

---

EUROPEAN PARLIAMENT

Working Documents

1978 - 1979

---

11 December 1978

DOCUMENT 506/78

**SUPPLEMENTARY REPORT**

drawn up on behalf of the Committee on Budgets

following the Council's decisions on the amendments to the 1979 draft general budget adopted by Parliament on 25 October 1978 on

Section V: Court of Auditors

Rapporteur: Mr C. RIPAMONTI

1.2.2



On 13 March 1978 the Committee on Budgets appointed Mr RIPAMONTI rapporteur on Section V - Court of Auditors - of the draft general budget of the European Communities for the 1979 financial year.

The Committee on Budgets unanimously adopted the following report and the annexed amendment at its meeting of 4-5 December 1978.

Present: Mr Lange, chairman; Mr Bangemann and Mr Cointat, vice-chairmen; Mr Ripamonti, rapporteur; Mr van Aerssen, Lord Bessborough, Lord Bruce of Donington, Mr Caro, Mr Croze, Mrs Dahlerup, Mr Dankert, Mr Fröh, Mr Inchauspé, Mr Meintz, Mr B. Nielsen, Mr Ryan, Mr Schreiber, Mr Shaw, Mr Spinelli, and Mr Würtz.

C O N T E N T S

	<u>Page</u>
A. MOTION FOR A RESOLUTION .....	5
B. EXPLANATORY STATEMENT .....	6

Annex: Amendment

The Committee on Budgets hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement:

MOTION FOR A RESOLUTION

on the Council's decisions on the amendments to the 1979 draft general budget adopted by Parliament on 25 October 1978 on Section V: Court of Auditors

The European Parliament,

- having regard to the Council's decisions on the amendments to the 1979 draft general budget adopted by Parliament on 25 October 1978,
- having regard to the <sup>supplementary</sup> ~~report~~ by the Committee on Budgets (Doc. 506/78),
  
- whereas the Council's decisions on its amendment of 25 October 1978, which had been adopted following an exhaustive analysis of the requirements and programmes of the Court of Auditors, are not accompanied by a reasoned justification and cannot therefore be regarded as a valid statement of position,

Confirms by means of an amendment - which relates to 38 posts in view of the incompleteness of the Council's decision granting the Court 15 additional posts - its decision of 25 October 1978 on the strengthening of the establishment plan of the Court of Auditors.

EXPLANATORY STATEMENT

1. On 25 October 1978 the European Parliament unanimously adopted a draft report by Mr RIPAMONTI on behalf of the Committee on Budgets and an amendment granting the Court of Auditors 38 of the 86 posts it had requested to cope with its control duties, of which the Council had approved only 35 when the draft budget of the Communities was drawn up.

2. By unanimously adopting this amendment, Parliament brought the number of posts granted to the Court of Auditors for 1979 up to 73 (out of 86 requested).

Parliament adopted the amendment because it was essential to enable the Court not only to cope with the tasks assigned to it under the Treaty of 22 July 1975, but also to pursue its activities in accordance with the programme it had drawn up in the following 16 sectors for 1979 and which the Committee on Budgets approved:

- (a) EAGGF Guidance Section, Regional Fund, documentation service and legal service;
- (b) ECSC, Social Fund, budget and accounting division;
- (c) EAGGF Guarantee Section and programming division;
- (d) Research and investment expenditure, extra-budgetary expenditure and directorate for working methods and professional training;
- (e) Own resources, annual reports of activities and opinions;
- (f) EDF, food aid and relations with the Community institutions;
- (g) Expenditure on staff of the institutions, energy sector, administration and personnel sector;
- (h) Administrative expenditure, Statistical Office, information offices, European Bank and relations with national audit bodies;
- (i) External bodies, European Schools, EURATOM agency, secretariat of the Court and Brussels liaison office.

3. Having considered Parliament's amendments, the Council made the following comments on Amendment No. 233: 'create 38 new frozen posts (2 A 3, 3 A 4, 7 A 5, 3 A 6, 6 A 7, 1 B 1, 3 B 2, 2 B 3, 2 C 1, 5 C 2, 3 C 3 and 1 D 1);

Convert 1 C 1 into 1 BS 3

Convert 3 temporary C 1 into 3 temporary BS 3

Increase expenditure by 1,135,157 EUA.

'The Council has modified this amendment. It has agreed to grant the Court of Auditors 15 additional posts broken down as follows: 8 A, 3 B, 4 C.'

4. The Committee on Budgets is struck by the fact that absolutely no justification is given for the Council's decision, which obviously aggravates an already unsatisfactory situation, since the explanatory statement submitted by the Council in support of its position when the draft budget was drawn up (discussed in full in paragraphs 14 to 20 of the report submitted by the Committee on Budgets at the October part-session and subsequently adopted by Parliament (Doc. 396/78)) was extremely inadequate.

5. The Committee on Budgets feels that the negative attitude shown by the Council when it considered Parliament's amendments strengthens the arguments the committee put forward during the first reading of the budget, arguments that led Parliament to adopt unanimously the amendment on the establishment plan of the Court of Auditors. It is therefore unanimously of the opinion that the amendment adopted during the first reading should be retabled so that Parliament can finally adopt the establishment plan of the Court on the basis of criteria that will enable it to assume its responsibilities and carry out its duties properly.

