


# Procedure file

Basic information		
DEC - Discharge procedure	1997/2078(DEC)	Procedure completed
ECSC: annual Report of the Court of Auditors 1996		
Subject 8.70.03.07 Previous discharges		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>CONT</b> Budgetary Control		28/10/1997
		PSE <a href="#">BLAK Freddy</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
	<b>ENER</b> Research, Technological Development and Energy	The committee decided not to give an opinion.	

Key events			
20/11/1997	Non-legislative basic document published	N4-0127/1998	Summary
09/03/1998	Committee referral announced in Parliament		
17/03/1998	Vote in committee		Summary
17/03/1998	Committee report tabled for plenary	<a href="#">A4-0093/1998</a>	
31/03/1998	Debate in Parliament		
31/03/1998	Decision by Parliament	T4-0186/1998	Summary
31/03/1998	End of procedure in Parliament		
16/05/1998	Final act published in Official Journal		

Technical information	
Procedure reference	1997/2078(DEC)
Procedure type	DEC - Discharge procedure
Legal basis	Rules of Procedure EP 102
Stage reached in procedure	Procedure completed
Committee dossier	CONT/4/08870

Documentation gateway					
Non-legislative basic document		N4-0127/1998	20/11/1997	CofA	Summary
Committee report tabled for plenary, single reading		<a href="#">A4-0093/1998</a> <a href="#">OJ C 138 04.05.1998, p. 0004</a>	17/03/1998	EP	
Text adopted by Parliament, single reading		T4-0184/1998 <a href="#">OJ C 138 04.05.1998, p. 0019-0054</a>	31/03/1998	EP	
Text adopted by Parliament, single reading		T4-0186/1998 <a href="#">OJ C 138 04.05.1998, p. 0019-0058</a>	31/03/1998	EP	Summary

Final act	
<a href="#">Decision 1998/328</a> <a href="#">OJ L 146 16.05.1998, p. 0022</a>	

## ECSC: annual Report of the Court of Auditors 1996

**OBJECTIVE:** to present the annual report of the Court of Auditors on the management of the ECSC (for the 1996 financial year) on the basis of which the Court issues its Declaration of Assurance (DAS) on the financial statements of the ECSC. **CONTENT:** the Court found in its report that the ECSC was solvent on the eve of the expiry of the ECSC Treaty (2002). The 1996 financial year was well in the black (solvency ratio of 21.07% compared with 15.99% in 1995), allowing the ECSC to consolidate its financial standing, set up provisions and make the necessary revaluations. In a second chapter, the Court addresses ECSC loan activities and, more importantly, the problem of the interest rate subsidies attached to ECSC loans. The Court notes that the objective of global ECSC loans is to promote the consumption of steel in the Community. The Court found, however, that there were no specific criteria governing the application of this clause, of which only an approximate audit was possible. It noted in particular that the non-application of this clause did not have any effect on the beneficiaries. As regards the interest rate subsidies attached to these loans (granted under the job creation scheme), the situation in 1996 was similar to that in 1995: apart from the lack of control, the Court found that there was a problem relating to eligibility for subsidies (especially in the new German Länder). At the same time, the Court's audit brought serious malfunctions in the Copenhagen "SME mechanism" to light with the risk of a job created being subsidized twice. **DECLARATION OF ASSURANCE:** the Court gave its declaration of assurance (DAS) on the reliability of the ECSC accounts at the end of its report in accordance with Article 45C of the ECSC Treaty. The Court found that the financial statements of the ECSC gave a true picture of the assets of the ECSC. It also confirmed that, overall, the transactions undertaken by the ECSC were legal and regular. However, it drew attention to the eligibility criteria for interest rate subsidies attached to ECSC loans.?

## ECSC: annual Report of the Court of Auditors 1996

In adopting the BLAK(PES, UK) report, the Committee proposes that the Commission be granted discharge in respect of the management of the ECSC for 1996. The rapporteur notes that, as the ECSC Treaty draws to its close in 2002, it continues to be managed in a financially prudent manner and that its financial position can be considered secure. ?

## ECSC: annual Report of the Court of Auditors 1996

In adopting the report by Mr Freddy BLAK (PSE, DK), Parliament gave discharge to the Commission in respect of the management of the ECSC for the financial year 1996, observing that it continued to be managed in a financially prudent manner and that its financial position could be considered secure. In view of the forthcoming expiry of the ECSC Treaty Parliament considered that further comment was unnecessary in the context of its discharge decision.