	500.000	500.000	300.000	Several operators à 500 EUR/day
Network			500.000	500.000		New network

TOTAL	1.200.000	4.650.000	4.500.000	2.850.000	1.350.000	14.550.000

# 2. Financial and legislative remarks

The Council's initiative consists of two legislative proposals: a Council Regulation, which is based on Articles 66 and 67 of the EC Treaty establishing the European Community, and a Council Decision, which is based on Articles 30(1), 31 and 34 of the Treaty on European Union. The reason for this is that the Schengen Information System serves several objectives, part of which falls within the scope of Title IV of the EC Treaty (visas, asylum, immigration and other policies related to the free movement of persons) and others which fall within the scope of Title VI of the EU Treaty (provisions on police and judicial cooperation in criminal matters).

The rapporteur considers that the Council's initiative is consistent with the existing legal bases. At the same time, there are a number of questions, which need to be clarified before the Parliament gives its ascent on this matter. First, it remains unclear why the development and installation activities of SIS II should be financed from heading 3 of the general budget if the new information system is not operational before 2006. Based on the table above, it seems obvious that most of the activities that are to be financed under budget line B5-84 are of administrative nature, whereby they should be covered from heading 5.

In addition, it can be questioned why this initiative has not been included in the activities of Europol (B5-822) instead of setting up a separate line for this purpose. Furthermore, it is not clear what will be the role of the Commission within the framework of SIS II. Apparently, three out of the four posts dedicated for this purpose would come from existing human resources within the EU institutions. However, no further information is given on this subject nor on the subsequent responsibilities of the Commission.

The rapporteur reminds that the Parliament took recently a position on this question in a resolution, in which it called "for the Schengen Information System to be managed within the EU framework by a separate agency, financed from the EU budget, and for the establishment of a Community information system under the responsibility of the Commission, which would be a single computer network system for the data received under the three conventions (Schengen, Europol and Customs Use (...)". The rapporteur considers that the Parliament should reinstate this demand, as it would be justified from both an administrative and operational perspective. In addition, it would be more transparent and save taxpayers' money.

There is also a contradiction between the financial statement of the Council's proposal and the amount reserved for this purpose in the Draft Budget 2002. In the Draft Budget, the Council proposes an amount of EUR 950,000 for budget line B5-84, whereas the financial statement of the proposal mentions an amount of EUR 1.2 million in 2002. Consequently, the Council should clarify what is the correct amount and whether additional expenditure is foreseen at a later stage.

Finally, the rapporteur points out that the current initiative was not foreseen at the time when

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<sup>&</sup>lt;sup>1</sup> EP resolution on crossing external borders and the development of Schengen cooperation, 20 September 2001.

the financial perspective was approved. Therefore, the Parliament should make sure that SIS II is consistent with the requirements of the current financial perspective, and that it is not financed at the expense of other Community activities in heading 3. The budgetary authority should have a clear idea of all the administrative and financial consequences of this initiative.

### **AMENDMENTS**

The Committee on Budgets calls on the Committee on Citizens' Freedoms and Rights, Justice and Home Affairs, as the committee responsible, to incorporate the following amendments in its report:

Initiative of the Kingdom of Belgium and of the Kingdom of Sweden with a view to the adoption of a Council Regulation on the development of the second generation Schengen Information System (SIS II) (9844/2001 + 9846/2001 - C5-0315/2001 - 2001/0818(CNS))

## AMENDMENTS TO THE DRAFT LEGISLATIVE TEXT

Text proposed by the Council<sup>1</sup>

Amendments by Parliament

Amendment 1 Recital 13 (new)

> Whereas the proposal was not foreseen in the financial perspective; whereas the financial envelope of the proposal should be compatible with the current ceiling of heading 3 without restricting other policies.