6. The Committee on Budgets also proposes - as it did during the first reading of the draft budget - that these posts be frozen initially, and released by the European Parliament in collaboration with the Court of Auditors at the end of the first two quarters of 1979, as the Court pursues its auditing activities which, as explained above, are organized in 16 sectors.

o o o

7. The Council does not state clearly which 15 additional posts it is granting to the Court of Auditors after considering Parliament's amendment.

The Committee on Budgets would therefore be entitled to place its own interpretation on the Council's decisions and submit an amendment not, as at the first reading, relating to 38 posts but to the difference between 38 and the 15 posts granted by the Council, i.e. 23 posts.

However, to avoid any confusion, it prefers to reinstate the amendment tabled at the first reading so that the grades of the posts granted are clear.





# EUROPEAN PARLIAMENT

7 DECEMBER 1978

Doc. 472/81

COUNCIL MODIFICATIONS  
TO PARLIAMENT'S AMENDMENTS TO THE DRAFT BUDGET  
OF THE EUROPEAN COMMUNITIES  
FOR THE FINANCIAL YEAR 1979 Doc 296 78

AMENDMENT No. 81

tabled by the Committee on Budgets

to the Council's modification to Parliament's amendment No. 233

## SECTION V - COURT OF AUDITORS

List of posts - adjust the establishment plan by the following 38 new posts and the conversions shown below (23 posts are in fact involved as the Council had approved 15 additional posts for the Court which it is impossible to break down by grade because of the incompleteness of the Council's decision)

(a) creation of posts:

2 A 3, 3 A 4, 7 A 5, 3 A 6, 6 A 7, 1 B 1, 3 B 2, 2 B 3, 2 C 1,  
5 C 2, 3 C 3, 1 D 1;

(b) convert one permanent C 1 into one permanent BS 3;

convert three temporary C 1 into three temporary BS 3.

These posts are frozen. They will be released in two stages at the end of the first two quarters of 1979, in the light of the establishment and performance of the Court's auditing activities, which are to be organized in sixteen sectors.

### A - Expenditure

Increase the payment appropriation by 1,135,157 EUA (from 7,049,290 to 8,184,447 EUA) in accordance with the breakdown shown below.

### B - Compensation

-

### C - Revenue

Increase revenue by 883,800 EUA

The overall increase is to be broken down as follows:

Item 1100 - Basic salaries	+ 500,465 (from 5,168,110 to 5,668,575)
This amendment does not include the increase in appropriations shown in the breakdown against Item 1100 in respect of acceleration of recruitment, in view of the fact that these posts are frozen. The difference between the sum initially earmarked by the Court of Auditors for this heading and that allowed by the Council (164,300 = initial 300,000 - Council's 135,700) <u>now</u> appears under Item 11 0 'Auxiliary staff' 5,532,875 EUA.	
Item 1101 - Family allowances	+ 59,840 (from 466,480 to 526,320)
Item 1102 - Expatriation allowances (including Art. 97 of ECSC Staff Regulations)	+ 113,990 (from 888,910 to 1,002,900)
Item 1103 - Temporary fixed allowances	+ 16,310 (from 39,150 to 55,460)
Item 1110 - Auxiliary staff	+ 164,300 (from 110,000 to 274,300)
Item 1130 - Insurance against sickness	+ 19,940 (from 155,500 to 175,440)
Item 1131 - Insurance against accidents and occupational diseases	+ 4,460 (from 34,720 to 39,180)
Item 1141 - Annual leave travel expenses	+ 34,022 (from 61,520 to 95,542)
Item 1221 - Staff	+ 128,000 (from 117,900 to 245,900)
Item 2210 - New purchases	+ 93,830 (from 117,000 to 210,830)

#### REMARKS

Modify the remarks against the above items accordingly.

#### Justification

Parliament feels the Court of Auditors must be allowed to assume its responsibilities and carry out its tasks in accordance with the provisional programme it submitted to the Committee on Budgets. This decision by Parliament is based on a similar amendment unanimously adopted at the first reading.

The Committee on Budgets feels bound to table an amendment concerning the creation of 38 posts in view of the incompleteness of the Council's decisions of 20 November 1978 on Parliament's amendments, the Council in fact approved 15 additional posts for the Court of Auditors (8 A, 3 B, 4 C) without specifying the breakdown by career bracket.

The Committee on Budgets has therefore no alternative but to retable in its entirety the amendment unanimously adopted at the October part-session. The fact that the posts are frozen enables Parliament to follow implementation of the Court's programme more closely.

FINANCIAL IMPLICATIONS

BREAKDOWN BY ITEM

EXPENDITURE - Chapter 11 - Article 110 - Item 1100		5,668,575	EUA
	Item 1101	526,320	EUA
	Item 1102	1,002,900	EUA
	Item 1103	55,460	EUA
	Item 1110	274,300	EUA
	Article 113 - Item 1130	175,440	EUA
	Item 1131	39,180	EUA
	Article 114 - Item 1141	95,542	EUA
Chapter 12 - Article 122 - Item 1221		245,900	EUA
Chapter 22 - Article 221 - Item 2210		210,830	EUA
REVENUE - Chapter 40	207,512	1,556,137	EUA
- Chapter 41	43,845	393,720	EUA
	TOTAL :	251,357	1,949,857
			EUA

