

European Communities

EUROPEAN PARLIAMENT

Working Documents

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Report

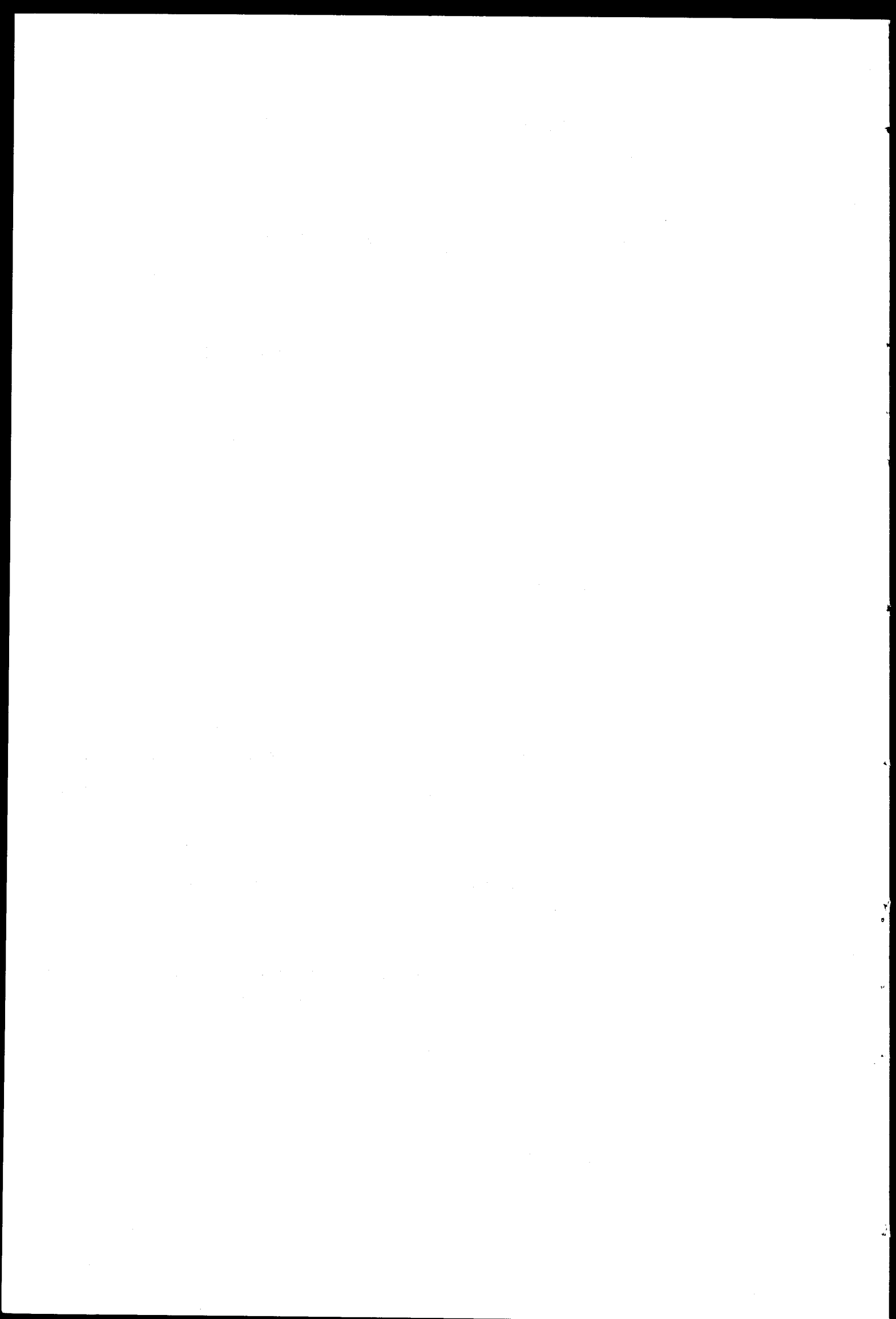
drawn up on behalf of the Committee on Budgets

on

- I. the failure to give to the Commission of the European Communities a discharge in respect of the implementation of the European Communities' budget for the financial year 1971, following the report of the Audit Board
- II. the discharge given to the Commission of the European Communities in respect of the activities of the European Development Funds for the financial year 1971
- III. the discharge given to the competent authorities in respect of the accounts of the European Parliament as at 31 December 1971
(Doc. 206/72 - I - IV)

Rapporteur: Mr H. GERLACH

PE 38.225/final



By letter of 10 November 1972 (Doc. 206/72-I) the Commission of the European Communities forwarded to the European Parliament, in French, the following documents:

- Operating accounts and financial statements relating to the budget operations for the financial year 1971 (Doc. 206/72-II)
- Report of the Audit Board on the accounts for the financial year 1971 - Volumes One and Two - (Doc. 206/72-III A and B)
- Report of the Audit Board on the accounts of the Euratom Supply Agency for the financial year 1971 of the European Communities (Doc. 206/72-IV).

These documents were referred to the Committee on Finance and Budgets on 29 November 1972; it received them in the official languages only on 25 January 1973.

On 2 May 1973 the Committee on Budgets appointed Mr Gerlach rapporteur.

