General budget of the European Communities: recasting of the financial regulation

2000/0203(CNS) - 12/06/2002 - Text adopted by Parliament after reconsultation

By adopting the report by Mr Gianfranco DELL'ALBA (IND, I), the European Parliament approves the agreement reached between Parliament and the Council delegations on a revision of the recasting of the Financial Regulation of the European Communities at a conciliation meeting on 4 June 2002. Following intensive negotiations under the conciliation procedure between the two arms of the budgetary authority, Parliament achieved substantial changes to the Council's common position. For example, the possibility of amending Supplementary and Amending budgets (with the exception of the 'SAB balance') was preserved and the Council cannot suspend the procedure unilaterally. As for reserves, all conditions proposed by the Parliament were accepted by the Council, in particular as regards the 'negative reserve', where the existing rules are retained, thereby giving Parliament the 'last word' on this expenditure. Parliament also won increased supervisory rights over transfers of appropriations and over changes to the establishment plan of the EU institutions. Among other success for Parliament was the inclusion of the Financial Regulation of the idea of the specificity of assigned revenue by section of the budget and the possibility for Parliament to lay down overall criteria for making grants. In addition, as regards internal audits, the Community institutions must now forward each year to the discharge authority a report summarising the number and type of internal audits carried out, the recommendations made and any action taken on those recommendations.