

Procedure file

| Basic information | | |
|---|--------------------------------|---------------------|
| DEC - Discharge procedure | 2007/2036(DEC) | Procedure completed |
| 2006 discharge: EC general budget, European Ombudsman | | |
| Subject 8.70.03.07 Previous discharges | | |

| Key players | | | | |
|------------------------------------|--|---|------------|--|
| European Parliament | Committee responsible | Rapporteur | Appointed | |
| | CONT Budgetary Control | | 27/03/2007 | |
| | | IND/DEM LUNDGREN Niils | | |
| | Committee for opinion | Rapporteur for opinion | Appointed | |
| | AFET Foreign Affairs | The committee decided not to give an opinion. | | |
| | DEVE Development | The committee decided not to give an opinion. | | |
| | INTA International Trade | The committee decided not to give an opinion. | | |
| | BUDG Budgets | The committee decided not to give an opinion. | | |
| | ECON Economic and Monetary Affairs | The committee decided not to give an opinion. | | |
| | EMPL Employment and Social Affairs | The committee decided not to give an opinion. | | |
| | ENVI Environment, Public Health and Food Safety | The committee decided not to give an opinion. | | |
| | ITRE Industry, Research and Energy | The committee decided not to give an opinion. | | |
| | IMCO Internal Market and Consumer Protection | The committee decided not to give an opinion. | | |
| | TRAN Transport and Tourism | The committee decided not to give an opinion. | | |
| | REGI Regional Development | The committee decided not to give an opinion. | | |
| | AGRI Agriculture and Rural Development | The committee decided not to give an opinion. | | |
| | PECH Fisheries | The committee decided not to give an opinion. | | |
| | CULT Culture and Education | The committee decided not to give an opinion. | | |
| | JURI Legal Affairs | The committee decided not to give an opinion. | | |
| | LIBE Civil Liberties, Justice and Home Affairs | The committee decided not to give an opinion. | | |
| AFCO Constitutional Affairs | The committee decided not to give an opinion. | | | |

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|--------------------------------------|--|---|
| | FEMM Women's Rights and Gender Equality | The committee decided not to give an opinion. |
| | PETI Petitions | The committee decided not to give an opinion. |
| Council of the European Union | Council configuration Economic and Financial Affairs ECOFIN | Meeting 2847 |
| European Commission | Commission DG Budget | Commissioner KALLAS Siim |
| | | Date 12/02/2008 |

Key events

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|------------|--|--|---------|
| 30/03/2007 | Non-legislative basic document published | SEC(2007)1055 | Summary |
| 25/10/2007 | Committee referral announced in Parliament | | |
| 26/03/2008 | Vote in committee | | Summary |
| 01/04/2008 | Committee report tabled for plenary | A6-0092/2008 | |
| 22/04/2008 | Results of vote in Parliament |  | |
| 22/04/2008 | Debate in Parliament |  | |
| 22/04/2008 | Decision by Parliament | T6-0140/2008 | Summary |
| 22/04/2008 | End of procedure in Parliament | | |
| 31/03/2009 | Final act published in Official Journal | | |

Technical information

| | |
|----------------------------|---------------------------|
| Procedure reference | 2007/2036(DEC) |
| Procedure type | DEC - Discharge procedure |
| Legal basis | Rules of Procedure EP 100 |
| Stage reached in procedure | Procedure completed |
| Committee dossier | CONT/6/46704 |

Documentation gateway

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|---|--|------------|------|---------|
| Non-legislative basic document | SEC(2007)1055 | 30/03/2007 | EC | Summary |
| Court of Auditors: opinion, report | N6-0005/2008 OJ C 273 15.11.2007, p. 0001 | 15/11/2007 | CofA | Summary |
| Committee draft report | PE400.416 | 05/02/2008 | EP | |
| Amendments tabled in committee | PE402.906 | 07/03/2008 | EP | |
| Committee report tabled for plenary, single reading | A6-0092/2008 | 01/04/2008 | EP | |
| Text adopted by Parliament, single reading | T6-0140/2008 | 22/04/2008 | EP | Summary |
| Commission response to text adopted in plenary | SP(2008)3169 | 28/05/2008 | EC | |

2006 discharge: EC general budget, European Ombudsman

PURPOSE: to present the final annual accounts of the European Communities for the financial year 2006 ? Other institutions: Section VIII-A ? European Ombudsman.

CONTENT: this document sets out the amount of expenditure and the financial statement of the European Ombudsman for 2006 and presents an analysis of its financial management.

Summary in figures: the figures mentioned hereafter are taken from the provisional annual accounts for the financial year 2006 relating to the Ombudsman. These amounts may be subject to amendments after consolidation.

