Basic information

2002/2185(DEC) DEC - Discharge procedure	Procedure completed
2001 discharge: ECSC budget **Subject** 8.70.03.07 Previous discharges	

Key players

European Parliament	**Committee responsible**	**Rapporteur**	**Appointed**
	CONT Budgetary Control	LANGENHAGEN Brigitte (PPE-DE)	04/11/2002
European Commission	**Commission DG**	**Commissioner**	
	Budget		

Key events

Date	Event	Reference	Summary
10/10/2002	Non-legislative basic document published	N5-0033/2002	Summary
04/12/2002	Committee referral announced in Parliament		
19/03/2003	Vote in committee		Summary
19/03/2003	Committee report tabled for plenary	A5-0068/2003	
08/04/2003	Decision by Parliament	T5-0161/2003	Summary
08/04/2003	Debate in Parliament		
08/04/2003	End of procedure in Parliament		
12/03/2004	Final act published in Official Journal		

Technical information

Procedure reference	2002/2185(DEC)
Procedure type	DEC - Discharge procedure
Legal basis	Rules of Procedure EP 102
Stage reached in procedure	Procedure completed
Committee dossier	CONT/5/16579

Documentation gateway				
European Parliament				
Document type	**Committee**	**Reference**	**Date**	**Summary**
Committee report tabled for plenary, single reading		A5-0068/2003	19/03/2003	
Text adopted by Parliament, single reading		T5-0161/2003 OJ C 064 12.03.2004, p. 0029-0268 E	08/04/2003	Summary
Other institutions and bodies				
Institution/body	**Document type**	**Reference**	**Date**	**Summary**
CofA	Court of Auditors: opinion, report	N5-0001/2003 OJ C 158 03.07.2002, p. 0002-0022	05/06/2002	Summary
CofA	Non-legislative basic document	N5-0033/2002 OJ C 302 05.12.2002, p. 0001-0010	10/10/2002	Summary

Additional information		
Source	**Document**	**Date**
European Commission	EUR-Lex	

Final act	
Budget 2003/0420 OJ L 148 16.06.2003, p. 0102-0102	Summary

2001 discharge: ECSC budget

2002/2185(DEC) - 10/10/2002 - Non-legislative basic document

PURPOSE : to present the annual report of the Court of Auditors concerning the ECSC budget for the financial year 2001. CONTENT : the ECSC balance sheet total declined from EUR 3 972 million in 31 December 2000 to 3 288 million on 31 December, corresponding to a fall of EUR 684 million (17%). On the assets side, this decrease was due almost entirely to the decline in loans and advances to customers. On the liabilities side, the decline was due to the decrease in the amounts owed to credit institutions and the fall in debenture loans. The report also states that unlike previous financial years, in 2001, the appropriations for the ECSC's operating budget went up in relation to the financial year 2000, amounting to EUR 195 million. This increase can be explained by the fact that, in view of the expiry of the Treaty, the Commission had encouraged the Member States to apply for aid for rehabilitation and the social measures for both the past year and the current year, as is, moreover, envisaged in the rules for these types of aid. As in the past, budgetary expenditure was lower than forecast (23% in 1999, 24,2% in 2000 and 5,3% in 2001). Unlike previous financial years, the actual requirements for rehabilitation aid in 2001 were utilised at a rate of 100% with regard to redeployment aid and 88% for the coal social measures. As in the past, the solvency ratio went up (from 41,4% on 31/12/2000 to 56,1% on 31/12/2001). With regard to the liquidation of the ECSC, the Court states that the Commission has submitted three proposals to the Council with a view to putting in place the procedures for the liquidation of the ECSC and the implementation of the Research Fund. The Court notes in particular that the failure to ratify the Treaty of Nice has cast doubt upon the Regulations proposed by the Commission. According to international law, after the ECSC Treaty expires, the ECSC's assets should return to the Member States. However, as this solution has not been contemplated, the Member States, meeting at an intergovernmental conference, decided to issue the Commission with a management mandate to manage these funds according to the same principles as it would have applied to the 'Coal and Steel Research Fund'. This provisional solution will apply until the Nice Treaty has been ratified or another solution found. As regards the follow-up by the Commission to the previous observations, the Court comments on: 1) the dormant commitments : dormant commitment had been cancelled to the tune

of EUR 58 million. It should be noted that, in 2001, the Commission cancelled amounts that it should have cancelled during previous financial years. The Court suggests that the Commission should carry out a special examination of all the commitments that are still open; 2) loans to officials : the Court highlights that has not been much progress in the area of the Commission drawing up the missing reports concerning the situation of loans to officials. The Court notes with concern the weaknesses found in the management of these loans and recommends that urgent steps be taken to restore sound management. In spite of these weaknesses, the Court takes the view that, taken as a whole, the legality and regularity of the transactions underlying the ECSC accounts for the financial year 2001 are sufficiently assured. In its reply to the Court of Auditors, the Commission states: - as regards dormant commitments, it regularly examines commitments that are still open with a view to cancelling them where necessary. However, the Commission makes it clear that caution is nevertheless required since cancellations cannot be reversed; - as regards loans to officials, the Commission is aware of the problems that have accumulated over the last few years with the management of building loans. The situation has to do with the Commission's decision to stop granting building loans before the expiry of the ECSC Treaty and the existence of a fairly complex administrative set-up. The Commission does state however that it is able to give assurance that the delayed annual reports will be presented in the autumn of 2002.

