

# Procedure file

Basic information		
DEC - Discharge procedure	<a href="#">2001/2102(DEC)</a>	Procedure completed
2000 discharge: EC general budget, section III Commission		
Subject 8.70.03.07 Previous discharges		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>CONT</b> Budgetary Control		23/01/2002
		PPE-DE <a href="#">MCCARTIN John Joseph</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
	<b>AFET</b> Foreign Affairs, Human Rights, Common Security, Defense		05/11/2001
		PSE <a href="#">TITLEY Gary</a>	
	<b>LIBE</b> Citizens' Freedoms and Rights, Justice and Home Affairs		04/12/2001
		PPE-DE <a href="#">DEPREZ Gérard</a>	
	<b>ITRE</b> Industry, External Trade, Research, Energy		22/11/2001
		PSE <a href="#">MCNALLY Eryl Margaret</a>	
	<b>EMPL</b> Employment and Social Affairs		14/11/2001
		PSE <a href="#">JÖNS Karin</a>	
	<b>ENVI</b> Environment, Public Health, Consumer Policy		20/11/2001
	PPE-DE <a href="#">GOODWILL Robert</a>		
<b>RETT</b> Regional Policy, Transport and Tourism		10/07/2001	
	PSE <a href="#">WATTS Mark Francis</a>		
<b>DEVE</b> Development and Cooperation		11/10/2001	
	PSE <a href="#">SAUQUILLO PÉREZ DEL ARCO Francisca</a>		
<b>FEMM</b> Women's Rights and Equal Opportunities		21/11/2001	
	PPE-DE <a href="#">KLASS Christa</a>		
European Commission	Commission DG <a href="#">Budget</a>	Commissioner	

Key events
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27/04/2001	Non-legislative basic document published	SEC(2001)0528	Summary
11/06/2001	Committee referral announced in Parliament		
26/03/2002	Vote in committee		Summary
26/03/2002	Committee report tabled for plenary	<a href="#">A5-0103/2002</a>	
09/04/2002	Debate in Parliament		
10/04/2002	Decision by Parliament	<a href="#">T5-0164/2002</a>	Summary
10/04/2002	End of procedure in Parliament		
17/06/2002	Final act published in Official Journal		

### Technical information

Procedure reference	2001/2102(DEC)
Procedure type	DEC - Discharge procedure
Legal basis	Rules of Procedure EP 101
Stage reached in procedure	Procedure completed
Committee dossier	CONT/5/14802

### Documentation gateway

Non-legislative basic document		SEC(2001)0528	27/04/2001	EC	Summary
Supplementary non-legislative basic document		SEC(2001)0529	27/04/2001	EC	Summary
Supplementary non-legislative basic document		SEC(2001)0531	27/04/2001	EC	
Court of Auditors: opinion, report		N5-0617/2001 <a href="#">OJ C 359 15.12.2001, p. 0011-0416</a>	10/10/2001	CofA	Summary
Supplementary non-legislative basic document		<a href="#">01649/2002</a>	05/03/2002	CSL	Summary
Committee report tabled for plenary, single reading		<a href="#">A5-0103/2002</a>	26/03/2002	EP	
Text adopted by Parliament, single reading		<a href="#">T5-0164/2002</a> <a href="#">OJ C 127 29.05.2003, p. 0162-0527 E</a>	10/04/2002	EP	Summary

### Final act

[Budget 2002/444](#)  
[OJ L 158 17.06.2002, p. 0001](#) Summary

[Budget 2002/445](#)  
[OJ L 158 17.06.2002, p. 0023](#)

## 2000 discharge: EC general budget, section III Commission

PURPOSE : to present the balance sheet and analysis of the financial management of the European Communities for the financial year 2000 - Section III - Commission (Volume II). CONTENT : this document presents the statement of accounts of the implementation of the budget of the Commission for the financial year 2000. With regard to the revenue, taking into account the costs incurred by the Member States for the assessment of own resources (EUR 1.696, 35 million), the amount of revenue rises to EUR 92.724.422.418,05 for the year 2000. As regards expenditure, the amount of budgetary expenditure for the year 2000 is EUR 82.867.869.808,55. It should be noted that the difference between

revenue and expenditure increased in 2000 to EUR 11,6 billion (this is a record amount in comparison to the 1999 amount of EUR 3,2 billion). In 2000, only 82,5% of the budget had been implemented against 95,7% in 1999 in commitment appropriations. On the other hand, only 88% of payment appropriations have been implemented against 91% in 1999.?

