


Procedure file

Basic information		
DEC - Discharge procedure	1999/2051(DEC)	Procedure completed
1998 discharge: EC general budget, Parliament		
Subject 8.70.03.07 Previous discharges		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	CONT Budgetary Control		13/10/1999
		PSE KUHNE Helmut	
	Former committee responsible		
	CONT Budgetary Control		13/10/1999
		PSE KUHNE Helmut	
	Former committee for opinion		
	AFET Foreign Affairs, Human Rights, Common Security, Defense	The committee decided not to give an opinion.	
	JURI Legal Affairs and Internal Market	The committee decided not to give an opinion.	
	ITRE Industry, External Trade, Research, Energy	The committee decided not to give an opinion.	
European Commission	Commission DG Budget	Commissioner	

Key events			
29/04/1999	Non-legislative basic document published	SEC(1999)0414	Summary
23/07/1999	Committee referral announced in Parliament		
28/03/2000	Vote in committee		Summary
28/03/2000	Committee report tabled for plenary	A5-0097/2000	
11/04/2000	Debate in Parliament		
13/04/2000	Decision by Parliament	T5-0159/2000	Summary
26/06/2000	Vote in committee		Summary
26/06/2000	Committee report tabled for plenary	A5-0189/2000	

04/07/2000	Debate in Parliament		
06/07/2000	Decision by Parliament	T5-0317/2000	Summary
06/07/2000	End of procedure in Parliament		
16/09/2000	Final act published in Official Journal		

Technical information

Procedure reference	1999/2051(DEC)
Procedure type	DEC - Discharge procedure
Legal basis	Rules of Procedure EP 100
Stage reached in procedure	Procedure completed
Committee dossier	CONT/4/10944; CONT/4/10956

Documentation gateway

Non-legislative basic document		SEC(1999)0414	29/04/1999	EC	Summary
Court of Auditors: opinion, report		RCC0022/1998 OJ C 349 03.12.1999, p. 0001-0206	15/11/1999	CofA	
Supplementary non-legislative basic document		N5-0154/2000	13/03/2000	CSL	Summary
Committee report tabled for plenary, single reading		A5-0097/2000 OJ C 040 07.02.2001, p. 0006	28/03/2000	EP	
Text adopted by Parliament, single reading		T5-0159/2000 OJ C 040 07.02.2001, p. 0147-0398	13/04/2000	EP	Summary
Committee report tabled for plenary, single reading		A5-0189/2000 OJ C 121 24.04.2001, p. 0009	26/06/2000	EP	
Text adopted by Parliament, single reading		T5-0317/2000 OJ C 121 24.04.2001, p. 0162-0366	06/07/2000	EP	Summary

Final act

[Decision 2000/545](#)
[OJ L 234 16.09.2000, p. 0020](#)

1998 discharge: EC general budget, Parliament

The committee adopted the report by Helmut KUHNE (PES, D) proposing that Parliament's Secretary-General be granted a discharge for Parliament's 1998 budget. However, the committee stressed the need to ensure optimum use of resources in the area of calls for tender and said that use of the "direct treaty" procedure for granting contracts should remain the exception. On buildings policy, it deplored the Council's decision to oppose direct funding of the Altiero Spinelli building (D3), a decision which had left Parliament facing a number of problems. With regard to future buildings acquisitions, in particular the Louise Weiss building in Strasbourg, the President and Bureau of Parliament were asked to submit by 1 July 2000 a practical action and financing plan setting out various options as well as a legal assessment of those options. The report reiterated the request already made to the Commission for a legislative proposal to be submitted on a statute for European political parties and called on Parliament's competent committees to look at this issue as a matter of priority. It wanted the Bureau and Secretary-General to introduce complete transparency immediately regarding the use of budgetary appropriations and to indicate separately the appropriations allocated to European political parties. The Court of Auditors was asked to examine the finances of the political groups every two years. The committee would also like the Bureau, on a proposal from the Secretary-General, to draw up a long-term policy on appointments, in particular to high-level posts and for the recruitment of specialists to posts in financial control. In parallel to the Commission's reform process, the Secretary-General was asked to present a report by 30 June on Parliament's staff policy.?

