

Thursday 13 April 2000

2. EDF, other sections, decentralised Community bodies (1998 discharge)

A5-0089/2000

I.

European Parliament resolution on postponement of the decision concerning discharge to the Commission in respect of the financial management of the sixth, seventh and eighth European Development Funds for the 1998 financial year (COM(1999) 227 – C5-0003/1999 – 1999/2004(DEC))

The European Parliament,

- having regard to the balance sheets and accounts of the sixth, seventh and eighth European Development Funds for the financial year (COM(1999) 227 – C5-0003/1999),
- having regard to the Convention signed in Lomé on 31 October 1979 (sixth EDF, Lomé II),
- having regard to the Convention signed in Lomé on 8 December 1984 (seventh EDF, Lomé III) ⁽¹⁾,
- having regard to the Convention signed in Lomé on 15 December 1989 (eighth EDF, Lomé IV) ⁽²⁾,
- having regard to the Convention signed in Mauritius on 4 November 1995 (eighth EDF, Lomé IV bis) ⁽³⁾,
- having regard to the report of the Court of Auditors for the 1998 financial year, and the replies of the institutions (C5-0266/1999) ⁽⁴⁾,
- having regard to the recommendation of the Council of 13 March 2000(C5-0154/2000),
- having regard to Article 276 of the EC Treaty,
- having regard to Rule 93 and Annex V of its Rules of Procedure
- having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Development and Cooperation (A5-0089/2000),

A. whereas, as at 31 December 1998, financial aid corresponding to the sixth, seventh and eighth European Development Funds amounted to € 1 469 billion,

1. Recommends postponing discharge to the Commission for the sixth, seventh and eighth European Development Fund for 1998; requests the Commission to draw up by 15 May 2000 an Action Plan with dates where appropriate incorporating the following elements:

- a confirmation by the Commission of the procedures by which it will inform Parliament, OLAF and the Court of Auditors of fraud and irregularities in development aid programmes;
- a breakdown of the corrective measures to be requested from beneficiary governments when found to be responsible for fraud and irregularities, including measures to strengthen national and EU control systems;
- a statement of the monies which, according to the measures agreed by the Commission, have been or remain to be reimbursed by national authorities following the results of audits;
- a commitment to a policy of zero tolerance of fraud and irregularity in the use of counterpart funds by beneficiary governments;
- a full list of the administrative and/or disciplinary enquiries relating to delegation staff which need to be carried out in the light of audits of structural adjustment programmes, and other development assistance;

⁽¹⁾ OJ L 86, 31.3.1986, p. 1.

⁽²⁾ OJ L 229, 17.8.1991, p. 1.

⁽³⁾ OJ L 156, 29.5.1998, p. 1.

⁽⁴⁾ OJ C 349, 3.12.1999.

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- an outline of the measures which it will take to revise the policy framework for structural adjustment, in coordination with the donors, in order to ensure that the responsibilities given to beneficiary governments are matched with adequate independent controls of the counterpart funds at their disposal (to include strengthening of controls carried out both by national bodies and by the Commission);
 - the full measures to be taken to strengthen the internal audit and evaluation functions which deal with external aid;
 - a full response to the conclusions contained in the opinion of the Development Committee on the 1998 discharge;
 - rapid implementation of a standard model contract for services and supplies and an appraisal of all technical assistance, as requested repeatedly by the Court of Auditors;
 - a commitment to a benchmarking exercise with audit and evaluation systems of aid delivered by Member States and to propose a fail-safe system whereby key findings are systematically and immediately flagged to senior management;
2. Instructs its President to forward this resolution containing its observations to the Commission, the Council, the Court of Auditors, the European Investment Bank and each of the other institutions, and to have it published in the Official Journal (L series).

II.

Decision of the European Parliament granting discharge to the Administrative Board of the European Foundation for the Improvement of Living and Working Conditions in respect of the implementation of its budget for the 1998 financial year (C5-0150/2000 – 2000/2094(DEC))

The European Parliament,

- having regard to the report of the Court of Auditors on the financial statements and management of the European Foundation for the Improvement of Living and Working Conditions (Dublin-Foundation) for the financial year ended 31 December 1998 (C5-0150/2000) ⁽¹⁾,
 - having regard to the Council Recommendation of 13 March 2000 (C5-0152/2000),
 - having regard to the EC Treaty and in particular Article 276 thereof,
 - having regard to Rule 93 and Annex V of its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A5-0089/2000),
- A. whereas Parliament granted discharge to the Administrative Board of the Foundation on 4 May 1999 ⁽²⁾ for the financial year 1997 on the basis of commitments to separate the duties of authorising and accounting officer, to enact a memorandum of understanding with the European Agency for Health and Safety in Bilbao and to improve day-to-day management by reducing the reliance on imprest accounts and by actively controlling mission expenses and study contracts,
- B. whereas the report of the Court of Auditors for 1998 notes that the Foundation relies substantially on the imprest accounts, needs to strengthen analysis and management of mission expenses, has not updated its version of the Implementation of the Financial Regulation since 1976 and needs to review its in-house translation with regard to the development of the Translation Centre for the Bodies of the European Union in Luxembourg,
- C. whereas the Foundation has not adopted the budget and on-line visa system of the Commission, available for agencies since 1 January 1998,
- D. whereas the relatively long contradictory procedure between the Foundation and the Court of Auditors for a relatively short report leads to the submission of the annual report for 1998 in November 1999,

⁽¹⁾ OJ C 372, 22.12.1999, p. 38.

⁽²⁾ OJ C 279, 1.10.1999, p. 139.