


Procedure file

Basic information		
DEC - Discharge procedure	1995/2037(DEC)	Procedure completed
1993 discharge: follow-up. Report		
Subject 8.70.03.07 Previous discharges		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	CONT Budgetary Control		14/11/1994
		PSE SAMLAND Detlev	
	Committee for opinion	Rapporteur for opinion	Appointed
	ECON Economic and Monetary Affairs, Industrial Policy	The committee decided not to give an opinion.	
	ENER Research, Technological Development and Energy		
	RELA External Economic Relations		30/11/1994
		PSE WIERSMA Jan Marinus	
	REGI Regional Policy		13/10/1994
		RDE COLLINS Gerard	
TRAN Transport and Tourism			
ENVI Environment, Public Health and Consumer Protection		26/07/1994	
	PPE FLORENZ Karl-Heinz		
DEVE Development and Cooperation		14/11/1994	
	PSE NEEDLE Clive John		
FEMM Women's Rights			

Key events			
20/03/1995	Non-legislative basic document published	05599/1995	
22/03/1995	Vote in committee		Summary
22/03/1995	Committee report tabled for plenary	A4-0059/1995	
03/04/1995	Committee referral announced in Parliament		
05/04/1995	Debate in Parliament		

05/04/1995	Decision by Parliament	T4-0140/1995	Summary
05/04/1995	End of procedure in Parliament		
24/06/1995	Final act published in Official Journal		

Technical information

Procedure reference	1995/2037(DEC)
Procedure type	DEC - Discharge procedure
Legal basis	Rules of Procedure EP 100
Stage reached in procedure	Procedure completed
Committee dossier	CONT/4/06472

Documentation gateway

Court of Auditors: opinion, report		RCC0017/1993 OJ C 327 24.11.1994, p. 0001	27/10/1994	CofA	
Non-legislative basic document		05599/1995	20/03/1995	CSL	
Committee report tabled for plenary, single reading		A4-0059/1995 OJ C 109 01.05.1995, p. 0004	22/03/1995	EP	
Text adopted by Parliament, single reading		T4-0140/1995 OJ C 109 01.05.1995, p. 0033-0057	05/04/1995	EP	Summary
Text adopted by Parliament, single reading		T4-0141/1995 OJ C 109 01.05.1995, p. 0033-0059	05/04/1995	EP	
Follow-up document		COM(1995)0666	19/12/1995	EC	

Final act

[Decision 1995/221](#)
[OJ L 141 24.06.1995, p. 0058](#)

1993 discharge: follow-up. Report

The committee approved the report granting the Commission discharge for the general budget of the European Communities for the 1993 financial year unanimously with three abstentions. As with the proposed decision on discharge for 1992, the Committee on Budgetary Control suggested that plenary reserve its decision on discharge for sums relating to EAGGF-Guarantee expenditure until it had received the clearance of the accounts for the 1993 financial year in connection with the proper recovery of the relevant sums. This chapter would be closed by an appropriate discharge (more details can be found in the memorandum of the Court of Auditors of the Communities (ref. N 34/95 of 17 February 95) on the problem of milk quotas in connection with the Council decision of 21 October 1994 drawn up at the request of Mrs THEATO, chairman of the Committee on Budgetary Control, and sent to it on 21 February 1995). During the course of the debates, several members criticised the "sensationalist nature" of the interview given to the press in December 1994 by Mr MIDDELHOEK, president of the Court of Auditors, following the presentation of his report on the implementation of the 1993 budget to plenary in Strasbourg. "By stressing cases of proven fraud on the one hand and cases of blatant maladministration by the Member States and the Commission on the other, the president of the Court of Auditors gave a truncated version of events and gave the European public the impression that it had been swindled during the management of Community funds. That is a clear exaggeration". In its resolution, the committee calls on the Court of Auditors to ensure that the presentation of its annual report gives "a balanced picture of the implementation of the budget in any given year". During the debates, members did not spare the Council on either form or content. The President-in-Office, prevented from attending by a previous engagement, had arranged to be represented by a senior official, Mr EI NOUCHI. In addition, the text of the Council's recommendation on the 1993 discharge, approved that morning, was not circulated to members until the end of the sitting. The Council was therefore called on in future to adopt its recommendation in time to allow the European Parliament to take it into useful account and to have it presented to the committee by a representative able to assume political responsibility. In its resolution, the committee deplored the role played by the Council in certain sectors, such as milk quotas and wine, where decisions were taken on the basis of political criteria and totally disregarded market needs and European taxpayers' interests. Mr SAMLAND's strategic approach in the discharge for the 1993 financial year consisted basically of going through the priorities announced by the European Parliament in its guideline resolution for the 1993 budget and evaluating their

