

EUROPEAN PARLIAMENT

2004



2009

Committee on Budgetary Control

2005/2001(BUD)

4.10.2005

OPINION

of the Committee on Budgetary Control

for the Committee on Budgets

on the draft general budget of the European Union for the financial year 2006

Section III - Commission
(C6-0000/2005 – 2005/2001(BUD))

Draftsman: Christopher Heaton-Harris

PA_NonLeg

SHORT JUSTIFICATION

In this report, the aim of your draftsman has been to ensure that the budget respects the rules and follows the policies adopted by Parliament in the field of financial management and the fight against fraud. The points raised below stem from an examination of the implementation of the budget, the discharge conclusions adopted by Parliament, reports on budgetary management by the European Court of Auditors, and Parliament conclusions on the fight against fraud.

Earmarking

1. Grants awarded under budget lines 15040103 (subsidy for cultural organisations advancing the idea of Europe) and 15060103 (grants to organisations advancing the idea of Europe) have in the past been earmarked. However from 2006 onwards earmarking is ruled out by the Financial Regulation, and access to these grants is instead decided on the basis of a call for proposals. Late publication of calls for proposals could restrict the range of eligible organisations able to apply. The Commission should ensure that the call for proposals is on track, open, fair and timely.

OLAF

2. OLAF has asked for 25 new staff and an increase in its budget of 10% in 2006. The Bösch report of 7 June 2005 on the protection of the financial interests of the Communities and fight against fraud posits the idea of setting up OLAF branch offices to monitor key smuggling centres¹. While OLAF should receive sufficient resources to deal with its workload and resolve cases more quickly, your draftsman feels that a satisfactory justification for this increase is needed, particularly given the findings of the Court of Auditors that OLAF already has sufficient resources², and assurances concerning the supervision and control of the Office's activities.

¹ P6_TA-2005-0218, paragraph 38.

² European Court of Auditors' Special Report No 1/2005 concerning the management of the European Anti-Fraud Office, paragraph 19.

SUGGESTIONS

The Committee on Budgetary Control calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. calls on the Commission to ensure that the call for proposals for grants awarded under budget lines 15040103 (subsidy for cultural organisations advancing the idea of Europe) and 15060103 (grants to organisations advancing the idea of Europe) is on track, open, fair and timely;
2.
 - a) grants the request by OLAF for additional resources on the basis of a satisfactory justification,
 - b) asks for assurances concerning the supervision and control of OLAF's activities.

PROCEDURE

Title	Draft general budget of the European Union for the financial year 2006 - Section III Commission
References	(C6-0000/2005 – 2005/2001(BUD))
Committee responsible	BUDG
Committee asked for its opinion Date announced in plenary	CONT 16.03.2005
Enhanced cooperation	No
Drafts(wo)man Date appointed	Christopher Heaton-Harris 16.03.2005
Discussed in committee	12.09.2005
Date amendments adopted	03.10.2005
Result of final vote	for: 11 against: 0 abstentions: 1
Members present for the final vote	Simon Busuttil, Szabolcs Fazakas, Ingeborg Gräßle, Umberto Guidoni, Bart Staes, Margarita Starkevičiūtė, Alexander Stubb, Jeffrey Titford, Kyösti Tapio Virrankoski, Terence Wynn
Substitutes present for the final vote	Edit Herczog, Esko Seppänen