- Appropriations authorised for the financial year 2006: EUR 7 682 538;
- Committed appropriations: EUR 7 084 239.81 (92.21% of the budget being utilised);
- Paid appropriations: EUR 6 365 069.79;
- Appropriations carried over from 2006 to 2007: EUR 405 185.73;
- Appropriations carried over from 2005 to 2006: EUR 623 748.57 (a utilisation rate of 95.65% for appropriations).

Main axes of 2006 expenditure: the 2006 budget for the Ombudsman is the first to have been voted and implemented using the new budgetary structure. The aim of this new structure was to increase transparency and to facilitate a better control by the budgetary authority, due to a better supervision of similar expenses which, in the structure used up until now, were allocated under many titles or headings.

On the budgetary front, 2006 saw one single transfer of appropriations (a ?mop up? transfer) in order to enable 2 minor changes made necessary due to the move from the financial regime of the previous Ombudsman (temporary scheme of allowances) to a pension regime. Therefore, it was necessary to adjust and reinforce the available appropriations (+EUR 3 000) in order to provide for the pension of the previous Ombudsman. This transfer also aimed to partially cover (+ EUR 75 000) the translating costs of decisions of the Ombudsman in 2006.

The budgetary year also was noted for:

1. the Ombudsman?s workload: in 2006, the Ombudsman received 3 830 complaints (compared to 3 920 in 2005 and 3 688 in 2004), which shows that the level of complaints has stabilised following the mountain of complaints in 2004 (+53% compared to 2003). This evolution had repercussions both for the magistrates in charge of enquiries and for the Secretariat responsible for handling complaints. Further recruitment and increased productivity enabled the significant increase in the number of complaints during previous years to be dealt with;
2. the new cooperation agreement with the EP: as specified in previous Ombudsman discharge reports, some administrative services are shared with the European Parliament. This cooperation was formalised by an agreement in 1995. However, since 2004, the Ombudsman has assumed a sizeable proportion of both its financial and administrative management. The cooperation agreement was therefore adapted to reflect this reality, identifying the areas where cooperation could be most profitable, and helping to avoid duplication. A new agreement was, therefore, signed in 2006 taking this new situation into account;
3. the consolidation of the new ?Finance? department of the Ombudsman: in accordance with its new Institution status, the Ombudsman?s ?Administration and Finance? department which oversees its budget management was overhauled. In line with the new Financial Regulation, the Ombudsman now benefits from an ad hoc supervisory and monitoring team for its public markets. In 2006, further effort was devoted to the making of the Ombudsman?s administrative sector more autonomous, regarding its personnel. This effort resulted in particular attention being given to the documentation of internal financial procedures and to the internal management of personnel. The year was also characterised by the conclusion of the recruitment procedure for the Secretary General of the Ombudsman (appointed in July 2006);
4. seminar for the Ombudsman?s personnel ? ?retreat??: a retreat was organised for the Ombudsman?s personnel in order to discuss the many organisational changes. This retreat was an opportunity to complete both a self-evaluation exercise and a risk assessment of the independent operation of the Ombudsman as an Institution.

Overall, the report indicates that 2006 was very efficient from a budgetary perspective: new challenges in terms of responsibility and independence regarding the European Parliament?s services were successfully overcome, and the objectives identified in the annual programme of activities were achieved. Furthermore, no major dysfunction was noted by the internal or external control bodies.

Other salient issues of the Ombudsman?s budget implementation can be summarised as follows:

Title 1 (Expenditure relating to persons working with the Institution) : this budgetary title is characterised by:

- lower growth of expenditure of outside services: utilisation rate was only 75% of the appropriations entered in the budget;
- other expenses related to personnel: only 51.85% of this budgetary chapter was used.

Title II (Buildings, equipment and operating expenditure): this budgetary title was characterised by a net lower growth of expenditure for equipment and buildings (67.6% of appropriations committed and 17.33% paid, causing a carryover of appropriations to 2007 of a value of EUR 28 860).

Title III: (Specific mission costs of the Institution) : this title was markedly strengthened compared to previous years, with a planned budget of some EUR 789 000 of which 77% was spent: it was needed to cover expenses of meetings and conferences, expertise and information (archiving complaints and disseminating documents), studies and other subsidies (only half the budget used) and for expenses relating to the

functions of the Ombudsman (inherent expenses specific to the obligations of the Ombudsman, such as relations with international organisations of Ombudsmen and other expenses which are directly related to the achievement of the Ombudsman's tasks ? these very specific expenses were limited to EUR 1 500 of the planned EUR 4 000).

2006 discharge: EC general budget, European Ombudsman

The Committee on Budgetary Control adopted the report by Nils LUNDGREN (ID, SE) recommending that the Parliament grant the European Ombudsman discharge in respect of the implementation of its budget for the financial year 2006.

