

# Procedure file

Basic information		
DEC - Discharge procedure	<a href="#">1996/2051(DEC)</a>	Procedure completed
1994 discharge: 7th EDF		
Subject 8.70.03.07 Previous discharges		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>CONT</b> Budgetary Control		13/11/1995
		PSE <a href="#">WYNN Terence</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
	<b>DEVE</b> Development and Cooperation		24/11/1995
		V <a href="#">TELKÄMPER Wilfried</a>	

Key events			
05/05/1995	Non-legislative basic document published	COM(1995)0180	Summary
26/03/1996	Vote in committee		Summary
26/03/1996	Committee report tabled for plenary	<a href="#">A4-0096/1996</a>	
27/03/1996	Committee referral announced in Parliament		
17/04/1996	Decision by Parliament	T4-0183/1996	Summary
17/04/1996	End of procedure in Parliament		
21/06/1996	Final act published in Official Journal		

Technical information	
Procedure reference	1996/2051(DEC)
Procedure type	DEC - Discharge procedure
Legal basis	Rules of Procedure EP 100
Stage reached in procedure	Procedure completed
Committee dossier	CONT/4/07728

Documentation gateway
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Non-legislative basic document		COM(1995)0180	05/05/1995	EC	Summary
Committee report tabled for plenary, single reading		<a href="#">A4-0096/1996</a> <a href="#">OJ C 141 13.05.1996, p. 0006</a>	26/03/1996	EP	
Text adopted by Parliament, single reading		T4-0183/1996 <a href="#">OJ C 141 13.05.1996, p. 0087-0127</a>	17/04/1996	EP	Summary

## Final act

[Decision 1996/380](#)  
[OJ L 148 21.06.1996, p. 0056](#)

## 1994 discharge: 7th EDF

The Commission communication to the Court of Auditors, the Parliament and the Council on the balance sheets and accounts of the sixth and seventh European Development Funds for the 1994 financial year contains the management account of these Funds showing total income and expenditure reported in 1994, together with a statement of movements on the accounts during the year. . General: The Commission reiterates in its communication that the Community and its Member States are the primary source of official development aid in the world, accounting for 43% of world aid to beneficiary countries. EDF resources are divided into: - programmable aid or the total sum allocated to a ACP or OCT country or region over a five-year period, as set out in a financial protocol on the basis of national indicative programmes and - non-programmable aid or assistance granted outside the framework of the financial protocols (Stabex, Sysmin and emergency and refugee aid). 70 countries currently benefit from the EDF, the resources of which are managed by the Commission, with the exception of venture capital and interest subsidies, which are managed by the EIB. The Commission notes that the EDF differ from other Community financial instruments in that their resources are provided by the Member States outside the budget and each EDF has its own financial regulation. Consequently, the financial regulations which generally apply to budgetary appropriations do not apply to the EDF, which operate on a multiannual basis, meaning that the Commission has to manage several EDF at once pending their final closure. . 1994 balance sheet and management account: The Commission reports that Community aid planning under the first financial protocol to Lomé IV has now been completed and that the average rate of decisions for national indicative programmes was 59% in 1994 with a decision rate of over 80% in several counties, 10 of which have already used up almost their entire allocation. . With regard to the seventh EDF in particular, contributions from Member States (ECU 1,199,799,000) were called up for the first time in July 1994. The balance sheet total in 1994 was ECU 3,122,373,000. The Commission proposes that it be granted discharge for the implementation of the seventh EDF for the 1994 financial year on the basis of this total.?

## 1994 discharge: 7th EDF

Adopting the proposal for a resolution by 12 votes to 2, the Committee on Budgetary Control voted in favour of refusing discharge to the Commission for the implementation of the sixth and seventh European Development Funds for the 1994 financial year. This proposal should allow Parliament to succeed in having the resources of the EDF integrated into the general budget of the European Communities since, if the current legal framework is maintained, any democratic control of expenditure made will remain ineffective. In addition, this refusal also attacks the Commission for the way in which it has subsidized action by the ACP Cultural Fund and its lack of transparency or sense of responsibility towards the discharge authority.?

## 1994 discharge: 7th EDF

In adopting the report by Mr Terence WYNN (PSE, RU), Parliament noted that the difficulties characterizing financial management of the EDF could in large part be attributed to the fact that they are not managed in accordance with regular budgetary provisions, and refused discharge to the Commission in respect of the management of the seventh EDF for the 1994 financial year. Parliament considered it anomalous that it was called upon to reach an annual discharge decision for the EDF, without at the same time possessing either the corresponding budgetary or legislative powers. It considered that democratic accountability for the expenditure carried out was seriously compromised and that this situation could no longer be tolerated. It refused from now on to be implicated in providing any illusion of accountability whereby it might assume responsibility for a system for which it could not legislate. It called again for the integration of EDF funds into the development cooperation section of the general budget of the European Communities and reminded the Member States of their prime responsibility in creating this unsatisfactory situation. Whilst recognizing the Commission's attempts to improve EDF financial management within the existing legal framework, Parliament affirmed its total disagreement with the Commission's decision to use public funds totalling ECU 738.606 to wind up the ACP's Cultural Foundation, pay off its creditors and meet its related staff costs. It noted furthermore that the Commission was under no legal obligation to reach this decision, which was of an exclusively political nature. It believed that the Commission was able to behave as it did in this matter because the procedures did not ensure transparency or accountability in respect of the discharge authority. ?