## 2000 discharge: EC general budget, section III Commission

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**PURPOSE** : to present the balance sheet and analysis of the financial management of the European Communities for the financial year 2000 - Section III - Commission. **CONTENT** : this document presents the analysis of the use of Commission appropriations in 2000, section by section. To recall, the 2000 budget was declared adopted after Parliament's second reading on 16 December 1999. It is the first budget established under the financial perspective for 2000-06 contained in the Interinstitutional Agreement of 6 May 1999 and totals EUR 93 323 million in appropriations for commitments, 3.5 % down on 1999, and EUR 89 441 million in appropriations for payments, a 4.5% increase. The total appropriations for payments are equivalent to 1.11% of GNP. It should be noted that the report on the implementation of the budget is the first answering to the Court of Auditor's request to present the budget in such a way as to concentrate on specific activities. This completely new approach of the presentation of the budget also includes very precise tables of expenditure for each sector. This document also analyses the budgetary procedure step-by-step. The main characteristics of this budget can be summarised as follows: - this budget manages to comply with the tight spending targets set by the Commission in its original proposals and by the two arms of the budgetary authority throughout the budgetary procedure, while at the same time covering the Union's priorities for 2000, in particular reconstruction in Kosovo. - agricultural expenditure totals EUR 40 994 million. The bulk is for market organisation measures (EUR 36 889 million). An across-the-board cut kept the appropriations well below the sub-ceiling (EUR 41 738 million). The other EUR 4 105 million is for the "second agricultural pillar", expenditure on rural development and accompanying measures, including EUR 50 million for improving the processing and marketing of agricultural products (in connection with the dioxin crisis). The margin remaining beneath the ceiling for the heading is EUR 744 million. As this will be the first year of a new programming period, the commitment appropriations for structural measures (EUR 32 678 million) are down on the exceptionally large amounts in 1999 (EUR 39 billion), while payment appropriations (EUR 31 801 million) continue to increase (+4.5 %) to clear outstanding commitments. - the internal policies have a total allocation of EUR 6 028 million in appropriations for commitments, 2.8% up on the 1999 budget, and EUR 5 674 million in appropriations for payments (+13%). The resources are concentrated on a number of top priorities because of the leverage they exert on growth and employment, and on the development and distribution of new technologies. Research is allocated EUR 3 630 million in commitment appropriations and EUR 3 600 million in payment appropriations, a sharp increase (of around 20%) warranted by the large volume of outstanding commitments. - the second major spending area is the Trans-European networks (EUR 688 million in commitment appropriations, up by 17.6 %). Measures on education, vocational training and youth policy receive a substantial 9% increase at EUR 481.5 million in commitment appropriations. - the budgetary impact of the ratification of the Treaty of Amsterdam is also accommodated, in particular as it affects justice and home affairs, with the insertion of a new title covering all the operations for setting up an area for freedom, security and justice and an allocation totalling EUR 97 million (including EUR 26 million for the European Refugee Fund alone). - the allocations for external action come to a total of EUR 4 825 million for commitments, an increase of 3,3 % over 1999, and EUR 3 612 million for payments. The 2000 budget will cover the immediate needs for reconstruction in Kosovo. After the entire EUR 200 has been drawn under the flexibility instrument, a total of EUR 360 million will be available for Kosovo in 2000. The appropriations will also cover new needs for aid to East Timor (EUR 20 million), Turkish earthquake victims (EUR 30 million) and the fisheries agreement with Morocco (EUR 125 million). - in accordance with the new financial perspective the pre-accession strategy is identified in a new heading 7 with an allocation of EUR 3 167 million for commitments and EUR 1 696 million for payments, with a new instrument for agriculture (SAPARD, EUR 529 million for commitments and EUR 200 million for payments) and one for infrastructure (ISPA, EUR 1 058 million for commitments and EUR 245 million for payments) in addition to the Phare programme. - lastly, it should also be noted that the 2000 Budget has been amended by two supplementary and amending budgets.?