implementation. OWN RESOURCES The committee deplored the fact that the establishment of the large internal market on 1 January 1993 had not been accompanied by greater harmonisation of calculation, recovery and control methods for own resources, in order to safeguard the Community's financial interests against fraud. This finding applied both to traditional resources (failure to comply with the Community customs code during post-clearance verifications) and to VAT (lack of uniformity in calculations and differing practices resulting from reductions in tax debts) and for the fourth GDP-based resource (uncertain evaluation and comparability). It called on the Commission to: - take the necessary measures to computerise the management of this system, harmonise audits, facilitate controls at Member State level and supervise their controls; - report to it on the extent and nature of frauds under the Community transit procedure; - propose measures needed in order to improve and harmonise GNP bases and provide for the relevant checks. AGRICULTURAL EXPENDITURE The committee: - deplored the under-utilisation of appropriations for cofinancing national controls and anti-fraud measures in the EAGGF area. The Member States were called on to notify the Commission on the use made of these funds since 1990 by 1 July 1995; - insisted on the need to enforce the vineyard register and strengthen the body of officials responsible for ensuring that wine rules are applied uniformly throughout the Union. The Court of Auditors was asked for its comments on the application of the new rules. The committee pointed out in its resolution that three Member States (France, Italy and Greece) had obstructed controls carried out by the Commission (Art. 20). STRUCTURAL FUNDS Commissioner LIKANEN saw no need for further amendment to the current regulations and pointed out that the working of the regulations needed to be improved. The committee deplored the lack of certain on-site controls by both certain national services and the Commission and called for a report on fraud (Art. 33). TACIS AND PHARE PROGRAMMES The committee called for: - more decentralised management of the TACIS programme; - a higher local profile for PHARE programmes in the beneficiary countries and better coordination with other donor countries. BUDGETARY RISKS RELATING TO APPROPRIATIONS GRANTED BY THE EIB The Committee on Budgetary Control wants to be able to assess the manner in which the EIB evaluates risks guaranteed by the Union budget. The Commission was called on to provide the budgetary authority and the Court of Auditors with all available information on EIB operations relating to the use of Community appropriations, including that obtained from its representative on the Bank's board of directors.?

1993 discharge: follow-up. Report

The European Parliament adopted a resolution granting the Commission discharge for the implementation of the budget of the Communities for the 1993 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 1993 financial year and was in a position to supplement the present discharge decision. At the same time, Parliament set out a number of observations in a resolution annexed to its decision: - general observations: the European Parliament called on the Commission and the Court of Auditors to provide it, by 15 November each year, with information on the budgetary headings on which Parliament had amended the comments and the new headings created by the European Parliament. It also called on the Commission to implement these budget items without delay and deplored the fact that it had not taken account of all its comments on a number of specific budget lines. Parliament also deplored the role played by the Council with regard to milk quotas and wine, where decisions had been taken which disregarded market needs and taxpayers' interests; - own resources: Parliament deplored the fact that the implementation of the single market had not been accompanied by greater harmonization of fraud control and therefore called on the Commission to propose measures to harmonize and facilitate customs controls. It made a point of asking the Commission to inform it of fraud committed under the Community transit procedure and to make every effort to computerize the procedure; - agricultural expenditure: the European Parliament deplored the under-utilization of appropriations for joint funding of national controls and measures to combat fraud in the EAGGF sector. At the same time, it called on the Commission to report to it on the implementation of the COM in the raw tobacco sector and deplored the fact that the viticultural land register would not be operational in all countries until 1997. It called on the Commission to strengthen its services so as to ensure the uniform application of viticultural regulations; - Structural Funds: the European Parliament felt that the implementation of structural policies was still causing problems and called for a series of measures to remedy this (provision for a typology of projects and eligible expenditure in operational programmes, provision for specific powers for monitoring committees, introduction of imprescriptible deadlines for payments of advances and balances etc.). It also called for on-site controls by the Commission to be stepped up; - research and internal policies: with regard to research, the European Parliament called for action to coordinate national and Community policies to be stepped up in order to create synergisms; - TACIS and PHARE: the European Parliament called on the Commission to give priority to investment projects involving the EIB and projects to help local banks play a more important role in granting loans to local SMEs. It also called for more decentralized management of TACIS and for the Commission to coordinate more efficiently with other agencies funding PHARE and TACIS.