1999 discharge: EC general budget, section III Commission

2000/2155(DEC) - 27/03/2001

The committee adopted the report by Freddy BLAK (PES, DK) proposing that the Commission be granted the 1999 budget discharge. In the resolution containing its observations, the committee repeated Parliament's demand for the Commission to make available to it the information provided to the Committee of Independent Experts in 1999. Parliament should be treated on an equal footing with the Court of Auditors as regards access to documents and there should be a review of the Parliament /Commission framework agreement on access to information. The report noted that once again the Court of Auditors had been unable to give a positive Statement of Assurance in respect of the transactions underlying payment operations. The Commission was called upon to cut the error rate considerably so as to ensure it achieved a positive Statement of Assurance for the 2003 budget year at the latest. The committee was critical of the fact that the Council had for years recommended granting discharge concerning accounts which it knew to be flawed. The Member States were also censured for tending to give figures for irregularities and fraud which were much lower than the error rates identified by the Court of Auditors. The committee noted the substantial improvements brought about by the new regulation governing the Structural Funds and urged the Member States to comply with the new rules scrupulously. It wanted the Commission to introduce a clearance of accounts procedure for the Structural Funds and to make sure it recovered funds incorrectly paid to Member States. Regarding the Anti-Fraud Office (OLAF), the report highlighted the need for speedy clarification of the rules governing the forwarding of information by OLAF to the Budgetary Control Committee. The committee urged the Court of Auditors to: continue developing its methodology for drawing up the Statement of Assurance; name the Member States and Directorates-General found to be deficient in protecting the EU's financial interests; improve coordination with national Courts of Auditors in Member States and in enlargement countries; introduce a multiannual plan to appraise the budget over a 5-year period; and present each draft annual programme to the Committee on Budgetary Control before its adoption. A large part of the report was devoted to observations and demands directed at the Commission in connection with specific cases and issues, including the Fléchard affair (involving fraudulent butter exports to the former USSR in the early 1990s) and the flax affair (involving irregularities and possible fraud in connection with Community subsidies). In the former case, the committee was critical of the Commission for not conducting a thorough fraud investigation, although it welcomed the fact that the Commission had now admitted for the first time that the handling of the case was open to criticism. Regarding the latter case, it said that the Commission should apply rigorous financial corrections to Spain and other Member States under the clearance of accounts procedure. Lastly, the committee urged the Commission to continue with its reforms, of which the recasting of the Financial Regulation was a key component. It called on the Commission to submit a progress report, by the start of the next discharge procedure (November 2001), on a ten-point plan which included practical measures, timetables for financial management, organisation, the provision of information to Parliament, the follow-up to audits and evaluations and disciplinary procedures.