

EUROPEAN PARLIAMENT

2004



2009

Committee on Regional Development

2007/2037(DEC)

28.2.2008

OPINION

of the Committee on Regional Development

for the Committee on Budgetary Control

on discharge in respect of the implementation of the European Union general budget for the financial year 2006
(SEC(2007)1056 - C6-0390/2007 - 2007/2037(DEC))
(SEC(2007)1055 - C6-0362/2007 - 2007/2037(DEC))

Section III - Commission

Draftsman: Gerardo Galeote

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SUGGESTIONS

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

1. Notes with some concern that the implementation of shared management is criticised by the Court of Auditors in that it has failed in its view to rectify the insufficiencies in some Member States' control systems which have been inadequate from the beginning;
2. Deplores once again the failure of some Member States to adequately control tax payers' money, for which they are responsible, and encourages the Commission in its efforts to assist in the training of the staff of the managing authorities and paying authorities in the Member States to correctly implement the rules in order to meet Community standards;
3. Notes that in its report the Court of Auditors appreciated the quality of more than 70% of Commission audits which resulted, in the majority of cases, in the identification of irregularities requiring redress; notes further that, in accordance with basic principles, there needs to be firm evidence of irregularities, be they formal, financial or fraudulent, before action can be taken;
4. Notes that the 2006 budgetary exercise must be reviewed in the light of the rules in force during the 2000-2006 programming period, and that the new rules applying to the period 2007-2013 are more stringent and should lead to better results;
5. Approves of the Commission's stated position that all established irregularities should be duly followed up by corrective measures, including the suspension of payments and the recuperation of unjustified or incorrectly made payments; notes in this respect its concern at the number of irregularities in 2006, and takes note of the commitment of the Commission to draw up a detailed plan to reduce the scale of sums unduly paid in the future;
6. Notes with some confidence the Commission's position that none of the unduly paid money is lost and that the large sums involved will be recuperated; calls on the Commission to inform Parliament, upon the closure of the last of the projects involved in the 2006 budgetary exercise, of the total sums recovered and, if necessary, of any losses and the reasons therefor;
7. Notes with concern the substantial decline in the volume of payments in some of the 'old' Member States, which led to a sharp increase in outstanding commitments (RAL);
8. Notes with concern that the persistent weaknesses in controlling management systems in certain Members States of the EU 27 raises doubts as to whether the legality and regularity of the use of EU funds can be guaranteed, as the Commission and the Court of Auditors have pointed out;

National management declarations

9. Points out that, under Article 274 of the EC Treaty, the European Commission – which is responsible for implementing the EU budget – must cooperate with Member States to ensure respect for the principles of sound financial management. Since the operative actions of the Structural Funds fall within shared competence, Member States are responsible for carrying out their implementation and control; stresses the need, as already advocated by Parliament in its discharge resolutions for 2003, 2004 and 2005, to introduce national declarations at an appropriate political level governing all Community funds coming under the shared management arrangement and providing a genuine guarantee that national supervisory and control systems are functioning properly.
10. Reminds the Commission that the quality of audit systems has a considerable influence on project evaluation, and thus strict regulation of the quality of financial control procedures will be particularly important in the future.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	27.2.2008
Result of final vote	+: 53 -: 0 0: 0
Members present for the final vote	Alfonso Andria, Emmanouil Angelakas, Stavros Arnaoutakis, Elspeth Attwooll, Rolf Berend, Jana Bobošíková, Victor Boștinaru, Antonio De Blasio, Petru Filip, Gerardo Galeote, Iratxe García Pérez, Eugenijus Gentvilas, Pedro Guerreiro, Gábor Harangozó, Marian Harkin, Jim Higgins, Mieczysław Edmund Janowski, Rumiana Jeleva, Gisela Kallenbach, Tunne Kelam, Evgeni Kirilov, Miloš Koterec, Constanze Angela Krehl, Jamila Madeira, Mario Mantovani, Sérgio Marques, Miroslav Mikolášik, James Nicholson, Lambert van Nistelrooij, Jan Olbrycht, Maria Petre, Markus Pieper, Pierre Pribetich, Wojciech Roszkowski, Elisabeth Schroedter, Grażyna Staniszewska, Catherine Stihler, Dimitar Stoyanov, Margie Sudre, Andrzej Jan Szejna, Oldřich Vlasák
Substitute(s) present for the final vote	Jan Březina, Brigitte Douay, Den Dover, Emanuel Jardim Fernandes, Lidia Joanna Geringer de Oedenberg, Vladko Todorov Panayotov, Miloslav Ransdorf, Zita Pleštinská, László Surján, Iuliu Winkler
Substitute(s) under Rule 178(2) present for the final vote	Janelly Fourtou, Zdzisław Zbigniew Podkański