1998 discharge: EC general budget, Parliament

1999/2051(DEC) - 13/04/2000 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution postponing the decision on giving discharge in respect of implementation of the general budget for the financial year 1998 regarding the European Parliament /Annex: Ombudsman. Parliament's Rapporteur was Mr. Helmut KUHNE (PES, D). Parliament welcomes the significant reduction in the cancellation of appropriations for 1998 and the modest improvement in the utilisation of non-automatic appropriations carried over from 1997, resulting from the measures introduced by the Secretary-General. It regrets, however, that there still remains a persistently high cancellation of appropriations automatically carried over; it underlines the continued need for sustained progress in this area and urges that corrective measures be promptly taken to that effect. It expects financial requirements to be more thoroughly defined by authorising officers so that subsequent contradictory requests for transfers of appropriations can be avoided. Parliament urges that the management of calls for tender ensures optimum use of available resources. It also considers unacceptable the dramatic increase in the number of contracts awarded by the exceptional 'direct treaty' procedure instead of by calls for tender and requests the Secretary-General to present by 1 June 2000 concrete measures to reverse this trend, including measures for training and improving qualifications of EP staff involved in the awarding of contracts. In relation to Parliament's buildings, the EP reiterates its regret at the Council's decision against the direct funding if the Alteiro Spinelli building, a decision that has created a series of difficult conditions for the Parliament's Bureau. It notes that the approach adopted for the funding of that building was based on the express recommendation of the Secretary-General, the Financial Controller and the Legal Service, who had come to the conclusion that the EU rules on the award of public service contracts were not applicable in this connection. It also notes the findings of the Court of Auditors that after exercising the option to purchase the Altiero Spinelli building, Parliament is in the position of a borrower, which represents a new departure which is not permitted under the Financial Regulation currently in force. It calls on the Court of Auditors to deliver an opinion in the very near future on whether the procedure adopted for funding the building is applicable to future projects in the light of amendments that have now been made to the Financial Regulation and the rules on awarding public service contracts. It insists on the preservation of its rights with regard to the late hand-over of the Louise Weiss building, in particular as regards the interim interest payments and the penalties referred to in the framework contract. It takes the view that any costs arising from the settlement of legal disputes between the developer of the Louise Weiss building and its subcontractors and architects should not be part of the final investment cost of the building. It calls on the Court of Auditors to present a special report on the practice of awarding contracts for security services, including an examination of whether it is economically feasible. On the management of Members' Pension Fund, it requests theCollege of Quaestors and the Bureau to act on the recommendations in the Court of Auditors' Opinion No. 5/1999 so as to ensure the separation of the Fund's management from that of the administration of Parliament. On the question of staff policy, the Parliament demands that the Bureau define a long-term policy on staff recruitment and appointments which is based on predictable needs for specific qualifications and it urges the Secretary-General to deliver a report to the respective parliamentary committees by 30/06/2000. In connection with the Ombudsman Annex, the Parliament welcomes the increased take-up of appropriations earmarked for the 1998 budget of the Ombudsman; it notes, however, that the utilisation of appropriations automatically carried over from 1997 worsened by comparison with the previous year and it urges the Ombudsman, therefore, to improve implementation of these appropriations. The Parliament instructs its Secretary-General to take the following steps: - present an action plan to dramatically reduce the number of restricted tenders and direct agreements; - complete and present the 1998 inventory; - inform the appropriate bodies on the progress of current disciplinary procedures, especially those linked to cases lost in the Court of Justice; - present a long-term building policy, including financing, new investments and expected total costs, as well as an action plan to avoid contractual obligations limiting the European Parliament's possibilities for open tendering; - present a timetable for the administrative reform of the European Parliament. Furthermore, the Parliament expects that: - the new contracts authorised for the

security and guarding of its buildings in Strasbourg will be in full accordance with the rules, especially on calls for tender; - in the light of the final report of the Court of Auditors on the expenditure of political groups, the latter will present specific measures in order to rectify the disclosed shortcomings within two months of receiving the report.