## 2000 discharge: EC general budget, section III Commission

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The committee adopted the report by John Joseph McCARTIN (EPP-ED, IRL) recommending that discharge be granted to the Commission in respect of the implementation of the EU budget for 2000. The outcome was the result of a compromise aimed at overcoming the differences within the committee, which had resulted in a failure to obtain a clear result after voting in a previous meeting. It included the adoption of an amendment related to the flax affair in Spain, recalling that Members of the Commission shall be completely independent in the performance of their duties, and that the role of Commissioners' Private Offices was not to interfere in departmental management. The committee said that the outstanding feature of the 2000 financial year was the exceptionally high budget surplus (EUR 11,6 bn, or 14% of the budget), which revealed a failure to provide timely and efficient mechanisms for the smooth operation of the Structural Funds. It was noted that the very complexity of the rules made effective controls difficult. The committee said that better coordination could prevent duplication of effort and allow a better division of work, and the Commission was therefore asked to examine the feasibility of introducing a single audit model in relation to the EU budget with a view to enhancing the quality of audit activities. The committee also said that some common policies were themselves conducive to fraud, particularly where export refunds were used to support the export of surpluses mainly for dairy products, sugar, cereals and beef. It noted, however, that the export refunds system was still important in the CAP and that it had a considerable impact on agricultural and food markets in the EU and in third countries. The Commission was urged to apply to export refunds the same policy of transparency used in other domains by making public the names of all undertakings and amounts that benefited from this scheme. Referring to a number of specific cases, the committee wondered if the present system was sufficient to encourage Member States to combat fraud and irregularities. The Commission was invited to propose a simplification of the infringement procedure, allowing a lump sum or penalty payment to be paid by the Member State in question. Finally, MEPs called for the establishment of a European Public Prosecutor to be included within the Convention so that it could be an integral part of the Treaty well before enlargement. ?

## 2000 discharge: EC general budget, section III Commission

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By adopting the report by Mr John McCartin (PPE-DE, IRL) by 442 votes to 53, with 31 abstentions, the European Parliament fully endorses the position of the Committee on Budgetary Control (see summary for 26 March 2002) and grants the Commission discharge in respect of the implementation of the general budget of the European Union for the financial year 2000. In the resolution annexed to the proposal for a decision granting discharge, Parliament supports the views of its lead committee and lays special emphasis on the particularly high budget

surplus of EUR 11.6 billion, or 14% of the budget. Parliament regards the volume of this surplus as a failure on the part of the Commission. Parliament also endorses the position of the lead committee on other points, such as the limited effectiveness of the Commission's administrative machinery. The Commission's regulatory procedures and the system of checks must be strengthened, and budgetary priorities, particularly those defined by Parliament, must be respected. The same applies to procedures; Parliament believes that the administrative structure of the Union should be more strongly decentralised, the more so after enlargement. Contractual management procedures in particular should be given special attention, as should the procedures for granting Community subsidies. Like its Committee on Budgetary Control, Parliament notes that the complexity of Community rules makes control difficult and asks the Commission for a substantial increase in the number of clauses imposing time limits and for studies to assess the economic impact of Community aid. In particular, it makes a number of proposals designed to improve the system of control at the national level; one of these proposals is that each Member State should designate one single national ministry as the authority responsible for monitoring progress achieved by programmes financed from the Structural Funds. As regards regularity, combating fraud and protecting the Community's financial interests, Parliament recognises that the present system has to be strengthened. This applies especially to the whole question of export refunds (see the working document produced by the Committee on Budgetary Control and annexed to the McCartin report). The same also applies to the Member States' financial corrections, which keep increasing. Parliament explicitly asks the Commission to make proposals before the next discharge so that non-respect of the criteria by the paying agencies in the Member States can be properly sanctioned, particularly by the reduction of advances. Finally, Parliament reaffirms its full and unrestricted right of access to all documents in the framework of discharge procedure and announces that it will bring an action before the Court of Justice if the Council includes any provisions in the new Financial Regulation that are designed to restrict this right. ?

## 2000 discharge: EC general budget, section III Commission

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**PURPOSE** : to approve the closure of accounts in respect of the implementation of the general budget of the European Union for the financial year 2000. **COMMUNITY MEASURE** : Decisions 2002/444/EC, ECSC, Euratom and 2002/445/EC ECSC, Euratom of the European Parliament closing the accounts in respect of the implementation of the general budget of the European Union for the financial year 2000 (Commission). **CONTENT** : with these present Decisions, the European Parliament agrees the discharge to the Commission on the implementation of the general budget of the European Union for the financial year 2000 (Commission). There is a resolution which forms an integral part of this decision. It records a series of comments which can be found in the Parliament's opinion (please refer to the summary of the European Parliament's resolution of 10 April 2002).?