

# Procedure file

Basic information		
INI - Own-initiative procedure	<a href="#">2007/2141(INI)</a>	Procedure completed
Transparency in financial matters		
Subject 8.40.10 Interinstitutional relations, subsidiarity, proportionality, comitology 8.70.03 Budgetary control and discharge, implementation of the budget 8.70.04 Protecting financial interests of the EU against fraud		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>CONT</b> Budgetary Control	PPE-DE <a href="#">POMÉS RUIZ José Javier</a>	13/06/2005
European Commission	Commission DG <a href="#">Budget</a>	Commissioner KALLAS Siim	

Key events			
21/06/2007	Committee referral announced in Parliament		
22/01/2008	Vote in committee		Summary
25/01/2008	Committee report tabled for plenary	<a href="#">A6-0010/2008</a>	
18/02/2008	Debate in Parliament		
19/02/2008	Results of vote in Parliament		
19/02/2008	Decision by Parliament	<a href="#">T6-0051/2008</a>	Summary
19/02/2008	End of procedure in Parliament		

Technical information	
Procedure reference	2007/2141(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 54
Stage reached in procedure	Procedure completed
Committee dossier	CONT/6/50535

Documentation gateway					
Committee draft report		<a href="#">PE392.131</a>	12/11/2007	EP	
Amendments tabled in committee		<a href="#">PE398.672</a>	17/12/2007	EP	
Committee report tabled for plenary, single reading		<a href="#">A6-0010/2008</a>	25/01/2008	EP	
Text adopted by Parliament, single reading		<a href="#">T6-0051/2008</a>	19/02/2008	EP	Summary
Commission response to text adopted in plenary		<a href="#">SP(2008)1767</a>	31/03/2008	EC	
Commission response to text adopted in plenary		<a href="#">SP(2008)1857</a>	16/04/2008	EC	

## Transparency in financial matters

The Committee on Budgetary Control adopted a report by Mr. José Javier POMÉS RUIZ (EPP-ED, ES) on transparency in financial matters in the extension of the Commission's Green Paper on the European Transparency Initiative and in the Commission's Communication on the follow-up to the Green Paper (see [INI/2007/2115](#)).

The Parliamentary Committee recalls that transparency is closely related to whether the information provided on beneficiaries is easily accessible, reliable and suitable for further research, comparison and assessment.

MEPs believe that, as a general principle, the Commission web pages disclosing information on the beneficiaries of EU funding of whatever category, whether contracts, grants, agriculture or structural fund expenditure (or other types of funding) should be organised in such a way as to make it possible not only to obtain information on individual beneficiaries but also to carry out searches based on specific criteria in order to obtain an overall picture under various headings, which can then be checked against the Commission's implementation figures.

The Commission is, therefore, called on to:

- accept political responsibility for publishing information on beneficiaries of EU funding under all modes of management;
- introduce a fully operational system of information for the wider public on all beneficiaries of EU subsidies and the outstanding recoveries by the end of 2009.

The report points out that the EU institutions at present have divergent approaches to declarations of their Members' financial interests ranging from a public register (European Parliament) to no declarations at all. MEPs are of the opinion that all institutions should consider whether the current principles and rules are sufficient and notes the possible need to revise the rules of the European Parliament to make the public disclosure of financial interests on the internet compulsory.

MEPs consider that it would be inappropriate to create a single advisory body for all EU office-holders but believe, nevertheless, that each institution should adopt rules of professional ethics for its Members (depending on the specific nature of each institution) and recommend that the rules of professional ethics of each institution should also touch upon the overall political, financial and legal responsibility of its Members.

The Commission is also called upon to examine ways of applying the same transparent approach to the membership of these expert committees, which advise it, and hence disclose information, unless legitimate compelling grounds are given individually on a case by case basis.

Regretting that information regarding recoveries of Community funds is excluded from the European Transparency Initiative, MEPs call on the Commission to make available to the budgetary authority and to the public, the names and amounts of recoveries as well as the final destination of these sums. Members welcome, however, the fact that a summary of waivers of recoveries of established amounts receivable in 2006 was published as an annex to the Commission's Communication setting out a synthesis of the Commission's management achievements in 2006. In this respect, it notes the total of waivers of recoveries (amounts above EUR 100 000) was EUR 23 038 784 for the EC budget and EUR 6 549 996 for the EDF budget. The Commission is called upon, in the future, to make further improvements along these lines with a view to increasing transparency.

