Reform of the procedure of the clearance of accounts

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The committee adopted the own-initiative report by Jan MULDER (ELDR, NL) looking at the reform undertaken in 1996 of the clearance of accounts system. While acknowleding that it was perhaps too soon to pass judgment on the new system, the report expressed disappointment at the fact that the reform - which involved splitting the clearance of accounts procedure into an annual accounting clearance and a multiannual compliance clearance - did not appear to have overcome the problem of delays in the clearance decisions, as Parliament had hoped. It pointed out that there was an inherent weakness in the reformed procedure in that the final value of corrections for a given EAGGF year was not known until several years after the closure of the accounts, which made yearly comparisons impossible in the short term. The Commission was asked to inform the discharge authority when a specific financial year had been finalised. Another flaw in the system highlighted by the committee was that the conciliation procedure introduced under the reform had not resulted in a decline in the number of cases brought before the Court of Justice. The Commission was asked, together with the Conciliation Body, to explore ways to filter and thereby reduce the number of cases referred to conciliation. The report also looked at issues such as accreditation, certifying bodies, the application of financial corrections, recovery, enlargement, etc. and made a number of recommendations: - although the Council had made the Member States, not the Commission, responsible for the accreditation of the paying agencies, the committee called for the clause enabling the Commission in certain circumstances to reduce or provisionally suspend the monthly advances to the Member States to be enforced more thoroughly and frequently in cases where the paying agencies in Member States failed to comply with the criteria. It also wanted proposals to be put forward enabling the Commission to withdraw accreditation in the event of persistent breaches of the approval criteria by the paying agencies. The Member States were also urged the limit the number of accredited paying agencies to a minimum; - in response to the Court of Auditors' conclusion that the certifying bodies' certificates do not provide assurance that the facts declared by beneficiaries in claims for payment reflect the reality, the committee asked the Commission to clarify if and how this gap is being covered by other elements of the clearance of accounts procedure or to ensure that the certifying bodies' certificates do provide this assurance; - in view of the large amount of outstanding debts (EUR 2.245 billion), the report called for a comprehensive strategy, in consultation with OLAF, to address the problem of recovery in the context of the Commission reform and said that the Committee on Budgetary Control would be following this matter closely; - with regard to enlargement, the report noted that financial management tasks had been conferred on Sapard agencies on a provisional basis in 10 candidate countries, and called for a clear timetable for conferring full management, together with an evaluation of this system. It also wanted Parliament to be fully informed of the reasons for the worryingly slow rate of implementation of the Sapard instrument; - another source of concern was the delay in the setting up of the Integrated Administration and Control System (IACS) in the candidate countries and in the implementation of this system (which should have come into operation in April 2002 for the current Member States) in Greece. The committee insisted that candidate countries should not benefit from support systems under the CAP if IACS is not operational and that the Commission should suspend or reduce CAP payments to Member States which have not yet fully implemented the system; - lastly, the Commission was urged to clarify and tighten the control systems for rural development expenditure.