

Financial Regulation applicable to the general budget of the European Communities: European External Action Service (EEAS)

2010/0054(COD) - 20/10/2010 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 578 votes to 39 with 28 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council amending Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities, as regards the European External Action Service.

It adopted its position at first reading under the ordinary legislative procedure (former co-decision procedure). The amendments are the result of a compromise agreement between Parliament and Council. They amend the Commission's proposal as follows:

- the text stipulates that according to Council Decision 2010/427/EU of 26 July 2010 establishing the organisation and functioning of the European External Action Service, the EEAS is a service of a sui generis nature and should be treated as an institution for the purposes of the Financial Regulation;
- in the context of discharge, given that the EEAS should be treated as an institution for the purposes of the Financial Regulation, the EEAS should be fully subject to the procedures provided for in Article 319 of the Treaty on the Functioning of the European Union (TFEU) and in Articles 145 to 147 of the Financial Regulation. The EEAS should fully cooperate with institutions involved in the discharge procedure and provide, as appropriate, the additional necessary information, including through attendance in meetings of the relevant bodies;
- the Commission should remain responsible, in accordance with Article 319 TFEU, for the implementation of the budget, including operational appropriations implemented by Heads of Delegations who are sub-delegated authorising officers of the Commission. In order to allow the Commission to fulfil its responsibilities, the Heads of Union Delegations should provide the necessary information. The High Representative of the Union for Foreign Affairs and Security Policy should be informed at the same time and should facilitate the cooperation between Union Delegations and Commission departments. Given the novelty of this structure, high-standard provisions on transparency and budgetary and financial accountability need to be applied;
- within the EEAS, a Director General for budget and administration should be responsible to the High Representative for the administrative and internal budgetary management of the EEAS. The Director General should work within the existing format and follow the same administrative rules as are applicable to the part of Section III of the EU budget that falls under heading 5 of the multiannual financial framework;
- the setting up of the EEAS should be guided, as stated in the guidelines laid down by the European Council of 29 and 30 October 2009, by the principle of cost-efficiency aiming towards budget neutrality;
- the Accounting Officer of the Commission should also act as the Accounting Officer of the EEAS in respect of the budget implementation of the EEAS section of the budget, subject to review;
- the internal auditor of the Commission should act as the internal auditor of the EEAS in respect of the budget implementation of both the Commission and the EEAS sections of the budget, subject to review;
- in order to ensure democratic scrutiny of the implementation of the European Union's budget, Heads of Union Delegations should provide an assurance, together with a report including information on the efficiency and effectiveness of internal management and control systems in their Delegation, as

well as on the management of operations sub-delegated to them. The Heads of Union Delegations' reports should be annexed to the annual activity report of the responsible authorising officer by delegation and made available to the budgetary authority.