2011 discharge: EU general budget, European Parliament

2012/2168(DEC) - 17/04/2013 - Text adopted by Parliament, single reading

The European Parliament adopted by 569 votes to 80 with 33 abstentions, a decision granting its President discharge in respect of the implementation of the European Parliament budget for the financial year 2011.

Parliament adopted by 608 votes to 74 with 12 abstentions, a resolution accompanying the decision on discharge in which it highlights the **added value of the parliamentary procedure leading up to the annual Parliamentary discharge** and reiterates that the latter is an additional opportunity to exercise, in public, a critical scrutiny of the institution's financial management, thereby facilitating Union citizens' understanding of Parliament's governance structure.

Unlike its competent committee, the Plenary did not call for a separate debate to be held on discharge for its own budget implementation with its President.

Parliament emphasises 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. It considers that it is therefore necessary to prevent even the most minor shortcomings that might tarnish the political achievements of Europe’s democratic institution and its efforts to achieve increased transparency and sounder financial management.

It also points out that this resolution aims 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: **the recurring question of Parliament’s seat:** Parliament welcomes the smart savings measures which enabled it to save almost EUR 40 000 000 but it does not want these measures to affect either the efficiency of Parliament's activities or the resources made available to each Member.

It also notes that Parliament is bound by the Treaty to work from three working places and that this means added costs. A change to this situation is not in the hands of the Parliament but of Member States. In an amendment adopted in Plenary, Members urge Member States to revise the issue of Parliament's seat and working places in the next revision of the Treaty by amending Protocol No 6. At the same time, they suggest that the Parliament’s own impact assessment services examine this question, including with respect to the impact of 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.

Code of conduct: Parliament welcomes the new Code of Conduct for Members of the European Parliament and recalls 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. However, Parliament is 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.

Members state that 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 the MEP profile section of Parliament's website.

Statutes: Parliament points 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. It suggests a full evaluation of the Statute of Assistants including possible adaptations of the rules before the next European elections.

Budgetary and financial management: Parliament notes that authorised appropriations in Parliament's initial budget for 2011 totalled EUR 1 685 829 393, representing a 5% increase over the 2010 budget. It notes that, in 2011, 93% of the final appropriations were committed, with a cancellation rate of 6%. It also recalls 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 favourable opinion of the Court of Auditors on Parliament's budgetary implementation for 2011.

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

- **Payment of social allowances and benefits to staff members: Parliament** takes note of the specific finding in the annual reports of the Court of Auditors for 2011, that the information available to the Parliament's services on the personal and family situation of staff members was either not up-to-date or not properly processed and that in a single case, it led to overpayments. It takes note that the recovery of overpayments began in that case in November 2011, and deductions were made from the pay of the staff member concerned. It encourages stricter controls to avoid overpayments in future.
- **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**: Parliament 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**: Parliament reiterates 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. It welcomes the fact that the internalisation of security services will reduce costs in Brussels and Strasbourg.
- **DG Communication**: Parliament insists that the communication budget must be used only to provide citizens with factual information on Union policies. This also applies to social media activities. It regrets that the audience of Europarl TV, although greater in 2011 as compared with 2010, 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. It regrets further that no cost-benefit evaluation of Europarl TV has been made. Parliament notes the decision of the Bureau of 12 December 2012 to implement a set of reforms in order to achieve significant savings. It also expresses concern over the increased cost of the Lux Prize in 2011 strongly suggests that a clear maximum ceiling should be set for the costs of the event. Members note that a business plan for the House of European History in Brussels was approved by the Bureau and awaits information regarding the Commission's contribution to the running costs of the project.

- **DG ITEC**: Members again 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. It calls 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.

Parliament also makes 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.