The ABB-ABM method as a management tool for allocating budgetary resources

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The European Parliament adopted by 657 votes to 13, with 20 abstentions, a resolution on the ABB-ABM method as a management tool for allocating budgetary resources.

Parliament notes that this management tool has been a success and has brought about an important cultural change in the Commission, whilst at the same time helping to clarify personal responsibilities and accountability, and making management more effective, result oriented and transparent. However, it also stresses that there is still real danger of bureaucratisation of the Commission through the proliferation of burdensome rules and cumbersome procedures. Simplification is therefore necessary.

Responsibilities: Parliament stresses that that **political responsibility lies with the Commissioners**. Vis-à-vis the Parliament, they are fully responsible for the implementation of sound and effective management in their respective departments. Parliament considers it of utmost importance that, as the Executive responsible for implementation, the Commission has enough means. The Commission should also have **more flexibility and freedom** to take action. It should also establish clear quantitative and qualitative indicators to measure the achievement of policy and administrative objectives. Parliament also recalls that a level of management and administrative responsibility lies with Directors General of Commission DGs, in terms of efficient, effective and, of course, legally correct implementation of programmes and policies. It therefore stresses the need to clarify this chain of responsibility in order to prevent it from resulting in a lack of “ownership” for specific issues in the Commission. It calls on the Commission to establish some clear guidelines in this respect.

Feedback: Parliament considers that a more concise version of the relevant Annual Activity Reports (AARs) and their Synthesis Report should be made available to Parliament and Council in the annual budgetary procedure. It also considers that it is a serious shortcoming that, until now, the Annual Policy Strategy (APS), and the parallel budgetary information feeding into the Preliminary Draft Budget (PDB), have introduced new priorities without identifying any "**negative priorities**". As a result, the whole cycle tends to add one priority after another without taking any political decision on what has been done. Parliament is not convinced that the SPP/ABM process sufficiently takes into account 'lessons learned' and previous results. Moreover, it calls for greater consideration to be given to the implementation of the general budget and the consequences of that implementation for the following years.

Within the Commission: Parliament believes that, by and large, the strategic objectives are unfortunately not subject to any real attempt of evaluation in terms of progress. It believes that, for example, a mid-term review on how the strategic goals have been met could be implemented and that each DG could feed into that process by indicating what actions have been undertaken, what resources have been used, and how this has contributed to fulfilling the overall goals. Ultimately, such involvement is key to **responsible management of resources at the operational levels**. Moreover, Parliament stresses that ABB/ABM must be developed in such a way that greater transparency and explanations concerning the division of responsibilities between central and decentralised functions in the Commission can be available.

Concluding remarks: Parliament requests the Commission to better integrate and streamline the SPP-ABM cycle so that the actual results of the implementation of policies and activities can be taken into due consideration when allocating human and financial resources. This should also result in the identification of possible "negative priorities" in the budget.

In general, Parliament considers that greater consideration should be given to making the Annual Policy Strategy an exercise by which the **results of previous years are systematically taken into account** and that simplifications and improvements in presentation should also be made to the content of the SPP-ABM key documents, such as Commission's Annual Activity and Synthesis Reports, to make them better match the Budgetary and Discharge Authority's needs.

Moreover, Parliament calls on the Commission to report back to the Parliament on the results of such analyses before Parliament's first reading on Budget 2010. MEPs also ask the Commission to keep the Parliament informed of the actions taken to assess and improve organisational efficiency and effectiveness. More generally, Parliament calls for alignment between programming and budgeting activities, through a **better link** between the Multiannual Financial Framework (MFF), the Commission's Strategic Plan and the APS.