



Procedure file

Basic information		
DEC - Discharge procedure	1994/2048(DEC)	Procedure completed
1992 discharge: EC general Budget		
Subject 8.70.03.07 Previous discharges		

Key players	
European Parliament	

Key events			
20/03/1994	Non-legislative basic document published	N3-0147/1994	
24/03/1994	Vote in committee		
23/03/1994	Committee report tabled for plenary	A3-0177/1994	
18/04/1994	Committee referral announced in Parliament		
21/04/1994	Debate in Parliament		
21/04/1994	Decision by Parliament	T3-0308/1994	
21/03/1995	Vote in committee		Summary
20/03/1995	Committee report tabled for plenary	A4-0056/1995	
05/04/1995	Debate in Parliament		
05/04/1995	Decision by Parliament	T4-0138/1995	Summary
05/04/1995	End of procedure in Parliament		
24/06/1995	Final act published in Official Journal		

Technical information	
Procedure reference	1994/2048(DEC)
Procedure type	DEC - Discharge procedure
Legal basis	Rules of Procedure EP 99
Stage reached in procedure	Procedure completed
Committee dossier	CONT/3/05411; CONT/3/05400

Documentation gateway					
Document attached to the procedure		SEC(1993)0385	28/04/1993	EC	
Document attached to the procedure		SEC(1993)0386	28/04/1993	EC	
Document attached to the procedure		SEC(1993)0387	28/04/1993	EC	
Document attached to the procedure		SEC(1993)0388	28/04/1993	EC	
Motion for a resolution		B3-1401/1993	20/10/1993	EP	
Court of Auditors: opinion, report		RCC0016/1992 OJ C 309 16.11.1993, p. 0001	04/11/1993	CofA	
Non-legislative basic document		N3-0147/1994	21/03/1994	CSL	
Committee report tabled for plenary, single reading		A3-0177/1994 OJ C 128 09.05.1994, p. 0008	24/03/1994	EP	
Text adopted by Parliament, single reading		T3-0308/1994 OJ C 128 09.05.1994, p. 0257-0322	21/04/1994	EP	
Committee report tabled for plenary, single reading		A4-0056/1995 OJ C 109 01.05.1995, p. 0004	21/03/1995	EP	
Text adopted by Parliament, single reading		T4-0138/1995 OJ C 109 01.05.1995, p. 0032-0051	05/04/1995	EP	Summary
Text adopted by Parliament, single reading		T4-0139/1995 OJ C 109 01.05.1995, p. 0032-0053	05/04/1995	EP	
Follow-up document		COM(1995)0666	19/12/1995	EC	

Final act	
Decision 1995/220 OJ L 141 24.06.1995, p. 0051	

1992 discharge: EC general Budget

The committee unanimously approved the report granting the Commission discharge for the general budget of the European Communities for the 1992 financial year. However, it reserved the right to examine the legal and financial terms and implementation of the political agreement reached at Council level on the problem of the retroactive increase in milk quotas for Spain and Italy. The committee also suggested that plenary reserve the right to examine the new legal basis and for and proper recovery of the sums allocated to EAGGF-Guarantee expenditure. For the record, the European Parliament refused discharge on 21 April 1994, for three reasons: - the retroactive increase in milk quotas for Italy (1989-91), Spain and Greece (1990-91); - the failure to implement Parliament's decision to allocate 50 new posts to the UCLAF (anti-fraud unit); - internal fraud in the tobacco sector. The firm stance and "flexible response" strategy recommended by the rapporteur, Mr Pam CORNELISSEN, were both a resounding success and financially profitable. In the milk quota affair, the Community budget will recover a sum in the order of ECU 1.2 billion out of the ECU 1.6 billion paid "in error" by the Commission. Speaking on this problem, Commissioner Erki LIIKANEN pointed out that the quota allocated to Spain for the 1989 financial year (representing expenditure in the order of ECU 170 million) had been the subject of a unanimous decision by the Council on 21 October 1994 and had now acquired the force of res judicata. However, he admitted that, for the planned buy-back programmes, based on the clearly-expressed will of the Council, the legal basis applied was inadequate and that the Commission would present a new draft decision in due and proper form. Again on the agricultural sector, Commissioner Erki LIIKANEN reaffirmed that the Commission would consistently apply the reduction or the suspension of monthly advances to Member States (under Article 13 of the interinstitutional agreement on the new budgetary discipline) where the information provided by them did not allow the Commission to confirm that commitments complied with Community rules. The Commission also satisfied the European Parliament as regards stepping up the fight against fraud at the expense of the Community budget. In fact, the Commission finally agreed that the 50 new posts voted by the European Parliament in December 1993 within the framework of the 1994 budget will indeed be allocated to the UCLAF. In addition, according to the declarations made on the 23 January by Commissioner GRADIN to the Committee on Budgetary Control, all the sectoral anti-fraud services will now come under the UCLAF, the duties and organisation of which will need to be re-specified. The Commission also promised the committee that it would supply additional information on fraud in the tobacco sector following the investigations under way in Italy and Greece. Erki LIIKANEN reaffirmed the previous Commissioner's agreement to provide quarterly information on a confidential basis on the repayment of loans granted to countries in eastern Europe and the former Soviet Union. As regards strengthening the fight against fraud and wastage, the resolution granting discharge again called on the Commission to present specific proposals by 30 June

