Basic information

2003/2212(DEC) DEC - Discharge procedure	Procedure completed
2002 discharge: EC general budget, Council **Subject** 8.70.03.07 Previous discharges	

Key players

European Parliament	**Committee responsible**	**Rapporteur**	**Appointed**
	CONT Budgetary Control	STAUNER Gabriele (PPE-DE)	10/09/2002
European Commission	**Commission DG**	**Commissioner**	
	Budget		

Key events

Date	Event	Reference	Summary
13/05/2003	Non-legislative basic document published	N5-0034/2003	
25/02/2004	Committee referral announced in Parliament		
29/03/2004	Vote in committee		
29/03/2004	Committee report tabled for plenary	A5-0228/2004	
20/04/2004	Debate in Parliament		
21/04/2004	Decision by Parliament	T5-0339/2004	Summary
21/04/2004	End of procedure in Parliament		
21/04/2004	Final act published in Official Journal		

Technical information

Procedure reference	2003/2212(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		A5-0228/2004	29/03/2004	
Text adopted by Parliament, single reading		T5-0339/2004 OJ C 104 30.04.2004, p. 0424-0688 E	21/04/2004	Summary
Council of the EU				
Document type		**Reference**	**Date**	**Summary**
Non-legislative basic document		N5-0034/2003	13/05/2003	Summary
Other institutions and bodies				
Institution/body	**Document type**	**Reference**	**Date**	**Summary**
CofA	Court of Auditors: opinion, report	N5-0019/2003 OJ C 286 28.11.2003, p. 0325-0361	08/10/2003	Summary

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

Final act	
Budget 2004/0723 OJ L 330 04.11.2004, p. 0137-0137	Summary

2002 discharge: EC general budget, Council

2003/2212(DEC) - 08/10/2003

PURPOSE : to present the Annual Report from Court of Auditors on the implementation of the budget of the other institutions for the year 2002 (Council). CONTENT : the 2002 Annual Report from the Court of Auditors concerning the financial year 2002 concentrates on the Community budget as a whole and contains the institutions' and other bodies' administrative appropriations. These appropriations are managed directly by each institution or body and are used primarily to pay the salaries, allowances and pensions of persons working for the Community Institutions, as well as rent, property, purchases and miscellaneous administrative expenditure. In the Commission's case, these appropriations also enable subsidies to be given to associations and organisations that assist in the implementation of various aspects of the European Union's activities. The Court carried out an audit of the European institutions' Invalidity Pensions Scheme in order to assess the cost of invalidity pensions, identify potential savings, determine whether invalidity pensions are only granted where a real invalidity has been duly recognised, and evaluate whether the institutions have set up the management systems required for adequate monitoring of, and effective control over, the operation of the scheme (3/2003). The Court's audit revealed a complex picture. On the one hand the rate of invalidity retirement has remained stable over the last 15 years, and, in the opinion of the Court's medical adviser, invalidity pensions are awarded in a justified way. On the other hand, retirement on invalidity grounds is more common in some grades than normal retirement, and there is evidence that frustration in the working environment is a significant element in demotivating some staff who are eventually retired on ill-health grounds. A part of invalidity retirements could, moreover, be avoided if adequate administrative measures for prevention and early treatment of medical problems and the associated employment problems were taken in good time. The result is frequent and

costly delays in the opening and progress of the invalidity procedure, with the length of the process itself associated with deteriorating health and consequently with extremely low rates of reinstatement, especially in the 50 % of cases involving psychological disorders. The Court states that the total net actuarial cost of the invalidity pensions awarded each year has been estimated by the Court at about EUR 74 million. The audit found scope for financial savings through the adoption of adequate administrative measures for prevention and early treatment, particularly in cases where the grounds for invalidity are psychological. Such measures should include the development by the institutions of an overall policy on absences due to illness and on invalidity, with performance indicators, strong support from senior management, clearly allocated roles and responsibilities, strong medical and administrative synergy, and with careful and resource-intensive attention given to the needs of those members of staff who need support. This policy should focus both on actions to be taken in the early stages through preventative measures that consider the organisation of work and working conditions, and on those actions required at a subsequent stageto help rehabilitation and encourage members of staff who are in poorer health to continue to work under reasonable conditions. Lastly, the Court's audit found no important failures of the systems or other material errors affecting the legality and regularity of administrative expenditure. The Court recommends that, in the framework of the enforcement of the new Financial Regulation, attention be specifically paid to the reinforcement of the supervisory systems and controls.

2002 discharge: EC general budget, Council

2003/2212(DEC) - 21/04/2004 - Final act

PURPOSE : to grant discharge to the Council for the financial year 2002.

LEGISLATIVE ACT : Decision 2004/723/EC of the European Parliament concerning discharge in respect of the implementation of the general budget of the European Union for the 2002 financial year - Section II- Council.

CONTENT : with this present Decision, the European Parliament gives discharge to the Secretary-General of the Council in respect of the implementation of the budget for the 2002 financial year (operational expenditure).

This Decision is in conformity with the European Parliament's resolution approved on 21 April 2004 and which is accompanied by a series of which complete the discharge decision (please refer to the summary of the opinion).