Justification:

The rapporteur points out that the current proposal was not foreseen when decisions on the financial perspective were taken. As a result, the budgetary authority should make sure that the amount proposed for SIS II is compatible with the ceiling under the financial perspective. If, in the course of the adoption of the regulation, other amounts were to be proposed by the legislative authority, the budgetary authority would need to be consulted again. In this case, the Committee on Budgets would have to consider the impact on the ceiling under the current financial perspective. Similarly, if during the multiannual programme the evolution of the ceiling of the financial perspective were to change dramatically, the budgetary authority would have to reconsider the financial envelope.

Amendment 2

<sup>1</sup> OJ C (not yet published).

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### Recital 14 (new)

Whereas the Schengen Information System should be managed within the EU framework by a separate agency, financed from the EU budget; whereas the Community information system operating under the responsibility of the Commission should be established under a single computer network system for the data received under the three conventions (Schengen, Europol and Customs Use).

# Justification:

The rapporteur refers to the Parliament's position on the Schengen information system as approved in paragraph 19 of the resolution on crossing external borders and the development of Schengen cooperation (resolution A5-0233/2001 from 20 September 2001). The rapporteur considers that the Parliament should reinstate this demand, as such an arrangement would be more transparent and justified from both an administrative and operational perspective.

### AMENDMENTS TO THE DRAFT LEGISLATIVE RESOLUTION

#### Amendment 3

[The European Parliament,]

Considers that the proposal was not foreseen in the financial perspective, and that the financial envelope of the proposal should be compatible with the ceiling under heading 3 of the current Financial Perspective without restricting other policies.

Justification:

See justification under amendment 1.

### **AMENDMENTS**

The Committee on Budgets calls on the Committee on Citizens' Freedoms and Rights, Justice and Home Affairs, as the committee responsible, to incorporate the following amendments in its report:

Initiative of the Kingdom of Belgium and of the Kingdom of Sweden with a view to the adoption of a Council Decision on the development of the second generation Schengen Information System (SIS II) (9845/2001 + 9846/2001 - C5-0316/2001 - 2001/0819(CNS))

### AMENDMENTS TO THE DRAFT LEGISLATIVE TEXT

Text proposed by the Council<sup>1</sup>

Amendments by Parliament

Amendment 4 Recital 11 (new)

> Whereas the proposal was not foreseen in the financial perspective; whereas the financial envelope of the proposal should be compatible with the current ceiling of heading 3 without restricting other policies.

Justification:

The rapporteur points out that the current proposal was not foreseen when decisions on the financial perspective were taken. As a result, the budgetary authority should make sure that the amount proposed for SIS II is compatible with the ceiling under the financial perspective. If, in the course of the adoption of the decision, other amounts were to be proposed by the legislative authority, the budgetary authority would need to be consulted again. In this case, the Committee on Budgets would have to consider the impact on the ceiling under the current financial perspective. Similarly, if during the multiannual programme the evolution of the ceiling of the financial perspective were to change dramatically, the budgetary authority would have to reconsider the financial envelope.

Amendment 5 Recital 12 (new)

> Whereas the Schengen Information System should be managed within the EU

<sup>1</sup> OJ C (not yet published).

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framework by a separate agency, financed from the EU budget; whereas the Community information system operating under the responsibility of the Commission should be established under a single computer network system for the data received under the three conventions (Schengen, Europol and Customs Use).

# Justification:

The rapporteur refers to the Parliament's position on the Schengen information system as approved in paragraph 19 of the resolution on crossing external borders and the development of Schengen cooperation (resolution A5-0233/2001 from 20 September 2001). The rapporteur considers that the Parliament should reinstate this demand, as such an arrangement would be more transparent and justified from both an administrative and operational perspective.

### AMENDMENTS TO THE DRAFT LEGISLATIVE RESOLUTION

Amendment 6

[The European Parliament,]

Considers that the proposal was not foreseen in the financial perspective, and that the financial envelope of the proposal should be compatible with the ceiling under heading 3 of the current Financial Perspective without restricting other policies.

Justification:

See justification under amendment 4.

