

EUROPEAN PARLIAMENT

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Committee on Budgetary Control

2007/0151(CNS)

16.1.2008

DRAFT OPINION

of the Committee on Budgetary Control

for the Committee on Budgets

on the draft Commission regulation (EC, Euratom) amending Commission Regulation (EC, Euratom) No 2343/2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities
(SEC(2007)1013 – C6-0417/2007 – 2007/0151(CNS))

Draftsman(*): Jan Mulder

(*): Procedure with associated committees – Rule 47 of the Rules of Procedure

PA_Legam

AMENDMENTS

The Committee on Budgetary Control calls on the Committee on Budgets, as the committee responsible, to incorporate the following amendments in its report:

Text proposed by the Commission¹

Amendments by Parliament

Amendment 1
RECITAL 3 A (new)

(3a) In consideration of the difference in deadlines between the European Parliament's discharge decision in respect of the general budget, which is 15 May of year n+2, and its discharge decision in respect of the agencies, which is 30 April of year n+2, all actors involved should try to avoid difficulties in practice and strive for a harmonisation of the legal bases in the future.

Justification

The deadline has to be changed in the specific regulations for each agency. The Commission should table a proposal which would adapt the date horizontally in all the specific regulations.

Amendment 2
ARTICLE 1, POINT -1 (new)
Article 2, point 1 (Regulation (EC, Euratom) No 2343/2002)

*(-1) In Article 2, point 1 is replaced by the following:
'1. "Community body" shall mean any body referred to in Article 185(1) of the general Financial Regulation.
Community bodies which actually receive contributions charged to the*

¹ Not yet published in OJ.

budget as referred to in Article 185(1) of the general Financial Regulation shall mean any Community bodies receiving direct grants from the budget and any other Community bodies receiving contributions from the budget;'

Justification

The general budgetary and financial rules should apply to all bodies which generate costs charged to the budget, be it through direct grants, through the use of EU staff, through pensions of agencies' staff charged to the budget or other costs.

Amendment 3

ARTICLE 1, POINT 9, POINT (A)

Article 26, paragraph 2 (Regulation (EC, Euratom) No 2343/2002)

2. A summary of the budget and amending budgets, as finally adopted, shall be published in the Official Journal of the European Union within three months of their adoption.

2. A summary of the budget and amending budgets, as finally adopted, shall be published in the Official Journal of the European Union within three months of their adoption. ***This summary shall indicate revenue and expenditure and the changes in relation to the previous year, the main expenditure headings for the administrative and operational budget, the main revenue headings, the establishment plan including permanent and temporary staff, national experts and contract agents and the changes in relation to the previous year.***

Justification

The content of the summary should be specified, see ECA opinion No. 4/2007, paragraph 2.

Amendment 4

ARTICLE 1, POINT 9, POINT (B)

Article 26, paragraph 4 (Regulation (EC, Euratom) No 2343/2002)

4. The Community body shall make available, in an appropriate manner, information on the beneficiaries of funds deriving from its budget. This information shall be made available with due observance

4. The Community body shall make available ***on its website***, in an appropriate manner, information on the beneficiaries of funds deriving from its budget. ***The information made available shall be easily***

of the requirements of confidentiality and security, in particular the protection of personal data laid down in Regulation (EC) No 45/2001 of the European Parliament and of the Council.

accessible for third parties and shall be presented in a well structured and comprehensive manner. This information shall be made available with due observance of the requirements of confidentiality and security, in particular the protection of personal data laid down in Regulation (EC) No 45/2001 of the European Parliament and of the Council.

Justification

This amendment seeks to ensure that the concrete way of publication really enhances transparency.

Amendment 5

ARTICLE 1, POINT 12

Article 35, paragraph 1 (Regulation (EC, Euratom) No 2343/2002)

1. All financial actors within the meaning of Chapter 2 of this Title and any other person involved in budget implementation, management, audit or control shall be prohibited from taking any measures *of budget implementation* which may bring their own interests into conflict with those of the Community body. Should such a case arise, the person in question must refrain from such measures and refer the matter to the competent authority.

1. All financial actors within the meaning of Chapter 2 of this Title and any other person involved in budget implementation, management, audit or control shall be prohibited from taking any measures which may bring their own interests into conflict with those of the Community body. Should such a case arise, the person in question must refrain from such measures and refer the matter to the competent authority.

Justification

Clarify that persons involved in audit and control work should not take budget implementation measures, see ECA opinion No. 4/2007, paragraph 3.

Amendment 6

ARTICLE 1, POINT 16

Article 43, paragraph 2 a, subparagraph 1 (Regulation (EC, Euratom) No 2343/2002)

2a. Before the adoption of the accounts by the *Director*, the accounting officer shall sign them off, thereby certifying that he has a reasonable assurance that the accounts present a true and fair view of the financial

2a. Before the adoption of the accounts by the *management board*, the accounting officer shall sign them off, thereby certifying that he has a reasonable assurance that the accounts present a true and fair view of the

situation of the Community body.

financial situation of the Community body.

Justification

Align responsibility for the final accounts with the general Financial Regulation, where they are approved by "the Commission" (Articles 61 para. 2a and 129 para.3), and the FR for executive agencies, where they are approved by "the management board"(Art. 57 (b)).

Amendment 7

ARTICLE 1, POINT 16

Article 43, paragraph 2 c, (Regulation (EC, Euratom) No 2343/2002)

2c. The accounting officer of the Community body shall sign off its annual accounts and send them to the Commission's accounting officer. *deleted*

Justification

Superfluous, as the accounting officer's duty to sign off the accounts is already specifically laid down in Article 43 paragraph 2a. According to Article 83 paragraph 3, the director sends the final accounts to the Commission's accounting officer.

