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EUROPEAN PARLIAMENT

# Working Documents

1982-1983

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15 April 1982

DOCUMENT 1-105/82

## Report

on behalf of the Committee on Budgetary Control

on delays in the ECSC discharge procedure  
for the 1980 financial year

Rapporteur: Mr V. GABERT

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C O R R I G E N D U M

to the report by Mr GABERT  
(Doc. 1-105/82)

Page 2, first paragraph

This paragraph should read :

'On 16 March 1982 the Committee on Budgetary Control instructed Mr GABERT to draw up a report on the basis of Article 85 of the Financial Regulation.'

21.4.1982

PE 78.020/fin./corr.



On 16 March 1982 the Committee on Budgetary Control instructed Mr GABERT to draw up a report pursuant to Rule 85 of the Rules of Procedure.

At its meeting of 1 April the committee unanimously adopted the motion for a resolution and the explanatory statement.

The following took part in the vote: Mr AIGNER, chairman; Mr CLUSKEY, first vice-chairman; Mrs BOSEURP, second vice-chairman; Mr PRICE, third vice-chairman; Mr GABERT, rapporteur; Mr ARNDT (deputizing for Mr ORLANDI), Mr DALSASS (deputizing for Mr Konrad SCHÖN), Mr FRÜH, Mr GEORGIADIS (deputizing for Mr LALUMIERE), Mr GONTIKAS, Mr GOUTHIER, Mr IRMER, Mr KELLETT-BOWMAN, Mr MARCK, Mr NOTENBOOM, Mr PAPAEFSTRATIOU (deputizing for Mr FILIPPI), Mr PATTERSON, Mr RYAN and Mrs VAN HEMELDONCK.



The Committee on Budgetary Control hereby submits to the European Parliament the following motion for a resolution and proposal for a decision, together with explanatory statement.

MOTION FOR A RESOLUTION

on delays in the ECSC discharge procedure for the 1980 financial year

The European Parliament,

- having regard to Article 78(f)(5) of the ECSC Treaty,
  - having regard to the report of the Court of Auditors on the financial statements of the ECSC at 31 December 1980 (Doc. 1-925/81),
  - having regard to the report of the Committee on Budgetary Control (Doc. 1-105/82),
1. Welcomes the settlement of the differences of opinion between the Commission/High Authority and the Court of Auditors in relation to the auditing of the financial activities of the ECSC, which in the past caused considerable delays in the exercise of Parliament's responsibility for control;
  2. Recalls that, in its resolution of 15.12.1981 on the ECSC budget discharge for the 1978 and 1979 financial years, Parliament called upon the Commission and the Court of Auditors to make the necessary arrangements to enable it to grant a discharge in respect of the ECSC's financial activities by a procedure similar to that provided for in the EEC and EAEC Treaties;
  3. Notes that, although the Court of Auditors' report for 1980 on the regularity of the accounts and financial transactions of the ECSC was available in time, the Court of Auditors' comments on the economic efficiency of these activities were substantially delayed - contrary to the undertakings which the Court of Auditors and the Commission gave in the context of the discharge for 1978 and 1979;

4. Insists that these comments must be presented to Parliament without fail by 30 November of the year following the financial year in question to ensure the simultaneity of the EEC and EAEC discharge and the ECSC discharge;
5. Hopes that the early submission by the Court of Auditors of these comments will allow the simultaneity of the procedures mentioned above to be maintained;
6. Stresses that it cannot accept a repetition of the delays experienced in recent budgetary years in the case of the ECSC budget discharge procedure for 1980.



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EXPLANATORY STATEMENT

1. In the past the European Parliament has tried to ensure that it receives the same powers to grant a discharge in respect of ECSC activities as it has under the Rome Treaties for the EEC and EAEC.

In order to achieve this, it is indispensable that Parliament should have at its disposal the same basic information in both areas so that it can carry out a global evaluation of the effectiveness of Community policies at the same time.

Given the considerable delays to which the discharge procedures have been subject in recent years (the discharge for the 1978 and 1979 financial years was not given until 15.12.1981), Parliament, and in particular the Committee on Budgetary Control as the committee responsible, has attempted to overcome the difficulties at the root of the problem.

2. These difficulties were of two different kinds:
  - (a) accounting and internal organization problems of the Commission/High Authority, which are partly attributable to the growth in lending and borrowing activities;
  - (b) problems of coordination between the Commission and the Court of Auditors resulting particularly from the powers of the Court of Auditors to carry out audits in the Member States themselves and the external certification of the Commission's bank balances.

As far as (a) is concerned Parliament has already established<sup>1</sup> that the Commission is in the process of radically restructuring the accounting departments in order to achieve a greater degree of efficiency through the use of modern EDP procedures.

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<sup>1</sup> See resolution of 15.12.1981

In the case of (b), agreement has been reached on settling the differences of opinion between the Commission and the Court of Auditors concerning the external certification of bank balances as part of the discharge procedure for the 1978 and 1979 financial years with the cooperation of the Committee on Budgetary Control. As far as on-the-spot audits in the Member States are concerned the representatives of the institutions concerned claim that there are no longer any problems.

3. Although the difficulties which have delayed the discharge procedure in recent years may be regarded as having been solved, it is nevertheless true that there have again been delays in the procedure for the 1980 financial year.

Pursuant to Article 78(f)(5) of the ECSC Treaty, the Court of Auditors is responsible for drawing up by 30 June of the following year a report stating whether the accounting and financial management have been effected in a regular manner. The Court of Auditors then sends this report to the Commission/High Authority which in turn forwards it to Parliament. Unfortunately the report of the Court of Auditors<sup>1</sup> dated 30 June 1981 was not forwarded by the Commission to Parliament until 23.12.1981. There is no reason for this delay given that the Commission's response to the opinion of the Court of Auditors runs to no more than four pages.

It must be remembered, however, that the Court of Auditors gave the Committee on Budgetary Control an undertaking that it would present Parliament with a document containing its comments on the economic efficiency of the financial activities of the ECSC by the same date as is laid down for the EEC/EAEC discharge procedure.

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<sup>1</sup> See note of the Court of Auditors, PE 75.700/Ann.

Parliament's resolution of 15.12.1981 lays great stress on the simultaneity of procedures, and the fact that the agreed deadlines for the 1980 financial year have not been met is therefore to be deeply regretted.

Parliament therefore calls on the Court of Auditors and the Commission to reach a binding agreement regarding the timing and manner in which documents are forwarded.

