Basic information

1998/2012(DEC) DEC - Discharge procedure	Procedure completed
1994 discharge: clearance of accounts EAGGF-Guarantee **Subject** 8.70.03.07 Previous discharges	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	MULDER Jan (ELDR)	21/09/1999

Key events

Date	Event	Reference	Summary
25/05/1998	Non-legislative basic document published	N4-0372/1998	Summary
01/07/1998	Committee referral announced in Parliament		
22/03/2000	Vote in committee		
22/03/2000	Committee report tabled for plenary	A5-0095/2000	
11/04/2000	Debate in Parliament		
13/04/2000	Decision by Parliament	T5-0161/2000	Summary
13/04/2000	End of procedure in Parliament		
27/07/2000	Final act published in Official Journal		

Technical information

Procedure reference	1998/2012(DEC)
Procedure type	DEC - Discharge procedure
Legal basis	Rules of Procedure EP 102
Stage reached in procedure	Procedure completed

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary

Committee report tabled for plenary, single reading		A5-0095/2000 OJ C 040 07.02.2001, p. 0006	22/03/2000	
Text adopted by Parliament, single reading		T5-0161/2000 OJ C 040 07.02.2001, p. 0149-0404	13/04/2000	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	N4-0372/1998	25/05/1998	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Decision 2000/0471
OJ L 191 27.07.2000, p. 0024

1994 discharge: clearance of accounts EAGGF-Guarantee

1998/2012(DEC) - 13/04/2000 - Text adopted by Parliament, single reading

The European Parliament adopted its decision granting discharge to the Commission in respect of the decisions on clearance of accounts of the Guarantee Section of the EAGGF for the 1993, 1994 and 1995 financial years. It also adopted a resolution containing the comments accompanying the decision of the discharge. Parliament's Rapporteur was Mr. Jan Mulder (ELDR, NL). The Parliament grants discharge to the Commission, subject to the receipt of further information concerning the Fléchard case, the export refund scheme and the operation of the common organisation of markets for flax and hemp, in respect of the clearance of the accounts for the 1993, 1994 and 1995 financial years. The Parliament is concerned at the consistently high levels of financial corrections and sees in these annual figures confirmation that major problems within national payment and control systems have not been addressed with sufficient urgency, rigour and determination by Member States. It welcomes efforts made by the Commission to propose fraud-proof legislation and, whilst urging the Commission to continue along this path, calls upon Council, together with Parliament, to asume proper responsibility for preventing irregularities through fraud-proof legislation. The EP calls upon the Court of Auditors to work with the Commission, Member States certifying bodies and payment agencies to explore the feasibility of drawing up a separate Declaration of Assurance for the EAGGF and its respective sectors, and to report back to Parliament as soon as possible. It also calls for the Integrated Administration and Control System to be fully operational in all Member States before April 2002, after which date the Commission whould revert to maximum financial corrections if controls are breached. Parliament calls for the clearance of accounts system to be extended to include the Guidance Section of the EAGGF, as the clearance of accounts could prove a useful instrument for monitoring and preventing irregularities in other areas of expenditure such as the Structural Funds. With respect to the Commission's responsibility in implementing the budget, it welcomes the introduction of a central work plan based on risk analysis and, noting that export refunds are included in each work programme, calls upon the Commission and Court of Auditors to put increased emphasis on the control of rural development measures. The EP calls on the Commission to: - take all the necessary steps to comply fully, with no further delays, with its obligations under Article 274, namely by creating a common database on all final beneficiaries as the Court of Auditors has repeatedly demanded; - investigate the legal possibility of penalties being applied, should infringements be recurrent or structural, as, under current legislation, only the Court of Justice has the power to sanction a Member State, and to report to Parliament as soon as possible; - report on the action it takes on the recommendations made by the Court of Auditors. In connection with their responsibility, Member States are called upon to: - place suitable importance on attracting and retaining staff for agencies involved in administering payments and exercising controls; - supply the Commission with all necessary information from the outset in order to prevent the clearance procedure from being prolonged and distorted; - improve coordination in between administrations operating within a country, to strengthen the prevention, detection and prosecution of fraud or irregularities and to cooperate fully and unconditionally with OLAF. On the matter of the Conciliation Body, the Parliament welcomes the Commission's evaluation of it, looks forward to receiving a comprehensive appraisal from the Court of Auditors and will address this as part of the discharge procedure for the clearance of accounts for the 1996 financial year. The Parliament is alarmed that statistics relating to amounts to be recovered following cases of fraud and other irregularities show that, out of a total of EUR 7 559 million in irregularities notified by Member States between 1972 and 1998, EUR 1 747 million has yet to be recovered, with paying agencies in Italy, Germany and Spain accounting for 84% of this total. It urges the Commission and OLAF to take a clearance

of accounts decision to charge either the Member State concerned if it has not met all its obligations or the EAGGF if recovery proves impossible. It also calls on the Commission's Legal Services to consider the possibility of forcing Member States to pay penalties if delays in the recovery of debts are excessive.

1994 discharge: clearance of accounts EAGGF-Guarantee

1998/2012(DEC) - 25/05/1998 - Non-legislative basic document

OBJECTIVE: to outline the procedure adhered to by the Commission in clearing the accounts for the EAGGF Guarantee Section for 1994.
SUBSTANCE: the communication explains the procedure followed by the Commission in clearing the accounts for the EAGGF Guarantee Section for 1994 and indicates the proposed financial corrections. It may be recalled that under Council Regulation (EEC) No 729/70 the Commission is required to clear the annual accounts submitted by the Member States for payments made under the EAGGF Guarantee Section. Clearance serves not only to rectify accounting errors but also to check whether expenditure has been incurred correctly. In an annex to the communication the Commission summarises the inspections performed in support of its clearance decision. The clearance of the accounts for 1994 pertains to an amount of ECU 33.6 bn. The proposed financial corrections amount to ECU 307.6 m (as against 650 m in 1993). The clearance procedure overshot its deadline of 31.12.1995 by a long way because of the cumulative delays of the Member States in returning their annual declarations of accounts and the slowness of the conciliation procedure used by most of them for proposed corrections. For major corrections, Member States may use a conciliation procedure. These corrections are then brought before the conciliation body of the Member State concerned. For 1994, in half of the cases in which the conciliation procedure was used the Commission upheld the proposed corrections. In the other half, Member States agreed to reduce their correction rates, either because the States concerned had supplied supplementary information or because the conciliation body had considered that the correction originally proposed was excessive in relation to the risk of real loss to the Fund. The Directorate-General for Financial Control was consulted throughout the procedures. The supplementary corrections, amounting to approximately ECU 120 m, cannot be proposed, as the conciliation procedures relating to them have not been definitively completed. They will be dealt with in connection with the clearance of the 1995 accounts (at the end of 1998). The proposed clearance decision does not cover advances paid to arable farmers (ECU 1384.3 m). It is suggested that these should be cleared with the other expenditure declared for the 1995 financial year and with other items held over on account of inquiries in progress, totalling ECU 371.4 m. However, it is proposed that the rest of the expenditure, totalling ECU 31 409.7 m, should be cleared.