Basic information

2003/2216(DEC) DEC - Discharge procedure	Procedure completed
2002 discharge: EC general budget, Committee of the Regions **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	T5-0343/2004	Summary
21/04/2004	End of procedure in Parliament		
21/04/2004	Final act published in Official Journal		

Technical information

Procedure reference	2003/2216(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		T5-0343/2004 OJ C 104 30.04.2004, p. 0424-0700 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 2004/0727
OJ L 330 04.11.2004, p. 0152-0152 Summary

2002 discharge: EC general budget, Committee of the Regions

2003/2216(DEC) - 21/04/2004 - Final act

PURPOSE : to grant discharge to the Committee of the Regions for the financial year 2002.

LEGISLATIVE ACT : Decision 2004/727/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 VII- Committee of the Regions.**

CONTENT : with this present Decision, the European Parliament gives discharge to the Secretary-General of the Committee of the Regions 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, Committee of the Regions

2003/2216(DEC) - 21/04/2004 - Text adopted by Parliament, single reading

In adopting the report by Gabriele STAUNER (EPP-ED, D), the European Parliament voted to grant the Secretary-General of the Committee of the Regions discharge in respect of the implementation of the budget for the 2002 financial year. In an accompanying resolution, Parliament notes that in

its report concerning the financial year 2002 the Court of Auditors established the same irregularities as the Anti-Fraud Office. It also points out that Parliament did not grant the Committee of the Regions discharge in respect of financial management in 2001 until 29 January 2004 and, in the resolution accompanying the discharge decision, called on the Committee of the Regions 'to provide a full report on the current discharge decision in good time for it to be taken into account in the context of the discharge procedure for the 2002 financial year'. The setting up of working groups is welcomed, with the involvement of staff of the institution and an external advisor, to examine and propose solutions to the various structural, administrative and financial problems. Parliament remains however to be convinced that they will lead to significant improvements as long as the administrative culture remains the same; points out that, following the example of the Commission in the Eurostat affair, a root and branch overhaul of senior management, working methods and respect for internal audit is essential to create a climate of reform and renewal. It awaits confirmation that the Committee has strengthened its internal audit unit with the A7 and B5 posts agreed by Parliament and seeks a justification for any further delay in recruitment procedures. Parliament expresses its general surprise at the dismissal of the OLAF findings and recommendations and suggests that real reform can only begin by acknowledging past mistakes and weaknesses. The Committee of the Regions is criticised for failing to replace the staff of the Financial Controller or to give him the necessary information to carry out an audit report in 2002. The European Parliament welcomes in this connection the Bureau's decision of 10 February 2004 to bring its "whistleblowing" provisions into line with rules currently in force in the Commission which make it possible for officials to turn to a body outside their Institution, so as to ensure that their anonymity remains intact. It is also noted that such a doctrine is only truly effective if staff members are aware of it. It also encourages the Committee of Regions to ensure that this information is freely available to its staff. Parliament highlights that on 18 November 2003 the President of the Committee of the Regions called on the acting Secretary-General to clarify whether disciplinary proceedings ought to be instituted against staff. It criticises the fact that, on the one hand, the administrative inquiry is not to be concluded until April, but that, on the other, the Administration has already been able to establish that the Internal Auditor has not been intimidated or harassed at all. Parliament notes that the Committee of the Regions introduced a new staff policy in 2003 and will return to this in its discharge report for the 2003 financial year. Lastly, Parliament notes that the Committee of the Regions spent some EUR 100 000 on studies in 2002 and asks how the topics were selected and to what use the studies were put and asks whetheran assessment was made of their usefulness.

2002 discharge: EC general budget, Committee of the Regions

2003/2216(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 VII - Committee of the Regions). 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 Committee of the Regions. The year 2002 constitutes the third financial year with financial autonomy following the suppression of the joint organisational structure with the Economic and Social Committee. Its budget rose to EUR 83,9 million. The management report from the CoR states that the Committee continued its process of consolidation as an institution by reinforcing the recognition of its institutional role. The main axes of its activities in 2002 were: - the consolidation of the advisory role of the Committee of the Regions with for the first time, the creation of its own reports on the territorial impact of Union policies, - the participation in the work of the Convention on the future of Europe. Among the salient points to be remembered from the 2002 financial year, one notes: - the low level of commitment appropriations as regards the members' allowances due to the arrival of new members who have not asked for their expenses to be reimbursed, - the decrease of mission costs following the warning from the budgetary planning services, - the drop in meeting expenses due to the cancellation of a conference in Valence, - the significant decrease of the expenditure linked to studies in 2002 due to the reduction in own initiative opinions at the beginning of the year and to the renewing of its members.

2002 discharge: EC general budget, Committee of the Regions

2003/2216(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 (Committee of the Regions). 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. More specifically, as regards the Committee of the Regions, the Court states that the Committee contracted a firm to carry out publishing and printing tasks without first consulting the Office for Official Publications of the European Communities and without informing the Office's Management Committee. This was contrary to a Decision of the five EU institutions and both Committees of 20 July 2000 on the organisation and operation of the Office for Official Publications of the European Communities. Furthermore, only a limited call for tender was launched in the case of a publication, despite the value of the contract necessitating an open tendering procedure. The Financial Controller did not approve the contract and the corresponding financial commitment, but was overruled. Payments to the firm in 2002 totalled EUR 46 148. A further EUR 16 620 was committed for payments to be made in 2003. After consultation with the Financial Controller and the Joint Services of both Committees (which had experience in tendering procedures), a tendering procedure was launched to the Belgian printing companies on the AMI list originating with DG EAC of the European Commission and other Belgian companies for a contract to print COR Newsletters for a three-year period. The Publications Office was discarded as a provider due to the specificities of these Newsletters, which demand printing at very short notice and permanent contacts with the provider. 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.