It considered these documents at the meetings of the Sub-Committee on the Budget of the Communities on 17 September 1973 and 18 February 1974 and at the meetings of the Committee on Budgets on 18 February, 29 March and 13 May 1974.

At its meeting of 29 April 1975 it authorized Mr Gerlach to draw up a motion for a resolution, which it considered and unanimously adopted at its meeting of 21-22 May 1975.

Present: Mr Lange, chairman; Mr Gerlach, rapporteur; Mr Artzinger, Mr Fabbrini, Mr Früh, Mr Härzschel (deputizing for Mr Brugger), Mr Johnston (deputizing for Miss Flesch), Lord Lothian, Mr Notenboom, Mr Pêtre, Mr Shaw and Mr Yeats.

The rapporteur will deliver his explanatory statement orally.

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I.

The Committee on Budgets hereby submits to the European Parliament the following motion for a resolution:

MOTION FOR A RESOLUTION

on the failure to give to the Commission of the European Communities a discharge in respect of the implementation of the European Communities' budget for the financial year 1971, following the report of the Audit Board

The European Parliament,

1. Recalls the provisions of the Communities' financial regulation, which state that normally the Council and Parliament must give a discharge to the Commission in respect of the implementation of the budget for any given financial year before 30 April of the year following the submission by the Audit Board of its report on the accounts of that financial year;
2. Recognizes that in respect of the financial year 1971 a certain postponement of the application of these provisions may be justified:
 - (a) by the delay in the entry into force of the financial regulation (1 May 1973),
 - (b) by the delay in the forwarding by the Commission of the European Communities of the Audit Board's report (April 1973 instead of October 1972);
3. Emphasizes that its responsible committee:
 - (a) objected on several occasions to the Commission and Council with regard to the irregularity of such a situation;
 - (b) reminded the Council of the provisions of the last paragraph of Article 206 of the EEC Treaty, which lays down that the Council shall act on the discharge to the Commission before Parliament does so.
 - (c) gave its agreement - in June 1974 - on the compromise proposal forwarded to the Council by the Commission, which would make it possible to fix the financing of the 1971 budget finally on the basis of statements by the Member States;

4. Is obliged to note:
 - (a) on the one hand, the paralysing attitude of the Council, which did not accept the proposed compromise and which could find no other solution that would make it possible to close the accounts for the 1971 financial year,
 - (b) on the other hand, that the Commission was unable to obtain from the national authorities the accounts it needed to close the accounting periods for appropriations from the EAGGF, Guarantee Section, to 1971;
5. Considers that the series of delays - which makes it impossible in 1975 to act on the 1971 budget - renders ineffective its supervisory powers in regard to the implementation of the budget of the Communities;
6. Decides, since these circumstances do not allow Parliament to give a discharge to the Commission in respect of the implementation of the European Communities' budget for the financial year 1971, not to give a discharge;
7. Warns the Commission and Council - who are responsible for this situation - of the repercussions on the 1972, 1973 and 1974 accounts, and urges the Commission, on the one hand, to act finally on the financial year 1971 and the Council, on the other, to act on the budget accounts for 1971;
8. Instructs its President to forward this resolution to the Council and Commission of the European Communities.

II.

The Committee on Budgets hereby submits to the European Parliament the following motion for a resolution:

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on the giving of a discharge to the Commission of the European Communities in respect of the activities of the European Development Funds in 1971

The European Parliament,

- having regard to the report of the Audit Board on the accounts for the financial year 1971 and to the answers of the institutions to that report (Doc. 206/72-III B);
- having regard to the report of the Committee on Budgets (Doc. 111/75),
- 1. Requests the Council to give a discharge to the Commission in respect of the implementation of the budget for the financial year 1971, with regard to the Development Funds, bearing in mind the observations made;
- 2. Requests the Commission to eliminate the causes which gave rise to those observations and to report to it on this matter;
- 3. Instructs its President to forward this resolution to the Council and, for information, to the Commission of the European Communities.

III

The Committee on Budgets hereby submits to the European Parliament the following motion for a resolution:

MOTION FOR A RESOLUTION

on the discharge given to the competent authorities in respect of the accounts of the European Parliament as at 31 December 1971

The European Parliament,

- having regard to the interim report of the Committee for Finance and Budgets (Doc. 13/72),
 - having regard to its resolution of 18 April 1972¹,
 - having regard to the revenue and expenditure accounts and the statement of assets and liabilities of the Communities for the accountancy procedures in respect of the 1971 budget, and to the report of the Audit Board on the accounts for the financial year 1971 (Doc. 206/72, I-IV),
 - having regard to the report of the Committee on Budgets (Doc. 111/75),
1. Finally adopts the revenue and expenditure accounts of the European Parliament as at 31 December 1971 at a figure of 11,015,873.40 u.a. in expenditure commitments incurred during this financial year, 10,638,668.96 u.a. actually spent and 377,204.44 u.a. still to be paid out at the end of this financial year;
 2. Gives a final discharge to its President and its Secretary-General, pursuant to Rule 50A(3) of its Rules of Procedure, in respect of the implementation of Parliament's budget for 1971.
 3. Instructs its President to forward this resolution to the Council and Commission of the European Communities.

¹OJ No. C 46, 9 May 1972, p. 33