Basic information

2003/2214(DEC) DEC - Discharge procedure	Procedure completed
2002 discharge: EC general budget, Court of Auditors **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	
21/04/2004	Decision by Parliament	T5-0341/2004	Summary
21/04/2004	End of procedure in Parliament		
21/04/2004	Final act published in Official Journal		

Technical information

Procedure reference	2003/2214(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		T5-0341/2004 OJ C 104 30.04.2004, p. 0424-0693 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 2004/0725
OJ L 330 04.11.2004, p. 0143-0143 Summary

2002 discharge: EC general budget, Court of Auditors

2003/2214(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 (Court of Auditors). 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, Court of Auditors

2003/2214(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 the Court of Auditors discharge in respect of the implementation of the budget for the 2002 financial year. In an accompanying resolution, Parliament invites its Committee on Budgets to place part of the 2005 administrative appropriations for the Court of Auditors in reserve if there is no satisfactory response to the concerns raised in this resolution over non-official car use and the system of salary weightings. Parliament also highlights some salient issues which can be summarised as follows: 1) On the Statement of assurance: Parliament realises that the Court of Auditors' statement of assurance is essentially based on sample checks and is therefore not a tool for the targeted detection of fraud and irregularities, but, rather, is intended to allow an overall appraisal to be made of the financial management of the Institutions audited. It points out that such an overall appraisal is reliable only if a sufficiently large sample of payments is audited. The Parliament encourages the Court in its review of annual DAS evaluation and to work in close collaboration with the other institutions to provide some form of performance indicators that can measure progress from year to year. The Court is reminded that Parliament requires information on every Community Institution because, otherwise, it cannot perform its discharge duties. Parliament welcomes the announcement by the Court of Auditors that in its annual reports, in future, it will make provision for a separate section for each Community Institution. 2) As regards lessons to be learned from the Eurostat case and combating fraud: Parliament notes that the Court of Auditors has repeatedly found fault in the past with individual Eurostat operations. It points out that to date, however, Eurostat as a whole has never been the subject of an in-depth and comprehensive audit by the Court. It is concerned that that is also true of other Commission directorates-general and might be one cause of undesirable developments within the Commission. It asks the Court of Auditors to take advantage of its expansion to ensure that, in future, its Members carry out an in-depth audit of each and every Commission directorate-general. Parliament would very much welcome being notified by the Court, at the latest when its next annual report is presented, which Members have taken on special audit responsibility for which directorate-general. It regards such specific terms of reference as totally compatible with the collective nature of the Court, provided that the Court has the final say. Parliament is asks the Court of Auditors to review its internal decisions on cooperation with OLAF in the light of the provisions of the new Staff Regulations, in particular as regards the right of staff to approach OLAF with information directly and calls on the Court of Auditors to forward to Parliament a copy of the currently applicable provisions and the changes which have been made. The Court of Auditors is asked to comment as to whether, in connection with the awarding procedure at the Committee of Regions, referral to the competent judicial authorities is necessary, since this might constitute restraint on freedom toparticipate in tendering procedures, which is a criminal offence under Belgian law. - Staff management: regarding the dismissal of a Court of Auditors official, Parliament points out that, in April 2002, an official of the Court of Auditors publicly made the most serious allegations against Members and officials of his Institution. Parliament calls for the Community's staff regulations to be amended so as to make it possible for 'whistle blowers' to turn to a body outside their Institution so as to ensure that their anonymity remains intact. Parliament is pleased that the Court of Auditors adheres to the same 'whistleblower's doctrine' as the Commission and notes that such a doctrine is only truly effective if staff members are aware of it and it encourages the Court of Auditors to ensure that this information is freely available to its staff. - On the private use of official cars, the Court is asked to confirm that official cars the cost of which is borne by the Community budget can be used exclusively for official journeys. It notes that, supposedly, the Members of the Court of Auditors can use official cars for private purposes up to a limit of 40 000 km a year and that even holiday travel at taxpayers' expense is evidently not ruled out. Parliament calls on the Court, if necessary, to amend its rules by 1 July 2004 so as to require its Members to meet in full the cost of the private use of official cars (non-official business) and draws attention to the fact that it is required to take all appropriate steps to comply with that demand. - As regards the issue of increases in remuneration of weightings: since 01/01/2003, the Members of the Court have again given themselves the possibility of benefiting from considerable increases in remuneration by having it transferred in part to other EU Member States, and taking advantage of "weightings" in the process, rather than receiving a transfer to accounts in their country of employment, Luxembourg. It is pointed out by the Parliament that a decision by the Court of Justice's Administrative Committee taken in 2002 has subsequently deleted a remark from the Court of Justice's 2003 preliminary draft budget which provided for weightings to be applied, 'by analogy' with the provisions of the Staff Regulations of Officials, to the Members of the Court of Justice too. Parliament notes that, in doing so, the budgetary authority made it perfectly clear that it expected an end to be put to the practice, which, since 01/01/2003, has not been authorised either by provisions in the relevant regulations on the remuneration of Members of the Institutions or by corresponding remarks in the budget.

2002 discharge: EC general budget, Court of Auditors

2003/2214(DEC) - 21/04/2004 - Final act

PURPOSE : to grant discharge to the Court of Auditors for the financial year 2002.

LEGISLATIVE ACT : Decision 2004/725/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 V- Court of Auditors.

CONTENT : with this present Decision, the European Parliament gives discharge to the Court of Auditors in respect of the implementation of the budget for the 2002 financial year.

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, Court of Auditors

2003/2214(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 (Section V - Court of Auditors). CONTENT : this document sets out the amount of expenditure and the balance sheet for the other institutions of the Union (except the Commission) for 2002, in particular the Court of Auditors. The Court's 2002 budget amounted to EUR 83.578.611 committed to the amount of 98,11%. The amount of committed appropriations that has not yet been paid and which has been deferred to the 2003 financial year amounts to approximately 19,72% of the total amount of commitments. The 2002 budget was mainly marked by the issue of real estate and, in particular, the extension of its main building in Luxembourg. Work started during 2001 and an amount of EUR 6.6 million was transferred in 2002. The other important element of the 2002 budget concerns the recruitment costs of the new civil servants from the acceding countries.