Basic information

1996/2231(COS) COS - Procedure on a strategy paper (historic)	Procedure completed
Tourism sector: control of the implementation of the EU policy. Special report 3/96 Court of Auditors **Subject** 4.50 Tourism 8.40.05 Court of Auditors	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	DE LUCA Stefano (UPE)	16/12/1996

Committee for opinion	Rapporteur for opinion	Appointed
TRAN Transport and Tourism	CUNNINGHAM Tony A. (PSE)	26/02/1997

Council of the European Union

Key events

Date	Event	Reference	Summary
13/11/1996	Non-legislative basic document published	RCC0003/1996	Summary
17/02/1997	Committee referral announced in Parliament		
03/02/1998	Vote in committee		Summary
03/02/1998	Committee report tabled for plenary	A4-0040/1998	
16/02/1998	Debate in Parliament		
17/02/1998	End of procedure in Parliament		
16/03/1998	Final act published in Official Journal		

Technical information

Procedure reference	1996/2231(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper

Legal basis	Rules of Procedure EP 148
Stage reached in procedure	Procedure completed
Committee dossier	CONT/4/08401

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, single reading		A4-0040/1998 OJ C 080 16.03.1998, p. 0004	03/02/1998	
Text adopted by Parliament, single reading		T4-0065/1998 OJ C 080 16.03.1998, p. 0017-0038	17/02/1998	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Non-legislative basic document	RCC0003/1996 OJ C 017 16.01.1997, p. 0001	13/11/1996	Summary

Tourism sector: control of the implementation of the EU policy. Special report 3/96 Court of Auditors

1996/2231(COS) - 13/11/1996 - Non-legislative basic document

OBJECTIVE: this special report by the Court of Auditors concerns 3 particular aspects of tourism policy at Community level: -the management of European Tourism Year in 1990 (on which the Court of Auditors had also delivered a special report in 1992); -the discovery in 1993 of serious irregularities in the management of direct tourism measures funded by the Community (Commission DG XXIII), -the lack of coordination between Community measures relating to tourism and the need for effective evaluation. SUBSTANCE: 1) Background: in its special report on tourism, the Court of Auditors noted that since 1990 tourism policy had been causing concern and giving rise to questions from the European Parliament because of possible irregularities in connection with European Tourism Year (ETY). At the time, the Court of Auditors had been asked to deliver an opinion, which had led to a first special report on the ETY (1992). The Court's study had shown that there were problems with regard to the legality and regularity of certain expenditure and the proper management of appropriations for tourism. Following the special report, a series of internal inquiries had been carried out at the Commission and in the Member States to ascertain the extent of fraud. These various inquiries resulted, in 1994, in the dismissal of the head of the tourism unit at DG XXIII and the carrying-out of an audit of all the Community's 'tourism' operations. The results of the inquiries were confirmed by the persistence of the problems identified by the Court in its audit of the ETY in 1992. At the same time, from July 1994, the Commission's Unit for the Coordination of Fraud Prevention (UCLAF) was asked to investigate, and collaborated with the judicial authorities of three Member States where fraud had occurred (France, Belgium and Greece). The Court subsequently performed additional audits concerning both direct aid to tourism and aid to tourism via the Structural Funds. There too, fraud was identified and revealed. 2) Conclusions: the Court of Auditors' main criticism of the Commission concerned its slow response to the fraud allegations. According to the Court, DG XXIII, which was responsible for the field, could in particular have immediately informed the appropriate departments of the Commission on the basis of the information it had received in 1992. Moreover, the Commission had not informed the Court of the irregularities which had come to its attention. It was an on-the-spot audit that enabled the Court of Auditors to find out about the irregularities already identified. Only from 1994 did the Court receive the necessary documents to monitor developments. The Court found that, in 1995, the irregularities identified in 1992 had still not been eliminated and had therefore hampered the implementation of the action plan for tourism. In 1996, however, the inclusion of a token entry in the budget for direct aid to tourism enabled the Commission to concentrate on current contracts and wind up existing contractual relationships perfectly legally. The Court considered that further efforts needed to be made to recover payments wrongly made. It also took the view that in order to manage appropriations for direct aid to tourism, a reliable system needed to be set up within the DG responsible. The Commission should improve its selection, monitoring, evaluation and inspection procedures in relation to the measures which it finances. Accordingly, the Court recommended that DG XXIII be granted sufficient resources to carry out this type of monitoring. Finally, coordination and evaluation of the various measures affecting tourism were essential (particularly in the case of the Structural Funds, which play a key role in this field).

Tourism sector: control of the implementation of the EU policy. Special report 3/96 Court of Auditors

1996/2231(COS) - 17/02/1998 - Text adopted by Parliament, single reading

In adopting the report by Mr Stefano DE LUCA (ELDR, I) on the Court of Auditors special report on the promotion of tourism, Parliament considers that radical measures must be taken in this area and accordingly outlines the practical short term administrative measures that the Commission should take in response to problems in this sector, in particular the following: (1) abandonment of ad hoc subsidies for all directly-funded actions (2) selection of projects through invitations to tender: the impartiality of the selection board should be increased and stricter rules should be introduced concerning the selection of bids (3) redeployment of staff allocated to the financial unit in DG XXIII and improved training (4) limitation of sub-delegation by the Director-General (5) more rigorous random checking and an increase in systematic monitoring where fraud has come to light (6) SEM 2000 guidelines to prevent irregularities. Regarding cases currently under review Parliament calls for the rapid recovery of undue payments and appropriate penalties for those responsible regardless of seniority. It calls on the Commission to submit to it within three months a progress report on the measures adopted to follow up the resolution and notes that a discharge can be granted in respect of the 1996 budget only when such a report is available. Parliament is no longer calling for a committee of inquiry into rules and administrative mechanisms facilitating corruption in connection with Community policies, as proposed by the Committee on Budgetary Control.