1995 discharge: EC general budget (section III)

1996/2082(DEC) - 10/04/1997 - Text adopted by Parliament, single reading

The European Parliament adopted the report by Mr Terence WYNN (PSE, UK) in which it gave discharge to the Commission for the 1995 budget, while noting that final checks still had to be made of EAGGF expenditure. It therefore reserved the right to re-examine the amounts of the EAGGF Guarantee section following the clearance of accounts decision. In the resolution which accompanied the proposal for a decision on the discharge Parliament stressed the good cooperation between the Commission, Parliament and the Court of Auditors but regretted the lack of constructive dialogue with the Council. At the same time the European Parliament noted that the Statement of Assurance (DAS) drawn up by the Court of Auditors revealed the progress made by the Commission with regard to operations involving commitment appropriations and revenue entered. However, much remained to be done to correct the very high number of formal and substantial errors concerning the utilization of commitment appropriations. The Court of Auditors was invited to make an even more in-depth analysis by sector of expenditure and to draw up - possibly - statements of assurance on the expenditure made by the various Member States in collaboration with the national audit authorities. With regard to own resources, the European Parliament called for a strengthening of national control systems taking into account the recommendations of the European Parliament's Temporary Committee of Inquiry into the Community Transit System. The Court of Auditors was called on to check the reliability and exhaustiveness of the VAT own resource assessment base and the Commission was called on to develop an appropriate statistical and mathematical tool to ensure the reliability of the GNP aggregates of the Member States which provide the basis for the Community's finances. Parliament also called on the Commission to submit to it a proposal seeking to improve the effectiveness of the administrations of the Member States for the recovery of sums due to the Community budget. With regard to the different categories of expenditure the European Parliament noted that even after the reform of the CAP the EAGGF Guarantee section expenditure (ECU 34.5 billion for 1995) represented 52% of all payments. The plenary did not however follow the rapporteur's proposals with regard to the cereals sector. While the report adopted in the Committee on Budgetary Control called for expenditure on the cereals sector to be reduced to 1992 levels, Parliament considered that the direct aids instituted gradually between 1992 and 1996 sought to compensate for the fall in prices and that for the 1995 financial year the adjustment of the scheme would have to bring about a temporary increase in expenditure (although limited because the increase in expenditure remained lower than 11% of the budgetary forecasts). Parliament reiterated that the obligations deriving from the decisions of the 1992 Edinburgh European Council must be observed more fully and that it was necessary to continue to respect the agricultural guideline. In the olive oil sector the Community should use all the controls available by the legislation in force to curb expenditure rather than deferring resolution of the problem to a future COM in this sector. It drew attention to its resolution of 21 April 1993 in which it called on the Commission to suspend payments for olive oil where Member States had not ensured satisfactory controls within an appropriate deadline. Also it was necessary to improve the system of integrated control for sheep and goats (a sector where premiums amounted to ECU 2 billion) by establishing an identification system for the animals similar to that provided for bovine animals. It also called on the Court of Auditors to examine the effectiveness of the integrated control system in general. Measures were also needed to combat fraud in relation to aid for cotton and to reconsider whether there was still a need to continue the Community grants to whisky producers (ECU 40 m. a year). Stricter controls were also necessary in the fisheries sector and in relation to the intensive pig producers. With regard to the clearance of accounts, it noted that the correction amounts to be set by the Commission should be based exclusively on the level of actual losses and not in relation to other criteria. In this context it should not be forgotten that the EAGGF Guarantee section still represented 36% of the errors involving an amount of over ECU 1.5 billion. It also asked the Commission to check the EAGGF appropriations intended for the prevention of BSE. In the structural funds sector the utilization of the appropriations available was considered to be unsatisfactory. The rate of substantial errors was significantly higher than the average for budget payments as a whole. Parliament asked the Commission to propose solutions to the programming problems, including the ex-

ante and ex-post evaluation. The Commission was also called on to present its accounting records in such a way as to facilitate the monitoring activity of the EP and to make proposals for the recovery of sums unduly paid. The European Parliament should be kept informed of all the stages of implementation and the whole project. The Court of Auditors was invited to incorporate in its annual report a chapter covering the Union's internal policies as a whole with particular reference to the RTD sector. With regard to lending and borrowing activities Parliament called on the Commission to make an audit of the EIF (European Investment Fund). With regard to the external policy areas, Parliament concentrated its comments on the implementation of the appropriations for the PHARE and TACIS programmes. With regard to the former it deplored the lack of clear political vision on the part of the Commission either as to its effectiveness or as to its role in the preparation of the CEEC over the last six years and a strategy for the future. With regard to TACIS, the European Parliament supported the intention to concentrate activities on two sectors of intervention per beneficiary country but was also critical of the significant delays between the commitment of the amounts and the signing of contracts. Finally it called, as a matter of priority, for the setting up of a Task Force within the Commission to deal with the nuclear safety programmes (ECU 580 million made available since 1990; only 140 had been disbursed at the end of 1995). Lastly on the Common Foreign and Security Policy following the special reports by the Court of Auditors (Mostar/Palestine) it called for greater transparency to allow the European Parliament to carry out its monitoring tasks.