

Basic information

2004/2041(DEC)

DEC - Discharge procedure

2003 discharge: EC general budget, European Parliament

Subject


8.70.03.07 Previous discharges


Procedure completed

Key players

European Parliament	Committee responsible		Rapporteur	Appointed
	CONT Budgetary Control		RAINYTE-BODARD Ona (ALDE)	22/09/2004
	Committee for opinion		Rapporteur for opinion	Appointed
	AFET Foreign Affairs		The committee decided not to give an opinion.	
	DEVE Development		The committee decided not to give an opinion.	
	INTA International Trade		The committee decided not to give an opinion.	
	BUDG Budgets		The committee decided not to give an opinion.	
	ECON Economic and Monetary Affairs		The committee decided not to give an opinion.	
	EMPL Employment and Social Affairs		The committee decided not to give an opinion.	
	ENVI Environment, Public Health and Food Safety		The committee decided not to give an opinion.	
ITRE Industry, Research and Energy		The committee decided not to give an opinion.		
IMCO Internal Market and Consumer Protection		The committee decided not to give an opinion.		

TRAN	Transport and Tourism	The committee decided not to give an opinion.	
REGI	Regional Development	The committee decided not to give an opinion.	
AGRI	Agriculture and Rural Development	The committee decided not to give an opinion.	
PECH	Fisheries	The committee decided not to give an opinion.	
CULT	Culture and Education	The committee decided not to give an opinion.	
JURI	Legal Affairs	The committee decided not to give an opinion.	
LIBE	Civil Liberties, Justice and Home Affairs	The committee decided not to give an opinion.	
AFCO	Constitutional Affairs	The committee decided not to give an opinion.	
FEMM	Women's Rights and Gender Equality	The committee decided not to give an opinion.	
PETI	Petitions	The committee decided not to give an opinion.	

Key events			
Date	Event	Reference	Summary
01/06/2004	Non-legislative basic document published	DECHARGEVOLUMEIII /2004	Summary
26/01/2005	Committee referral announced in Parliament		
16/03/2005	Vote in committee		Summary
21/03/2005	Committee report tabled for plenary	A6-0063/2005	
12/04/2005	Decision by Parliament	T6-0093/2005	Summary
12/04/2005	Results of vote in Parliament		

12/04/2005	Debate in Parliament		
12/04/2005	End of procedure in Parliament		
27/07/2005	Final act published in Official Journal		

Technical information	
Procedure reference	2004/2041(DEC)
Procedure type	DEC - Discharge procedure
Legal basis	Rules of Procedure EP 102
Stage reached in procedure	Procedure completed
Committee dossier	CONT/6/22210

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, single reading		A6-0063/2005	21/03/2005	
Text adopted by Parliament, single reading		T6-0093/2005 OJ C 033 09.02.2006, p. 0028-0191 E	12/04/2005	Summary
European Commission				
Document type	Reference	Date	Summary	
Non-legislative basic document	DECHARGEVOLUMEIII/2004	01/06/2004	Summary	
Other institutions and bodies				
Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	C293/2004 OJ C 293 30.11.2004, p. 0001-0328	30/11/2004	Summary

Additional information		
Source	Document	Date
European Commission	EUR-Lex	

Final act

2003 discharge: EC general budget, European Parliament

2004/2041(DEC) - 01/06/2004 - Non-legislative basic document

PURPOSE : to present the revenue and expenditure account and the balance sheet concerning the activities of the budget for the financial year 2003 (European Parliament).

CONTENT : this document sets out the amount of expenditure and the balance sheet for the other institutions of the Union (except the Commission) for the financial year 2003, in particular the European Parliament.

The document shows that the appropriations included in the Parliament's budget for 2003 amounted to EUR 1 086 644 375, committed to the amount of EUR 1 075 556 058, that is 98.9%. 1.02% of the final appropriations were cancelled.

The final appropriations were paid to the amount of EUR 862 078 203 EUR in 2003, representing 80.15% of the committed appropriations. Concerning the appropriations carried over from 2002 to 2003, 13.61% of the payment appropriations were finally cancelled and 86.39% were paid.

