# 2011 discharge: EU general budget, European Parliament

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The Committee on Budgetary Control adopted the report by Eva ORTIZ VILELLA (EPP, ES) in which it calls on the European Parliament to grant its President discharge in respect of the implementation of the European Parliament budget for the financial year 2011.

**Discharge procedure**: Members highlight the **added value of the parliamentary procedure leading up to the annual Parliament discharge** and reiterate that the Parliament discharge is an additional possibility for exercising, in public, a critical scrutiny of the institution's financial management, thereby facilitating Union citizens' understanding of Parliament's particular governance structure.

They emphasise that scrutiny is necessary to ensure that Parliament's administration is held accountable to **avoid any risk of opaque management** and therefore to operate in a completely transparent manner.

Members consider that it is therefore necessary to prevent even the most minor shortcomings which might tarnish the political achievements of Europe’s democratic institution and its efforts to achieve increased transparency and sounder financial management. They point out that this resolution remains principally focussed on the budget implementation and discharge for the financial year 2011 and that its main goal is to ensure that taxpayers' public money is used in the best possible way while highlighting where improvements can be made.

**European Parliament’s management during 2011**: Members firmly hold that those smart savings measures of almost EUR 40 million do not affect either the efficiency of Parliament's activities or the resources made available to each Member.

Once again, they highlight the issue of the **multiple seat arrangement**. They propose that the Parliament’ s own impact assessment services examine this question, including with respect to the impact of the Parliament’s presence or partial presence on the respective communities and regions, and present an assessment by June 2013 in order for their findings to be considered in the context of the next MFF". They note that the Parliament is bound by the Treaty to work from three working places and that this means added costs. They note also that **a change to this situation is not in the hands of the Parliament but of the Member States**.

**Code of conduct**: Members welcome the new Code of Conduct for Members of the European Parliament and recall that Members are required to make full disclosure of any remunerated activities outside Parliament, of the remuneration they receive, and of any other functions that they perform which may give rise to conflicts of interest. The code expressly **prohibits Members from accepting any sum of money** or other gift in exchange for influencing Parliament decisions. They are concerned that, one year after the entry into force of the Code of Conduct, the implementing measures to ensure transparency with regard to Members’ travel, accommodation and subsistence expenses paid by third parties – have not yet been adopted.

For Members, all third-party-paid travel, accommodation and subsistence expenses **of EUR 150 or more** must be disclosed. They call on Parliament’s Administration to publish **all declarations of MEPs’ financial interests**, broken down by year, in machine-readable form in the MEP profile section of Parliament's website.

**Statutes**: Members point out that 2011 was the second full year in which the new Statute for Members and the Statute for Assistants has been in force and that a single scheme governing the status of **accredited parliamentary assistants (APAs)** working in Parliament's three working places was created. They suggest a full evaluation of the Statute of Assistants including possible adaptations of the rules before the next European elections.

**Budgetary and financial management**: Members note that authorised appropriations in Parliament's initial budget for 2011 totalled EUR 1 685 829 393, representing a 5% increase over the 2010 budget. They note that, in 2011, 93% of the final appropriations were committed, with a cancellation rate of 6%. They recall that Parliament's budget represents just over 1% of the Union's budget and amounts to 20% of the administrative expenditure of the Union institutions as a whole for 2011.

**Declaration of Assurance and Court of Auditors' opinions**: Members welcome the Secretary-General's statement, dated 24 April 2012, concerning the authorising officers' annual activity reports for 2011, in which he certifies that he has a reasonable assurance that Parliament's budget has been implemented in accordance with the principles of sound financial management. They welcome the fact that the audit of the Court of Auditors found that the supervisory and control systems of administrative expenditure as a whole, that are required by the Financial Regulation, were effective and that the payments of administrative expenditure in 2011 were not affected by material errors;

Members focus on specific issues of the management of Parliament's administration:

**Translation and interpretation**: Members point to the excellent quality of the Parliament's Interpretation and Translation services even though they continue to constitute a considerable part of the Parliament's budget. They call on Parliament to bring forward a detailed document on the structure of translation and interpretation costs and measures to decrease further these costs and improve the efficiency of the services, without compromising overall quality.

**Activity reports by the Directors-General**: Members observes that, for the annual activity reports in respect of the financial year 2011, no authorising officer has included reservations in their declarations concerning the identification, by directors-general, of significant problems in the way resources have been used or the failure of control procedures to ensure the legality and regularity of transactions.

Members make a series of observations on the activities of some of the Parliament's internal DGs:

- **DG Presidency**: Members reiterate that the area of security is a very sensitive sector in any parliament and note that the average daily presence in the Parliament's premises in Brussels is 12 000. They welcome the fact that the internalisation of security services will reduce costs in Brussels and Strasbourg.
- **DG Communication**: Members insist that the communication budget must be used only to provide citizens with factual information on Union policies. This also applies to social media activities. They regret that the audience of Europarl TV, although greater in 2011 as compared with 20101, continues to be very low in the case of direct individual users (excluding viewers through partnership agreements with regional TVs) despite the considerable financing that it still received in 2011, amounting to some EUR 8 million. They regret further that no cost-benefit evaluation of Europarl TV has been made.
- **DG ITEC**: Members regret the overdependence on external (technical) expertise, especially in IT sectors, resulting from structural imbalances between internal and external resources. They point out that externalisation of IT activities should always ensure that the management and control of that function remains within Parliament and that **threats to the security and confidentiality of data are properly assessed and mitigated**.

**Buildings policy**: Parliament regrets that, for the second time, **structural defects have been discovered in Parliament's buildings**, this time in the wooden ceiling beams of Parliament's **Brussels** Chamber. They call on DG Infrastructure and Logistics to make a full review of the structural situation of all of Parliament's buildings starting with those ones which still are guaranteed by the project developer against hidden faults, if possible with the support of a few selected experts from the national building offices of different Members States.

Members also make a series of recommendations as regards procurement, the financial and budgetary management of European Parliament groups and political parties and on the environmental management of the Parliament.