The report finally calls upon the Commission to consider how a public "blacklist" of confirmed fraud cases and the entities behind them could be set up to name and shame as well as inform the public about the results of the Community's anti-fraud endeavours. It also reiterates the urgent need for a code of ethics for OLAF, with a view to guaranteeing the presumption of innocence in the case of beneficiaries who have been the object of a long and prejudicial investigation procedure and are cleared by the courts.

## Transparency in financial matters

The European Parliament adopted a resolution based on the own-initiative report drafted by José Javier POMÉS RUIZ (EPP-ED, ES) on transparency in financial matters in the extension of the Commission's Green Paper on the European Transparency Initiative and in the Commission's Communication on the follow-up to the Green Paper (see [INI/2007/2115](#)).

Parliament recalls that transparency is closely related to whether the information provided on beneficiaries of funds is easily accessible, reliable and suitable for further research, comparison and assessment.

Members discuss both EU funds under central management and EU funds under shared, decentralised or joint management. They believe that, as a general principle, the Commission web pages disclosing information on the beneficiaries of EU funding of whatever category, whether contracts, grants, agriculture or structural fund expenditure (or other types of funding) should be organised in such a way as to make it

possible not only to obtain information on individual beneficiaries but also to carry out searches based on specific criteria in order to obtain an overall picture under various headings, which can then be checked against the Commission's implementation figures.

The Commission is called on to:

- accept political responsibility for publishing information on beneficiaries of EU funding under all modes of management;
- introduce a fully operational system of information for the wider public on all beneficiaries of EU subsidies and the outstanding recoveries by the end of 2009.

Parliament goes on to point out that the EU institutions at present have divergent approaches to declarations of their Members' financial interests ranging from a public register (European Parliament) to no declarations at all. MEPs are of the opinion that all institutions should consider whether the current principles and rules are sufficient and note the possible need to revise the rules of the European Parliament to make the public disclosure of financial interests on the internet obligatory.

MEPs consider that it would be inappropriate to create a single advisory body for all EU office-holders bearing in mind the specific situation of Members of the European Parliament, who are directly elected by the citizens. They believe, nevertheless, that each institution should adopt rules of professional ethics for its Members (depending on the specific nature of each institution) and recommend that the rules of professional ethics of each institution should also touch upon the overall political, financial and legal responsibility of its Members.

Regretting that information regarding recoveries of Community funds is excluded from the European Transparency Initiative, Parliament calls on the Commission to make available to the budgetary authority and to the public, the names and amounts of recoveries due under or credited to the EU budget, as well as the final destination of these sums. Members welcome, however, the fact that a summary of waivers of recoveries of established amounts receivable in 2006 was published as an annex to the Commission's Communication setting out a synthesis of the Commission's management achievements in 2006. In this respect, it notes the total of waivers of recoveries (amounts above EUR 100 000) was EUR 23 038 784 for the EC budget and EUR 6 549 996 for the EDF budget. The Commission is called upon, in the future, to make further improvements along these lines with a view to increasing transparency.

With regard to the composition of expert groups advising the Commission, Parliament notes that the register of expert groups does not cover certain kinds of groups such as comitology committees assisting the Commission in policy areas where the Commission is empowered to implement legislation (of which there were a total of 250 in 2004). It disagrees with the general exclusion of these groups from the register and expects the Commission to make sure that the register contains all expert groups, including information on members of comitology committees, individual experts, joint entities and social dialogue committees, to ensure the application of the same transparent approach to the membership of these expert committees, unless legitimate compelling grounds are given individually on a case by case basis. It calls upon the Commission to conduct a thorough review of the composition of its expert groups before the end of 2008 and to ensure a balanced representation of interest groups in the membership of expert groups.

Lastly, Parliament calls upon the Commission to consider how a public "blacklist" of confirmed fraud cases and the entities behind them could be set up to name and shame as well as inform the public about the results of the Community's anti-fraud endeavours. It reiterates the urgent need for a code of ethics for OLAF, with a view to guaranteeing the presumption of innocence in the case of beneficiaries who have been the object of a long and prejudicial investigation procedure and are cleared by the courts.