Amendment 8

ARTICLE 1, POINT 19

Article 47, paragraph 4, subparagraph 1 (Regulation (EC, Euratom) No 2343/2002)

4. The specialised financial irregularities panel set up by the Commission in accordance with Article 66(4) of the general Financial Regulation, shall exercise the same powers in respect of the Community body as it does in respect of Commission departments, ***unless the management board decides to set up a permanent, functionally independent panel, or to participate in a permanent joint panel established by several Community bodies.***

4. The specialised financial irregularities panel set up by the Commission in accordance with Article 66(4) of the general Financial Regulation shall exercise the same powers in respect of the Community body as it does in respect of Commission departments.

Amendment 9

ARTICLE 1, POINT 25 A (new)

Article 71, paragraph 1 (Regulation (EC, Euratom) No 2343/2002)

(25a) In Article 71, paragraph 1 is replaced by the following:

'1. The Community body shall have an internal auditing function which must be performed in compliance with the relevant international standards. In order to comply with this obligation, the Community body may share an internal auditing function with one or more Community bodies as referred to in Article 185(1) of the general Financial Regulation.'

Amendment 10

ARTICLE 1, POINT 28

Article 74a (Regulation (EC, Euratom) No 2343/2002)

Article 265a of the Regulation (EC, Euratom) No 2342/2002 shall apply *mutatis mutandis* for the selection of experts. Such experts shall be paid on the basis of a fixed amount, for assisting the Community body, in particular in evaluating proposals and grant applications or tenders for procurement, and for providing technical assistance in the follow-up to, and final evaluation of projects. The Community body may use the lists drawn up by the Commission or other Community bodies.

Article 265a of the Regulation (EC, Euratom) No 2342/2002 shall apply *mutatis mutandis* for the selection of experts. Such experts shall be paid on the basis of a fixed amount, for assisting the Community body, in particular in evaluating proposals and grant applications or tenders for procurement, and for providing technical assistance in the follow-up to, and final evaluation of projects. The Community body may use the lists drawn up by the Commission or other Community bodies. ***A list with the names of the experts who cooperated with the Community body during the financial year in question and the remuneration received by these experts shall be attached to the Community body's report on budgetary and financial management to the budgetary authority, taking due account of the protection of personal data.***

Justification

The budgetary authority should be enabled to monitor the use of external experts by the agencies. This amendment is needed in addition to Article 26 paragraph 4 (new), which only concerns the publication of information on beneficiaries.

Amendment 11
ARTICLE 1, POINT 30
Article 83, paragraph 2 (Regulation (EC, Euratom) No 2343/2002)

2. On receiving the Court of Auditors' observations on the provisional accounts of the Community body, the Director shall draw up the final accounts of the Community body in accordance with Article 43, under his own responsibility, **and send them to** the management board, **which shall give an opinion on these accounts.**

2. On receiving the Court of Auditors' observations on the provisional accounts of the Community body, the Director shall draw up the final accounts of the Community body in accordance with Article 43, under his own responsibility. **The final accounts shall be approved by** the management board.

Justification

Align responsibility for approval of the final accounts with the general Financial Regulation where they are approved by "the Commission" (article 129 paragraph 3), and the Financial Regulation for executive agencies, where they are approved by "the management board" (Art. 57 (b)).

Amendment 12
ARTICLE 1, POINT 30
Article 83, paragraph 3 (Regulation (EC, Euratom) No 2343/2002)

3. The Director shall send the final accounts, **together with the opinion of** the management board, to the Commission's accounting officer, the Court of Auditors, the European Parliament and the Council, by 1 July of the following year at the latest.

3. The Director shall send the final accounts, **as approved by** the management board, to the Commission's accounting officer, the Court of Auditors, the European Parliament and the Council, by 1 July of the following year at the latest.

Justification

The final accounts should be approved by the management board, as in the case of executive agencies.

Amendment 13
ARTICLE 1, POINT 30 A (new)
Article 94, paragraph 1 (Regulation (EC, Euratom) No 2343/2002)

(30a) In Article 94, paragraph 1 is replaced by the following:

'1. The European Parliament, upon a recommendation from the Council, shall, before 30 April of year n+2, give a

discharge to the director in respect of the implementation of the budget for year n; in its resolution accompanying the discharge decision the European Parliament may also address observations to the management board.'

(Same wording as that of Regulation (EC, Euratom) No 2343/2002, adding the last sentence.)

Amendment 14

ARTICLE 1, POINT 30 B (new)

Article 94, paragraph 3 (Regulation (EC, Euratom) No 2343/2002)

(30b) In Article 94, paragraph 3 is replaced by the following:

'3. If the European Parliament postpones the decision giving a discharge, the director, in cooperation with the management board, shall make every effort to take measures, as soon as possible, to remove or facilitate removal of the obstacles to that decision.'

(Same wording as that of Regulation (EC, Euratom) No 2343/2002, adding "in cooperation with the management board,")

Amendment 15

ARTICLE 1, POINT 31 A (new)

Article 98 a (new) (Regulation (EC, Euratom) No 2343/2002)

(31a) The following Article 98a is inserted:

'Article 98a

Two years before the expiry of a financial perspective or multi-annual financial framework, the Commission shall provide the European Parliament and the Council with an opinion concerning the functioning and the necessity of each agency.'