

Discharges 2001: Commission's follow-up report on the general budget, EDF and ECSC budgets, Agencies budgets

2003/2200(DEC) - 29/01/2004 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution drafted by Paulo CASACA (PES, Portugal) on the follow-up to the 2001 discharge. (Please see the document dated 13/01/04.) On the key question of Eurostat, Parliament regretted the fact that Commissioner Solbes, as the Commissioner directly responsible for Eurostat, did not act sooner on the growing evidence of irregular financial management between 2000 and 2003 or accept political responsibility as soon as the scale of the problems in his department came to light, in summer 2003. Furthermore, despite the Commission's efforts to improve relations between Commissioners and departments (in particular by means of the code of practice governing relations between Commissioners and departments), the Eurostat affair has made it clear that there was inadequate transparency and communication between Eurostat's management and the Commission's cross-sector departments and between Eurostat and the Commissioner responsible. Parliament noted that no new rules are required in order to prevent any recurrence of the abuses which have occurred. Rather, existing rules should be applied so that management and the Commissioners responsible can better exercise their administrative and political responsibilities. There is an urgent need to combat the culture of secrecy, complexity and lack of clarity in information flows within the Commission and between the Commission and outside bodies such as the European Parliament or OLAF. Such a culture was responsible for the fact that initial audit reports with urgent, top priority and clear and direct messages, such as the Eurostat-IAC report of September 1999 on the Datashops' "financial envelopes" system, remained unnoticed, and were not acted upon for almost four years, at tremendous cost to the European institutions. Moving on to the matter of the financial envelopes, Parliament deplored the former practice of Eurostat and OPOCE of creating these. It called on the Commission to act swiftly and investigate the possibility of other Commission departments having been engaged in similar practices. The Commission needs to discover the final use of the funds in these financial envelopes. Parliament called on all the private institutions that were involved in 'financial envelopes systems' with the Commission, through Eurostat or OPOCE, to fully cooperate with the European investigation bodies in finding out the truth. Parliament went on to express its concern in relation to outsourcing by Commission departments responsible for external actions, especially DG-Aidco, which has signed contracts for substantial amounts with one of the companies at the centre of the Eurostat scandal outside the normal tendering procedures. Parliament regretted that an internal audit report from Eurostat which detected fraud and irregularities involving sums of more than EUR 3 million did not prevent DG-Aidco from signing a contract with the company in question. Finally, on the question of fraud against the CAP, Parliament felt that it is unacceptable for the Commission to abstain from any action against criminal adulteration of butter and other dairy products made in large quantities by industrial undertakings and criminal organisations, in stark contrast to the rigour with which farmers are often prosecuted by the Commission for minor and formal faults.