First of all, the parliamentary committee recalls that, in 2006, the European Ombudsman had available commitment appropriations amounting to a total of EUR 7 682 538 (compared to EUR 7 224 554 in 2005), with a utilisation rate of 88.13%. It also notes that, over the period 2003 to 2006, commitment appropriations steadily increased (from EUR 4 438 653 to EUR 7 682 538 (+73%), the number of posts increased from 31 to 57 units (+84%), while complaints increased by 57% and new inquiries opened increased from 253 to 258 (+2%).

Recalling that the European Court of Auditors indicated in its Annual Report that the audit did not give rise to any observations as regards the Ombudsman, MEPs welcome the Ombudsman's internal management (including staff management as from January 2006) as well as the internal control of the services. However, they note that improvements in efficiency are needed in some areas (for example, identification of sensitive functions) and they encourage the Ombudsman to make all efforts to further improve the efficiency of the internal control framework of his institution.

MEPs welcome the conclusion of the new framework cooperation agreement with the Parliament concerning the provision of certain administrative services (buildings, IT, communications, legal advice, medical services, training, translation and interpretation) and note with satisfaction that the Ombudsman's first Secretary General was appointed on 1 August 2006.

Recruitment of personnel: MEPs note with concern the recruitment difficulties highlighted in the Ombudsman's 2006 annual report, especially in relation to qualified lawyers, due to the two successive waves of enlargement (2004 and 2007), to staff turnover and to the difficulty in attracting and retaining candidates in Strasbourg with temporary contracts.

Declarations of financial interests: MEPs welcome the Ombudsman's decision to publish the annual declaration of interests of the Ombudsman on his website. Lastly, they welcome the Ombudsman's decision to accede to the Interinstitutional Agreement of 25 May 1999 on internal investigations by the European Anti-Fraud Office (OLAF).

2006 discharge: EC general budget, European Ombudsman

The European Parliament adopted, by 614 votes in favour, 15 against and 38 abstentions, a Decision to grant the European Ombudsman discharge in respect of the implementation of its budget for the financial year 2006. The decision to grant discharge also constitutes closure of the accounts of this institution.

At the same time, the Parliament adopted by 616 votes in favour, 14 against and 37 abstentions, a Resolution containing the comments which form part of the decision giving discharge. The report had been tabled for plenary by Nils LUNDGREN (ID, SE) on behalf of the Committee on Budgetary Control.

The Resolution recalls that, in 2006, the European Ombudsman had available commitment appropriations amounting to a total of EUR 7 682 538 (compared to EUR 7 224 554 in 2005), with a utilisation rate of 88.13%. The Parliament also notes that, over the period 2003 to 2006, commitment appropriations steadily increased (from EUR 4 438 653 to EUR 7 682 538 (+73%), the number of posts increased from 31 to 57 units (+84%), while complaints increased by 57% and new inquiries opened increased from 253 to 258 (+2%).

Recalling that the European Court of Auditors indicated in its Annual Report that the audit did not give rise to any observations as regards the Ombudsman, the Parliament welcomes the Ombudsman's internal management as well as the internal control of the services. However, it notes that improvements in efficiency are needed in some areas (for example, identification of sensitive functions).

Furthermore, the Parliament welcomes the conclusion of the new framework cooperation agreement with the Parliament concerning the provision of certain administrative services (buildings, IT, communications, legal advice, medical services, training, translation and interpretation) as well as the appointment of the Ombudsman's Secretary General on 1 April 2006.

Lastly, the Parliament makes some observations concerning the following points:

- Recruitment of personnel: the Parliament notes with concern the recruitment difficulties highlighted in the Ombudsman's 2006 annual report, especially in relation to qualified lawyers, due to the two successive waves of enlargement (2004 and 2007), to staff turnover and to the difficulty in attracting and retaining candidates in Strasbourg with temporary contracts;
- Declarations of financial interests: the Parliament welcomes the Ombudsman's decision to publish the annual declaration of interests on his website. In addition, it welcomes the Ombudsman's decision to accede to the Interinstitutional Agreement of 25 May 1999 on internal investigations by the European Anti-Fraud Office (OLAF).

2006 discharge: EC general budget, European Ombudsman

PURPOSE: to grant discharge to the European Ombudsman for the financial year 2006.

LEGISLATIVE ACT: Decision 2009/195/EC of the European Parliament on the discharge for implementation of the European Union general budget for the financial year 2006 (Section VIII - European Ombudsman).

CONTENT: with the present decision, the European Parliament grants the European Ombudsman discharge in respect of the implementation of the budget for the financial year 2006.

This decision is in line with the European Parliament's resolution adopted on 22 April 2008 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 22/04/2008).