As regards the implementation of the budget, the 2003 budget was marked by a series of amendments made to the initial allocations of certain posts, in particular :

- the implementation of the new regulatory measures concerning pensions of EP staff (adaptation of a special retirement system for civil servants /officials);
- releasing the appropriations from the reserve linked to enlargement;
- new budget guidelines on the acquisition of buildings : in particular, the repurchasing of the Louise Weiss Building in Strasbourg due to various anticipatory budget operations.

Concerning the utilisation of appropriations by heading, 2003 was marked by :

- 1) the implementation of the new Financial Regulation : new internal administrative rules were put in place for the internal control services, the financial authorizing officer, auditors and the entire accounting department of the European Parliament. The implementation of these measures resulted in the loss of the financial controller's position but enabled the adoption of the internal auditor's position;
- 2) enlargement preparation : the effects of enlargement have been felt on the real estate level as well as on technical, security and staff levels. As regards the issue of recruitment, most of the officials from the new Member States can be found in the interpretation, translation and information services. Measures have been taken to facilitate the early retirement of statutory staff in order to free up certain positions;
- 3) "Raising the Game" : concerns an EP initiative aiming to make the services provided to the MEPs more efficient. In this context, several actions have been carried out : the organic and geographic reclassification of DGs in order to facilitate the legislative and parliamentary work of the MEPs, the reorganization of the Documentation Centre, initiatives to reinforce the links between the citizen and the Parliament;
- 4) Real estate policy : 2003 was marked by the end of the acquisition transactions concerning the LOW building in Strasbourg and the KAD in Luxembourg. Negotiations have also begun on the future acquisition of the Atrium 2 in Brussels and buildings IPE, 1, 2 and 3 in Strasbourg.

Other initiative should be noted:

- modernise the staffing policy;
- improve the integration of handicapped people,
- strengthen the interinstitutional cooperation whether it be on staff training, recruitment or information to citizens.

2003 discharge: EC general budget, European Parliament

2004/2041(DEC) - 12/04/2005 - Final act

PURPOSE : to grant discharge to the European Parliament for the implementation of the 2003 general budget.

LEGISLATIVE ACT : Decision 2005/531/EC, Euratom of the European Parliament on the discharge for implementing the general budget of the European Union for the financial year 2003 (Section I – European Parliament).

CONTENT : with the present decision, the European Parliament grants a discharge to its Secretary General for the implementation of the general budget for 2003.

This decision is in line with the European Parliament's resolution adopted on 12 April 2005 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 12/04/2005).

2003 discharge: EC general budget, European Parliament

2004/2041(DEC) - 30/11/2004

PURPOSE : to present the report from the Court of Auditors on the implementation of the budget for the financial year 2003 (Other institutions – European Parliament).

CONTENT : in its 27th Annual Report on the 2003 financial year, the Court states that, on the whole, the institutions have made a considerable effort to adapt their supervisory systems and controls to the requirements of the new Financial Regulation. Nevertheless, most of them have not succeeded to implement the changes necessary and weakness have been stated in terms of the legality and regularity of the underlying transactions. These discrepancies do not however jeopardise the positive character of the State of Assurance (DAS) on the implementation of the budget for the other institutions.

Concerning the expenditure, the Court highlights that there were no significant discrepancies. It does note that the new supervisory systems and controls should have been better applied by all the institutions in order to respect the rules of the new Financial Regulation.

It should be noted that in 2003, the authorising officers by delegation have presented for the first time annual activity reports which provide very useful information on the working of the control systems. The Court would like these report to be more comprehensive so that they can be used in the framework of the annual DAS.

More specifically, as regards the execution of the Parliament's budget, the Court of Auditors states that the decentralisation of the controls was a difficult task as the financial and internal control procedures had previously been highly centralised and dependent on the work carried out by the Financial Controller. During 2003, the Parliament was able to implement new control methods, based on decentralised 'Internal Control Frameworks', including 'Minimum Standards for Internal Control' (MSIC), a 'Central Financial Service' and an internal audit function. However, the authorising officers were not able to fully apply all the MSIC. This was recognised by the authorising officers themselves in a self-assessment of the level of implementation of the MSIC carried out while preparing the annual activity reports at the beginning of 2004.

