

# 2006 discharge: EC general budget, Council

2007/2039(DEC) - 22/04/2008 - Text adopted by Parliament, single reading

The European Parliament adopted, by 605 votes in favour, 46 against and 10 abstentions, a Decision to grant the Council's Secretary-General 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 628 votes in favour, 44 against and 12 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 Council had available commitment appropriations amounting to a total of EUR 626 102 378.31 (compared to EUR 586 182 640.52 in 2005), with a utilisation rate of 91.79%, (compared to 96.69% in 2005).

The Parliament regrets that, unlike other institutions, the Council does not submit an annual activity report to Parliament, citing the *Gentleman's Agreement* of 1970. It therefore calls on the Council to reconsider this decision, in order to be more accountable to the general public and taxpayers. As a reminder, the *Gentleman's Agreement* provides that the Council undertakes to make no amendments to the estimate of expenditure of the European Parliament, provided that this estimate of expenditure does not conflict with the Staff Regulations of Officials or the seat of the institutions. However, according to the Parliament, the *Gentlemen's Agreement* should be revised, given its age and the substantial shortfall between the words used and the meaning or interpretation which is attributed to them. In any case, the Parliament believes that there is no obstacle at present to the Council being submitted to the normal discharge procedure, like the other institutions.

The Parliament then makes a series of observations which can be summarised as follows:

**Procurement:** The Parliament draws attention to the fact that the Court of Auditors highlighted shortcomings in terms of procurement. The Council extended a contract for the provision of telecommunication services for meetings of the European Council, without sufficient justification for this extension. The Parliament believes that the Council should have carried out an open tendering procedure before the expiry of the contract, while understanding the exceptional circumstances for this extension. The Parliament expects this procedure to be closed by July 2008 at the latest. At the same time, the Parliament welcomes the fact that the new internal mission rules of the General Secretariat of the Council concerning accommodation costs entered into force on 1 June 2007 (earlier than originally foreseen) following the Court's observations. It also notes with satisfaction the setting-up of a Task-Force in order to reform the system for reimbursing the travel expenses of Council representatives.

**CFSP:** in terms of the Common Foreign and Security Policy of the EU, the Parliament insists on maximum transparency in this area and calls on the Council to make sure that, in accordance with the Interinstitutional Agreement of 17 May 2006, no operating CFSP expenditure should appear in the Council's budget. It urges the Council to indicate the exact nature of expenses, item by item, within Title 3 ('Expenditure arising out of the Institution's performance of its specific mission') of the Council's budget so as to enable Parliament to verify whether the Interinstitutional Agreement is being complied with. The Parliament reserves the right to take the necessary steps, where appropriate, where that Agreement is infringed. Lastly, the Parliament requests that the Council provide Parliament with an ex-post assessment of individual European Security and Defence Policy missions and of the actions of EU Special Representatives.

