

# 2010 discharge: EU general budget, Court of Auditors

2011/2205(DEC) - 10/05/2012 - Text adopted by Parliament, single reading

The European Parliament adopted by 566 votes to 62, with 16 abstentions, a decision to grant discharge to the Secretary-General of the Court of Auditors in respect of the implementation of the budget for the financial year 2010.

In its accompanying resolution adopted by 574 votes to 66, with 12 abstentions, Parliament emphasises that the audit of the Court of Auditors' financial statements for 2010 was carried out by an external auditor and that this was considered satisfactory. It calls for improvements to be made to the summary of the number and type of internal audits carried out, the recommendations made and the action taken on those recommendations.

In parallel, Members note that in 2010 the Court of Auditors' commitment appropriations amounted to a total of EUR 148.6 million (EUR 188 million in 2009), and that the implementation rate for those appropriations was 93 % (92.1 % in 2009). They emphasise that the Court of Auditors' budget is purely administrative in nature, with 80 % of it being spent on persons working within the institution and 20 % on buildings, furniture, equipment and miscellaneous operating expenditure.

**Administrative and financial management of the Court of Auditors:** Parliament welcomes the fact that, following a reorganisation, the Court of Auditors has reduced the annual cost of security services by EUR 500 000, while making for more effective delivery of service and better risk control. It asks the European Anti-Fraud Office (OLAF) to speed up the investigation related to **allegations of irregularities** reported by the Court of Auditors to OLAF in 2010.

Parliament calls on the Court to:

- evaluate the effects and the implementation of its conclusions contained in the special reports within a reasonable period of time, informing the Committee on Budgetary Control of its findings;
- await the completion and release of the **Special Report on conflicts of interest management** in the European Aviation Safety Agency, the European Chemicals Agency, the European Food Safety Authority and the European Medicines Agency;
- provide the discharge authority with a **Special Report on the effectiveness of the Joint Undertakings' establishment and on their added value** for the efficient execution of Union research, technological development and demonstration programmes.

Parliament considers that preventing and identifying conflicts of interest is of high relevance for the efficient and correct use of resources as well as for public confidence in the Union institutions. It awaits the Court of Auditors' Special Report on conflicts of interest management in the European Aviation Safety Agency, the European Chemicals Agency, the European Food Safety Authority and the European Medicines Agency, as planned, by the **end of June 2012**.

Members consider that for **additional optimisation of the Court of Auditors' activity**, an even more substantial number of the Court's officials should be specialised in, and performing exclusively audit tasks. They hope to see an increase of this proportion in the future. They request the Court of Auditors to incorporate into its future work programmes a systematic follow-up of specific past audits, following a sufficient time lapse, to assess progress.

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- **Independent external auditor:** Parliament notes that the draft future Financial Regulation provides that, after consulting the Court of Auditors, agencies can appoint an independent external auditor to check whether their budget implementation complies with the provisions of the Financial Regulation. It notes that the Court of Auditors would then take the external auditor's report into account in drawing up its opinion. Members note that in 2011 the Court of Auditors launched a pilot project with Eurofound (the European Foundation for the Improvement of Living and Working Conditions);
- **Control systems in the Council:** Members encourage the Court to perform an **in-depth assessment of supervisory and control systems in the Council** before the end of 2012 and await with interest the 'follow-up peer review' that the Court of Auditors intends to launch in 2012. They confirm their intention to propose **a revision of the rules on appointing candidates to the Court of Auditors**, with a view to improving the requirements so that the Court is better equipped to deal with current and future challenges.