

# 2007 discharge: EU general budget, Economic and Social Committee

2008/2280(DEC) - 23/04/2009 - Text adopted by Parliament, single reading

The European Parliament adopted a decision by 434 votes to 21, with 9 abstentions, a decision to grant discharge to the Secretary-General of the European Economic and Social Committee (EESC) in respect of the implementation of its budget for the financial year 2007.

The European Parliament also adopted by 424 votes to 21 with 9 abstentions, a resolution with observations which form an integral part of the decision to grant discharge.

The resolution recalls that, in 2007, the European Economic and Social Committee (EESC) had commitment appropriations available amounting to a total of EUR 116 million (compared to EUR 112 million in 2006), with a utilisation rate of 91.64% (below the average of the other institutions).

The other main issues contained in the resolution can be summarised as follows:

§ **Cooperation Agreement with the Committee of the Regions:** Parliament welcomes the signature in December 2007 of a new Administrative Cooperation Agreement between the EESC and the Committee of the Regions (CoR) for the period 2008 to 2014. It is convinced that cooperation between the two institutions will be financially advantageous to European taxpayers and note that the new Agreement keeps the most important areas (infrastructure, IT and telecommunications, as well as translation, including the production of documents) within the Joint Services' remit, while a limited number of services are de-coupled. It stresses, however, that this de-coupling should be budget neutral.

§ **Advantages for EESC staff:** recalling the Court's finding that "by continuing to apply a multiplication factor greater than 1 in the two years following promotion, rather than converting the balance over 1 into seniority in step, the EESC thereby grants its staff a financial advantage not granted by the other institutions", Parliament calls on the EESC to ensure the equal treatment of all staff. In this context, it awaits the Civil Service Tribunal's ruling on an appeal brought by a Commission official, and expects the EESC to align its practice (if necessary retroactively) to this ruling.

§ **Negotiated contracts:** Parliament notes with satisfaction the considerable reduction in the value of negotiated contracts as a proportion of the value of contracts awarded from 7.5% in 2006 to 2.5% in 2007. Moreover, it notes that a building contractor with which the EESC and the CoR had contractual relationships was arrested in March 2007 under suspicion of fraud. In this context, Parliament recalls that it is crucial to strengthen controls in all areas.

§ **Fraudulent claims for travel expenses:** Parliament notes that the Belgian tribunal of first instance found a former EESC Member guilty of fraudulent claims for travel expenses (double reimbursement). It notes that general review of the rules for reimbursement of travel and meeting expenses of EESC Members was adopted on 25 September 2007 (aimed at improving and simplifying the procedures involved) but consider it necessary to look into this matter in the following discharge exercise (financial year 2008).

§ **Declarations of interests:** Parliament notes that Members of the EESC do not declare their financial interests or disclose relevant information on such things as declarable professional

activities and remunerated posts or activities. It suggests that the EESC introduce this obligation for all its Members.

Parliament praises the EESC for the quality of its annual activity report, but request the inclusion in its following activity report of a chapter giving a detailed account of the follow-up during the year to Parliament's earlier discharge decisions.

Lastly, Parliament regrets the fact that, despite amendments to the Financial Regulation, its rules on procurement are still excessively cumbersome for smaller institutions, such as the EESC. It therefore calls on the Commission to consult extensively with this institution in order to ensure that its concerns are fully taken into account in the final draft.