

2006 discharge: EC general budget, Committee of the Regions

2007/2043(DEC) - 22/04/2008 - Text adopted by Parliament, single reading

The European Parliament adopted, by 623 votes in favour, 42 against and 14 abstentions, a Decision to grant the Committee of the Regions' 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 626 votes in favour, 46 against and 15 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 the Committee of the Regions (CoR) had the following appropriations available to assure its functions in 2006: EUR 74 391 953 in commitment appropriations (compared to EUR 69 570 456 in 2005) with a utilisation rate of 97.94%.

Overall, the Parliament welcomes the signature, in 2007, of a new Administrative Cooperation Agreement between the EESC and the CoR for the period 2008 to 2014, believing that cooperation between the two institutions will be financially advantageous for the European taxpayer. It notes that the new Agreement keeps the most important areas (infrastructures, IT and telecommunications as well as translation, including the production of documents) within the Joint Services' remit, while a limited number of services are de-coupled (such as internal services, socio-medical service, the library and prepress) - this decoupling should be budget neutral. It urges the two Committees to carry out a joint analysis of this Cooperation Agreement as part of the mid-term review, as well as the effect of the decoupling of certain services on the resources of these two institutions.

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

- **Procurement:** the Parliament notes the worryingly high percentage of negotiated procedures, instead of calls for tenders, for allocating certain services to this institution. Regretting this situation, the Parliament welcomes the creation, within the Joint Services, of a Contracts Unit providing assistance to all operational departments in the Joint Services in the area of public procurement;
- **Controls:** the Parliament notes that the CoR requested all its services to verify 5% of all files in 2007. Therefore, on the whole, the CoR has significantly increased its resources and capacities in its financial verification service., which is welcomed by the Parliament since it considers it crucial that the controls carried out are rigorous;
- **Members' travel expenses:** the Parliament returns to the issue of the amounts refunded to members for travel expenditure (air tickets) on the basis of hand-written travel agency invoices, which were on average 83% higher than the price actually charged by the airline for the ticket used. The Parliament notes that, following this, the CoR's administration carried out a broad investigation into the matter, which was completed in July 2007 and whose results did not demonstrate that the amounts paid for administrative costs were justified. At the same time, the CoR decided to make further reimbursements subject to compliance with a number of conditions and suspended all reimbursements based on travel documents purchased under the previous arrangements. The CoR also informed OLAF about the evolution of the dossier;
- **Salary transfers:** the Parliament also considers the salary transfers made in 2006. Following an investigation, OLAF established that eight transfers were not in compliance with statutory

conditions and recommended recovering the amounts overpaid from the officials concerned, as well as the opening of disciplinary proceedings for some of them. Subsequently, the files of five of them were submitted to the Belgian authorities and all the undue amounts were reimbursed. The Parliament notes that the CoR Appointing Authority lifted the immunity of the officials concerned. More generally, the Parliament considers that there should be strict prosecution of all cases of fraudulent behaviour.