1997 discharge: EC general budget, 6th and 7th European Development Funds EDF

1998/2010(DEC) - 15/03/1999 - Document attached to the procedure

In its recommendation on the discharge to be granted to the European Commission for the execution of the 1997 budget, the Council makes a certain nuymber of comments on the report by the Court of Auditors regarding the execution of that budget by the Commission. The Council notes first of all that the present discharge procedure comes at a time when the Parliament is again refusing to grant the Commision discharge for the 1996 budget, for reasons which, in the Council's view, are not strictly linked to the execution of the 1996 budget itself. The Council considers, in effect, that the irregularities and frauds which lead the Parliament to refuse discharge are the same as those indicated in the context of previous budgetary executions, for which the Parliament did grant discharge. Recalling that the fight against fraud constitutes a constant preoccupation for all those involved in the executio of funding, the Council recalls that it has made this issue a major policy priority, confirmed at the time of the Vienna European Council. With regard to the discharge procedure itself for the 1997 budget, the Council stresses the important progress made at an internal level to prevent certain past errors from being repeated (for example: the adoption of the 7th batch of amendments to the Communities financial regulation relating, notable, to overruling the approval of the financial controller). It also draws attention to the measures taken within the framework of the SEM 2000 initiative. The Council also points out the problems in suspense linked to the adoption of Agenda 2000 and the subsequent amendments to be made to the financial regulation (complete redrafting of the regulation). This revision will, in its view, bring perceptible improvements to the execution of expenditure. Referring more particularly to the annual report of the Court of Auditors in relation to the budgetary year 1997, the Council states that the Court was unable to grant it statement of assurance, givin the high number of substantial and definite errors in the recorded budgetary payments. Actively deploring this situation, the Council hopes that in the future, the Court will be able to grant this statement of assurance. It also requests increased control by the Court of the accounts of expenditure linked to the budget's internal policies. It also expresses its dissatisfaction regarding certain specific actions, which were badly carried out by the Commission and were the subject of special reports by the Court of Auditors (the MED and PHARE programmes, iregularities in the context of certain structural actions). Finally, with specific regard to the special reports by the Court, the Council announces that it will establish a quite specific follow-up of those sectors covered by the reports, with a view to taking the necessary corrective measures. These comments aside, the Council nonetheless recommends to the European Parliament that it should grant the Commission discharge for the execution of the Communities budget for the budgetary year 1997.