Moreover, the Court's audit identified weaknesses at the level of the ex ante controls on staff salary payments. Key controls formerly carried out by the Financial Controller in the field of staff remunerations, were not replaced by equally effective checks. This was due to problems with the availability of a new computer system.

2003 discharge: EC general budget, European Parliament

2004/2041(DEC) - 12/04/2005 - Text adopted by Parliament, single reading

The European Parliament adopted the resolution drafted by Ona **JUKNEVICIENE** (ALDE, LT) recommending that the President of Parliament be granted the budgetary discharge for 2003. It noted that in 2003 98.98 % of the appropriations entered in Parliament's budget were committed with a cancellation rate of 1.02 % and that as in previous years a very high level of budget implementation was achieved. Without calling into question Parliament's settled policy of buying rather than renting its buildings, Parliament felt that that this high level of implementation is partly attributable to the consistent practice since 1992 of the "ramassage" (mopping-up transfer) for the purposes of transferring any appropriations available at year end to the budget lines for buildings and, in particular, for advance payments of capital to reduce future payments of interest. It recognised that the greater part of Parliament's property acquisition programme has already been completed, but urged the budgetary authorities to ensure optimum budgetary forecasting and that the amounts entered in the draft budget reflect Parliament's real requirements rather than resorting systematically to significant transfers from unrelated budget lines.

Parliament moved on to point out that much of the management activity of the Institution in 2003 was geared to adjusting to the new requirements of the Financial Regulation, setting up new systems, methodologies and working methods, devising training programmes and establishing new lines of responsibility. It noted that the Court praised Parliament's efficiency in putting the new structures in place. Parliament recognised that the transition from a highly centralised to a decentralised approach to internal control procedures in a short space of time represented a major challenge in 2003, and noted that of the smaller institutions, Parliament - thanks to the efforts of its Administration - was one of the few to have succeeded in adopting the necessary subsidiary texts in time for the entry into force of the new Financial Regulation on 1 January 2003.

With regard to the general expenditure allowance, Parliament requested the Quaestors to review the general rules for reimbursement of allowances to see if changes are required to be able to maximise the use of new IT capabilities. On secretarial assistance allowance, it noted that Bureau adopted amendments to the rules governing the secretarial allowance intended, inter alia, to ensure greater consistency between the rules and the requirements of the Financial Regulation.

On the Member's voluntary pension scheme, Parliament noted that according to the latest revised actuarial valuation dated 31 December 2003, the fund's future liabilities at that date exceeded its current assets by EUR 41 795 982 and that the actuarial funding level at the end of 2003 was 76.4%. It recalled the view of the Court of Auditors that there should be clear rules established in the scheme to define the liabilities and responsibilities of the European Parliament and of the Members of the scheme if a future actuarial valuation were to indicate a deficit. It was necessary to clarify precisely the nature of Parliament's liability vis-à-vis future financial obligations linked to the pension fund. Furthermore, Members' contributions to the Fund should be deducted from a personal source rather than the parliamentary allowance system. Parliament felt that, as soon as the Statute for Members is approved, a new and separate pension instrument, equal for all Members, should be set up and that from that date all contributions from Parliament's budget to a voluntary pension fund should stop. It expressed concern at the view taken by the Court of Auditors that if the present scheme were to

continue, a sufficient legal basis (other than a Bureau decision) had to be created as soon as possible, and that Parliament's financial contribution to the voluntary pension scheme should be based on an act of secondary legislation adopted in conformity with Article 190(5) of the Treaty.

Finally, on the matter of buildings, Parliament noted that the long-running dispute between Parliament and the French authorities over the final purchase price of the Strasbourg LOW building was resolved at the end of 2003 and that purchase was completed in 2004. It recalled that the absence of a single working place resulted in significant extra costs for Parliament's budget. The cost of siting the European Parliament in three countries is put at more than EUR 200 million per year.