2002 discharge: EC general budget, Council

2003/2212(DEC) - 21/04/2004 - Text adopted by Parliament, single reading

In adopting the report by Gabriele STAUNER (EPP-ED, D), the European Parliament has voted to grant discharge to the Secretary-General of the Council in respect of the implementation of the budget for the 2002 financial year (operational expenditure). In an accompanying resolution, the Parliament underlines the need for a more comprehensive exchange of information between the Council and the European Parliament and welcomes therefore the Council's readiness to hold an informal dialogue between the two Institutions prior to the discharge procedure. It is pointed out that the Committee on Budgetary Control asked the Council to forward the following documents to it: a list of contracts concluded with third parties, the complete documentation for the contract with the largest financial impact, the provisions governing the use of official cars, and the Financial Controller's reports. Parliament notes, and finds unacceptable, the reply given by the chairman of the Committee of Permanent Representatives on 11 December 2003 to the questionnaire sent by the Committee on Budgetary Control on 26 November 2003: 'The questions raised in your questionnaire under the heading General Questions to all Institutions are not directly related to the accounts of the Council over the year 2002 or to the annual report of the Court of Auditors concerning that year. The Council's position is that these questions go beyond the scope of the discharge procedure'. Furthermore, Parliament notes that the Court of Auditors' annual report for 2002 contains general comments on administrative expenditure by the Community institutions, but no specific comments whatever on the Council's budget. It welcomes the announcement by the Court of Auditors that its next annual report will contain comments on administrative expenditure for each Community institution. Parliament stresses that its request for information to the Council is fully in line with the provisions of the Financial Regulation (in particular Articles 146 and 182). The Council is called upon to respond to the questionnaire submitted by the Committee on Budgetary Control no later than 1 July 2004. Moreover, Parliament notes that as from next year the Council will forward to the European Parliament a report summarising the number and type of internal audits carried out, the recommendations made and the action taken on those recommendations. Parliament requests information on the measures taken by the Council in 2002 to improve the analysis of its financial management. It points out that in 2001 there were differences between the physical and accounting inventories and asks whether that shortcoming has been rectified. Lastly, it would like the Court of Auditors to pay appropriate attention to verifying financial management and the inventory within the Council's 2003 budget. It also welcomes the joint declaration by the Council, the Commission and Parliament of 25 November 2002 on the prior notification of Parliament in the decision-taking process on the Common Foreign and Security Policy (CFSP), and asks how this has been reflected in practical cooperation. It draws attention to the recommendation by the Court of Auditors in its Special Report No 13/2001 on the management of the Common Foreign and Security Policy on the basis of its audit findingsthat Parliament, the Council and the Commission should lay down clear operational principles and rules at interinstitutional level with regard to the role of the Commission and of the Council in CFSP implementation and that the financing of CFSP actions should be made more transparent.

2002 discharge: EC general budget, Council

2003/2212(DEC) - 13/05/2003

PURPOSE : to present the revenue and expenditure account and the balance sheet concerning the activities of the budget for the financial year 2002 (Council). CONTENT : this document sets out the amount of revenue and expenditure and the balance sheet for the other institutions of the Union (except the Commission) for the financial year 2002, in particular the Council. The document states that the Council's budget for 2002 amounted to EUR 415.782.000 (SAB 6/2002 of EUR 13,9 million included aiming at anticipated expenditure of publication of the enlargement acquis). The amount

of EUR 414.816.321 was committed (on March 31, 2003). The payments made from the committed appropriations amount to EUR 346.948.891: that is 99,77%. 2002 was primarily remembered by the continuation of work of modernisation of the financial management of the Council and by the adaptation of the institution to the requirements of enlargement and with the new structures and missions rising from the Common Foreign and Security Policy (CFSP). Among the elements having implications on the budgetary level in 2002, one notes in particular: - preliminary commitments for enlargement (human resources, construction, installation of buildings, development of the Accession Treaties); - planning and the installation of the infrastructure of the first European Summit in Brussels (December 2002): transformation of the basements of the Justus Lipsius; - integration into the Secretariat, of new structures concerned with the CFSP, in particular, expenditure related to financial regime of seconded national military experts and expenses stemming from their tasks within the mandate of the European Union's Personnel Office; - expenditure relating to the Special Representatives of the Union: that is to say 6 special representatives, including 5 financed from the Council's budget. It concerns the special Representative from the Union (RS) for South-east Europe, the RS for the Middle East peace process, the RS for the Great Lakes, the RS in the former Yugoslav Republic of Macedonia and the RS in Afghanistan; - the installation of the Secretariat of Convention on the Future of Europe in the Justus Lipsius building for a value of EUR 2 million (the direct taxation of the Council's budget to the Convention's funds was EUR 400.000); - preparation of the "outsourcing" of the restaurants and cafeterias; - the "frontloading" operation of budgetary expenditure which has the aim of raising the appropriations on the under- utilised budgetary headings and to anticipate in 2002 the expenditure envisaged in 2003: for the Council, this operation concentrated on the publication of the acquis in the languages of the new Member States.