1995 with a view to: - punishing Member States who fail to notify cases of fraud or irregularity; - making payments by the European Union dependent upon the satisfactory implementation of control duties. It is also required to present by mid-June a report on the problems encountered in recovering sums paid in error or diverted, as requested in March 1994.?

1992 discharge: EC general Budget

Parliament granted the Commission discharge for the implementation of the general budget of the European Communities for the 1992 financial year with respect to sections I (Parliament), II (Council), III (Commission), IV (Court of Justice) and V (Court of Auditors), but acknowledged that the EAGGF expenditure reported by Member States was still awaiting a final audit and that certain amounts might be corrected. Parliament therefore reserved the right to re-examine expenditure under the guarantee section of the EAGGF once it had received the clearance of the accounts for the 1992 financial year and was in a position to supplement the present discharge decision. Parliament also noted that the Commission had complied with the requests contained in its resolution of 21 April 1994 concerning the recovery of funds from milk quotas, recruitments by the UCLAF (unit for the coordination of fraud prevention) and information on internal tobacco fraud, all of which were conditions for this discharge. At the same time, Parliament set out a series of observations in a resolution annexed to its decision: - with regard to the previous discharge report: Parliament welcomed the fact that the Commission had decided not to apply new retroactive milk quotas for Italy in 1989 and for Italy, Spain and Greece in 1990 and 1991, thereby allowing ECU 1,600 million to be recovered, as requested by the European Parliament. However, it deplored the fact that the Commission had implemented a system, with no legal basis, for buying back milk production from Italy and Spain, generating a loss of some ECU 170 million. It therefore urged the Commission to refrain from implementing such a system until a legal basis had been approved and to examine any decisions against such a legal basis in order to check whether or not they were legal. At the same time, it welcomed the appointment of 50 new positions for UCLAF in 1994 and called on the Commission to ensure that all allegations of fraud were submitted to UCLAF as the independent anti-fraud unit. It also called on the Commission to send it the text of the new rules of procedure for the unit by 30 June 1995; - with regard to certain political questions, it felt that numerous problems highlighted in the resolution resulted mainly from a conflict of interests between the Council and the Commission and that the Commission had frequently opposed the adoption of legislative texts which would have strengthened transparency and the protection of Community taxpayers; - with regard to EAGGF expenditure: it deplored the fact that some Member States had not assisted the Court of Auditors with its inquiries into the tobacco sector and called on the Commission to use all the means at its disposal to recover the sums lost; - with regard to the Structural Funds: it called for the Commission's future annual reports on the implementation of the Funds to include a detailed description of irregularities identified, sums paid in error and adjustments made; - with regard to external policies: it noted that numerous shortcomings had been identified in the three framework research programmes which could invalidate the results of research and therefore proposed a reduction in the period of time between the adoption and implementation of research programmes; - with regard to external relations: it called on the Commission and the EIB to monitor the repayment of loans to eastern European countries and keep it informed; - with regard to financial management, it restated its concern regarding the Commission's financial controller with respect to a posteriori referrals and repeated its request that the Court of Auditors provide a summary annual table of all approvals refused by the financial controller; - finally, with regard to fraud, the European Parliament severely criticized certain national controls and called on the Commission to continue to pressurize Member States into using suitable risk analysis techniques. It therefore called on the Commission to submit, by 30 June 1995, proposals making Union payments to Member States dependent upon the implementation of satisfactory controls, proposals on sanctions against Member States who fail to notify cases of fraud and a report on the problems encountered in recovering sums paid in error.