Basic information

2004/2042(DEC) DEC - Discharge procedure	Procedure completed
2003 discharge: EC general budget, Council **Subject** 8.70.03.07 Previous discharges	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	STUBB Alexander (PPE-DE)	22/09/2004

Committee for opinion	Rapporteur for opinion	Appointed
AFET Foreign Affairs	The committee decided not to give an opinion.	13/09/2004
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		
17/03/2005	Vote in committee		
17/03/2005	Additional information		Summary
22/03/2005	Committee report tabled for plenary	A6-0066/2005	
12/04/2005	Decision by Parliament	T6-0094/2005	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	2004/2042(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		A6-0066/2005	22/03/2005	
Text adopted by Parliament, single reading		T6-0094/2005 OJ C 033 09.02.2006, p. 0028-0203 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

Budget 2005/0532
OJ L 196 27.07.2005, p. 0039-0039 Summary

2003 discharge: EC general budget, Council

2004/2042(DEC) - 12/04/2005 - Text adopted by Parliament, single reading

The European Parliament adopted the resolution drafted by Alexander **STUBB** (EPP-ED, FI) granting discharge to the Council for the 2003 financial year. (Please see the summary of 17/03/2005).

- **Increased transparency**: Parliament welcomed the introduction in the Court of Auditors' Annual Report for 2003 of a separate section for the Council, and the enhanced exchange of information between the Council and Parliament through the informal dialogue that had taken place between the two institutions as part of the discharge procedure. These elements had helped to increase transparency with regard to discharge of the Council's budget. Parliament noted the Council's intention to provide the documentation and adopt the outstanding actions needed to comply with the requirements of the new Financial Regulation, as specified in the Court of Auditors' Annual Report, by the end of 2004. It asked the Council to submit to the European Parliament a list of problems occurring with implementation of the Financial Regulation.

- **Respecting procedures**: Parliament also noted the Court's observation that the Council's legal services were contracted without any tendering procedure, although their value exceeded the threshold above which a tendering procedure was required. It noted that the Council had initiated a tendering procedure in order to establish a framework contract for the type of legal services mentioned. Parliament stressed the importance of respecting the rules on procurement set out in the Financial Regulation. It asked the Council to make available to the discharge authority, as all other institutions had done including the European Parliament, the annual activity report referred to in Article 60(7) of the Financial Regulation of 25 June 2002.

- **CFSP expenditure**: Parliament found that greater clarity with regard to the management of the Common Foreign and Security Policy (CFSP) within the Council would enhance transparency. It urged the Council separately to identify CFSP preparatory costs within its budget, as recommended by the Court of Auditors. The Commission's role in the implementation of CFSP needed to be clarified.

- **Council recommendation on the discharge**: finally, Parliament regretted that due to time constraints, it was not able to give the Council's discharge recommendation the attention it deserved, and invites the Commission to forward a proposal for modification of Article 145(1) of the Financial Regulation with regard to the timescale of the discharge procedure.

2003 discharge: EC general budget, Council

2004/2042(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 (Council).

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 Council.

The document highlights that the 2003 Council’s budget amounted to EUR 431 673 000, committed to an amount of EUR 428 845 188, that is a 99.34% rate of utilisation.

The payments made on the committed appropriations amount to EUR 361 199 521.

The year 2003 was framed in the context of the adaptation of the financial management of the Council in accordance with the demands of the new Financial Regulation. It was also marked by the preliminary enlargement commitments, the acquisition of the new LEX 2000 building, the organisation of several European Summits in Brussels and the outsourcing of the Council’s restaurants and cafeterias from 01.01.2003.

Other salient issues from the implementation of the 2003 budget are as follows:

- preliminary commitments for enlargement: concerning human resources, expenditure associated with the acquisition of the Council buildings;

- staff expenses : the carry over of appropriations (EUR 3 million) was needed considering the over-estimation of necessary amounts and/or the non-utilisation of appropriations. These amounts concern in particular the costs linked to the Special Representatives of the Union;

- operating expenses : this sector was also subject to an important carry over of appropriations to the year 2004 due to work being carried out on buildings which started in 2003 and which will be finished in 2004 (EUR 12 million); the rate of payment instalments for the LEX 2000 building from the 2003 budget (EUR 15.9 million); IT projects still being carried out (EUR 8.5 million); invoices from the DG SCIC for 2003 (EUR 2.5 million);

- expenses resulting from the missions carried out by the Council : such as those associated with the CFSP and seconded national experts. It appeared that the amounts initially foreseen for the military experts were overestimated and therefore were not spent throughout 2003. Moreover, a number of missions initially foreseen were cancelled or carried over which reduced the actual amounts initially provided. On the other hand, amounts provided for the activities annexed to certain experts were strengthened in order to establish the Joint Situation Centre of the EU (the amounts necessary were found via appropriation transfers between posts and budget lines).

2003 discharge: EC general budget, Council

2004/2042(DEC) - 12/04/2005 - Final act

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

LEGISLATIVE ACT : Decision 2005/532/EC, Euratom of the European Parliament on the discharge for implementing the general budget of the European Union for the financial year 2003 (Section II – Council).

CONTENT : with the present decision, the European Parliament grants a discharge to the Secretary General of the Council 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, Council

2004/2042(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 – Council).

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 Council's budget, the Court of Auditors states that the actions required by the Financial Regulation and the implementing rules were implemented to a certain extent. The following actions were, however, not carried out by 31 December 2003 the setting up of minimum control standards; the definition of a code of professional standards for the accounting officer and imprest administrator; the drafting of a charter describing the tasks, rights and obligations of the accounting officer and imprest administrator. In 2003 the internal auditor carried out various sound financial management audits, as well as an audit of the Council's financial statements for the financial year 2002. As these audits do not concern the legality and regularity of transactions underlying the 2003 accounts, their results are not directly relevant to the Court's specific appraisal on the legality and regularity of administrative expenditure.

Lastly, legal services were contracted without any tendering procedure, although their value exceeded the threshold above which a tendering procedure was required.