2001 discharge: ECSC budget

2002/2185(DEC) - 05/06/2002 - Court of Auditors: opinion, report

PURPOSE : to present a report on the reliability of the accounts drawn up by the Commission in accordance with Article 45(c)(5) of the Treaty establishing the European Coal and Steel Community. CONTENT : the Court has audited the accounts and financial statements of the European Coal and Steel Community at 31 December 2001 in accordance with generally accepted auditing standards and carried out such checks as it considered necessary. By means of this audit the Court has obtained a reasonable basis for the opinion expressed below. In the Court's opinion, the attached financial statements (balance sheet at 31 December 2001, profit-and-loss account, statement of the allocation of the surplus for the financial year then ended and notes to the financial statements), which have been drawn up in accordance with generally accepted accounting principles, give a true and fair view of the assets and financial situation of the European Coal and Steel Community at 31 December 2001 and of the results of its operations for the year then ended. The ECSC's balance sheet, profit-and-loss account and statement of the allocation of profit for the year ending 31 December 2001 were submitted to the Commission for approval under written procedure E/947 of 5 June 2002 and are shown in this financial report as approved by the Commission. It notes that in view of the expiry of the ECSC Treaty on 23 July 2002 and the winding-up of the ECSC, it has been decided that all ECSC assets at the time of the expiry of the Treaty will be transferred to the European Community with effect from 24 July 2002. The net value of these assets is considered to be earmarked for research in the sectors associated with the coal and steel industries. The income generated by these assets will be allocated exclusively to research in these sectors. In practice, the net profit from the management of the assets (invested mainly in the portfolio of securities and term deposits) in year n will be transferred to the general budget of the European Community and will be used for research in year n+2. On the basis of simulations of the net profit from the management of the assets, it was decided to set the initial funding at EUR 60 million.

2001 discharge: ECSC budget

2002/2185(DEC) - 08/04/2003 - Final act

PURPOSE : to grant discharge on the implementation of the European Coal and Steel Community (ECSC) budget for the financial year 2001. COMMUNITY MEASURE : Decision 2003/420/ECSC of the European Parliament concerning discharge in respect of the implementation of the European Coal and Steel Community budget (ECSC) for the financial year 2001. CONTENT : with the present decision, the European Parliament grants discharge to the Commission on in respect of the implementation of the ECSC budget for the 2001 financial year on the basis of figures shown in the annex relating to the implementation of the ECSC operating budget for 2001. This decision is accompanied by a series of comments which complete the discharge decision. These comments are included in the Parliament's opinion (please refer to the summary of the European Parliament's resolution dated 8 April 2003).

2001 discharge: ECSC budget

2002/2185(DEC) - 08/04/2003 - Text adopted by Parliament, single reading

The European Parliament adopted the report Brigitte LANGENHAGEN (EPP-ED, D) and gives the Commission discharge in respect of the implementation of the budget of the ECSC on the basis of the figures shown in the annex below relating to the implementation of the ECSC operating budget for the 2001 financial year. Parliament urges the Commission to publish, by the end of 2003 and in all the official languages, an overview of the work undertaken by the ECSC since it was established. The Commission is urged further to carry out, by the end of 2003, an overall assessment of research originally funded by the ECSC, in particular an assessment of the coal research programme and of the criteria proposed for the selection of new coal research projects, as has already been done for the steel sector; regards such assessments as an important basis for the work of the proposed new Research Fund for Coal and Steel. It notes that all of the loans outstanding after 23 July 2002 which are not covered by guarantees from a Member State will be covered in full by the ECSC reserves and acknowledges the strategy adopted by the Commission of prudent financial management of the ECSC up to the expiry of the Treaty. Whilst welcoming the progress in reducing administrative costs, Parliament asks the Commission to update this information and it calls on the Commission to inform Parliament at regular intervals of the outcome of its Annual Policy Strategy with regard to redeployment of staff members involved in administering the activities of the ECSC and/or of the 'ECSC in liquidation'. In addition, the Commission is called upon to review all outstanding commitments systematically before the end of 2003 and to cancel any amounts in respect of which it is unlikely that there will be any movement in the future. Lastly, parliament urges the Commission once again to ensure maximum transparency when disclosing data affecting the value of the ECSC's assets and underlines that it will continue to monitor the effective use of taxpayers' money, especially for the purpose of research in the areas of coal and steel, even after the liquidation of the ECSC.