1998 discharge: EC general budget, Parliament

The European Parliament adopted a resolution postponing the decision on giving discharge in respect of implementation of the general budget for the financial year 1998 regarding the European Parliament/Annex: Ombudsman. Parliament's Rapporteur was Mr. Helmut KUHNE (PES, D). Parliament welcomes the significant reduction in the cancellation of appropriations for 1998 and the modest improvement in the utilisation of non-automatic appropriations carried over from 1997, resulting from the measures introduced by the Secretary-General. It regrets, however, that there still remains a persistently high cancellation of appropriations automatically carried over; it underlines the continued need for sustained progress in this area and urges that corrective measures be promptly taken to that effect. It expects financial requirements to be more thoroughly defined by authorising officers so that subsequent contradictory requests for transfers of appropriations can be avoided. Parliament urges that the management of calls for tender ensures optimum use of available resources. It also considers unacceptable the dramatic increase in the number of contracts awarded by the exceptional 'direct treaty' procedure instead of by calls for tender and requests the Secretary-General to present by 1 June 2000 concrete measures to reverse this trend, including measures for training and improving qualifications of EP staff involved in the awarding of contracts. In relation to Parliament's buildings, the EP reiterates its regret at the Council's decision against the direct funding of the Alteiro Spinelli building, a decision that has created a series of difficult conditions for the Parliament's Bureau. It notes that the approach adopted for the funding of that building was based on the express recommendation of the Secretary-General, the Financial Controller and the Legal Service, who had come to the conclusion that the EU rules on the award of public service contracts were not applicable in this connection. It also notes the findings of the Court of Auditors that after exercising the option to purchase the Altiero Spinelli building, Parliament is in the position of a borrower, which represents a new departure which is not permitted under the Financial Regulation currently in force. It calls on the Court of Auditors to deliver an opinion in the very near future on whether the procedure adopted for funding the building is applicable to future projects in the light of amendments that have now been made to the Financial Regulation and the rules on awarding public service contracts. It insists on the preservation of its rights with regard to the late hand-over of the Louise Weiss building, in particular as regards the interim interest payments and the penalties referred to in the framework contract. It takes the view that any costs arising from the settlement of legal disputes between the developer of the Louise Weiss building and its subcontractors and architects should not be part of the final investment cost of the building. It calls on the Court of Auditors to present a special report on the practice of awarding contracts for security services, including an examination of whether it is economically feasible. On the management of Members' Pension Fund, it requests the College of Quaestors and the Bureau to act on the recommendations in the Court of Auditors' Opinion No. 5/1999 so as to ensure the separation of the Fund's management from that of the administration of Parliament. On the question of staff policy, the Parliament demands that the Bureau define a long-term policy on staff recruitment and appointments which is based on predictable needs for specific qualifications and it urges the Secretary-General to deliver a report to the respective parliamentary committees by 30/06/2000. In connection with the Ombudsman Annex, the Parliament welcomes the increased take-up of appropriations earmarked for the 1998 budget of the Ombudsman; it notes, however, that the utilisation of appropriations automatically carried over from 1997 worsened by comparison with the previous year and it urges the Ombudsman, therefore, to improve implementation of these appropriations. The Parliament instructs its Secretary-General to take the following steps: - present an action plan to dramatically reduce the number of restricted tenders and direct agreements; - complete and present the 1998 inventory; - inform the appropriate bodies on the progress of current disciplinary procedures, especially those linked to cases lost in the Court of Justice; - present a long-term building policy, including financing, new investments and expected total costs, as well as an action plan to avoid contractual obligations limiting the European Parliament's possibilities for open tendering; - present a timetable for the administrative reform of the European Parliament. Furthermore, the Parliament expects that: - the new contracts authorised for the security and guarding of its buildings in Strasbourg will be in full accordance with the rules, especially on calls for tender; - in the light of the final report of the Court of Auditors on the expenditure of political groups, the latter will present specific measures in order to rectify the disclosed shortcomings within two months of receiving the report.?

1998 discharge: EC general budget, Parliament

The committee adopted the report by Helmut KUHNE (PES, D) recommending that Parliament's Secretary-General be granted the discharge for the 1998 budget. In its resolution of 13 April Parliament had decided to postpone a decision on the discharge. As regards the follow-up to the measures which Parliament had asked the Secretary-General to take at that time, the committee's report noted that an action plan to facilitate competitive tendering had been drawn up. It asked for "optimal planning" of the award of contracts" and expected such planning to be strictly monitored and the necessary administrative measures introduced. Parliament should set a good example in this field and therefore contracts must be awarded by private treaty only in exceptional cases. To ensure that the new system for the management of Parliament's property was operated properly and effectively, the report argued that the Budgetary Control Committee itself should continue to monitor the inventory process closely. In addition, rules should be adopted governing inventory management on an interinstitutional basis. The committee also welcomed the timetable submitted for internal administrative reforms and asked that Parliament's relevant committees be kept abreast of the implementation of these reforms, a process in which staff must be actively involved. On buildings policy, the report regretted the geographical dispersion of Parliament's places of work but stressed that this was a consequence of decisions made by the governments of the Member States. It emphasised the need, with a view to enlargement, to minimise logistical inconveniences in the institution's future building arrangements. The committee also repeated its call for a common buildings budget and common buildings management for all the EU institutions. On the financing arrangements for political groups and parties, the report stressed that the political groups had sole responsibility for the use of funds provided from Parliament's budget. It welcomed Parliament's replies to the preliminary observations of the Court of Auditors and expected measures to reform the relevant legal framework to be taken rapidly. The committee regretted the Court of Auditors' unwillingness to explicitly name those groups whose questionable financial practices were mentioned in its report. Lastly, in the light of the Court's findings, the committee made a number of demands for reforms to ensure transparency in the funding of the political groups. ?

1998 discharge: EC general budget, Parliament

The European Parliament in its decision drafted by Helmut KUHNE (PES, Germany) authorised discharge in respect of implementation of the general budget for 1998 on the European Parliament/ Ombudsman Annex. Parliament felt that its judgement to have been confirmed that postponing the discharge for 1998 had a constructive effect and spurred the administration on to greater efforts to use taxpayers money more efficiently. Many of its concerns had been addressed. It endorsed the action plan to facilitate competitive tendering, and asked for the adoption of rules governing inventory management on an inter-institutional basis. On buildings policy, it reiterated its regrets at the arrangements arrived at between governments and asked for future buildings policy to be governed by the principle of functionality, particularly as regards the

regrouping of Parliament's services in each working place and the optimal use of financial resources. On the financing of political groups and parties, Parliament wanted measures aimed at radically transforming the relevant legal framework to be completed without delay in conformity with financial regulations and the principle of transparency. As a result of the Court of Auditors' findings, Parliament demanded that internal bookkeeping procedures be transparent and followed by all groups, and supplemented by specific group financial regulations. Measures must be taken to avoid the possibility that financial assistance could be provided to national political parties or other similar organisations as a result of joint actions undertaken between them and political groups.?