2013 discharge: performance, financial management and control of EU agencies

2014/2139(DEC) - 29/04/2015 - Text adopted by Parliament, single reading

The European Parliament adopted by 597 votes to 83, with 10 abstentions, a resolution on the discharge of the implementation of the budget of the European Union agencies for the financial year 2013: performance, financial management and control.

Role of the agencies: Parliament reiterated the importance of the tasks performed by agencies and their direct impact on the daily lives of Union citizens, the autonomy of the agencies, in particular of the regulatory agencies and those with the function of independent information collection. It recalled that the main reason for establishing agencies was for the purpose of making independent technical or scientific assessments. The role of the decentralised agencies is to help the Commission implement Union policies on behalf of the Union itself and to improve their communication policies to ensure agencies communicate effectively with citizens.

Parliament recalled that there had been a substantial increase in the number of agencies over the last decade, from **three in 2000 to 32 in 2013** and that the high number of agencies that had been set up in the area of freedom, security and justice but reiterated that all the new agencies responded to a **specific need**.

Increasing budget: Parliament noted that the agencies' 2013 budget amounted to some **EUR 2 billion**, representing an increase of 25% compared to 2012 and about 1.4% of the Union's general budget. The agencies employed around 6 500 permanent and temporary officials.

It recalled that the reputational risk related to the agencies is high for the Union, as they had significant influence on policy and decision making.

The resolution noted a high level of cancellations of carry-overs from previous years and stated that such carry-overs indicate that the appropriations carried over were made on the basis of over-estimated needs or were otherwise not justified.

In this regard, Parliament called upon the agencies to do everything in their power, especially to implement **better budgetary planning processes**, to prevent future carry-overs, in particular concentrating on those agencies that cancelled carry-overs from previous year.

Human resources management: Parliament noted that the Commission adopted in July 2013 a Communication to establish a programming of human and financial resources for decentralised agencies for the 2014-2020 period, with a view to ensuring compatibility of resources with the constraints set in this regard by the multiannual financial framework 2014-2020. It ascertained from the Network that most of the agencies have already implemented, although with great difficulty, the requested staff reduction of 5% in their respective multiannual staff policy plans. It regretted the fact that the Commission has created an additional redeployment pool of 5% of the staff, thus effectively imposing additional cuts to the agencies' establishment plans and going beyond the agreed 5% target. Parliament stated that some agencies are already facing serious difficulties in fulfilling their mandates with the limited resources at their disposal. It will be difficult for the agencies to provide the same level of quality of work if this process of additional staff reductions continues as the Union is entrusting an increasing number of tasks and responsibilities to them.

It urged the Commission to **review its plan regarding the additional staff reductions** and to adapt it according to the workload and resource demands of each agency. It recalled its position on the budgetary procedure that staff financed by fees paid by industry, and consequently not financed by the Union budget, **should not be affected by the 1% yearly cut applied by the Union**. It considered that the Commission should treat agencies financed primarily by the Union budget as a separate case and put forward a specific framework for agencies financed mainly by industry, which should be in proportion to the services provided by the agency concerned.

Common approach and Commission roadmap: Parliament recalled that in July 2012, Parliament, the Council and the Commission adopted a Common Approach on decentralised agencies, a political agreement concerning the future management and reform of the agencies. It welcomed the Commission's 'Roadmap on the follow-up to the Common Approach on EU decentralised agencies' containing a detailed plan of how to perform the follow-up to the Common Approach, its agenda for 2013 and beyond, as well as the efforts made jointly by the Commission and the decentralised agencies (in terms of internal audits and controls and the fight against fraud). The completion rate of the agency-relevant roadmap actions was 96%.

Parliament observed, however, that 10 agencies still did not have a headquarter agreement. It exhorted these agencies to tackle the issue effectively. It also wanted a serious assessment to evaluate the possibility of merging agencies, not only to **avoid wasting resources** but also to create a critical mass that made the agencies truly effective. It welcomed the services offered by the Commission to rationalise the functioning of the agencies and avoid pointless expenditure.

Other recommendations: Parliament made a series of recommendations on technical issues regarding:

- management of budgetary resources, stressing the principle of annuality and regretting the high level of commitments carried over by most of the agencies (24 out of 32);
- cooperation among agencies and shared services and synergies, expressing doubts about the geographical locations of agencies, many of which were located far away from the other European institutions, which damages their efficiency. Members welcomed increasing synergies and shared services;
- performance, welcoming positive developments that stressed effectiveness and results achieved;
- management of human resources, pointing to the recurring problems on recruitment procedures, where improvements must be made;
- conflicts of interests and transparency, welcoming the “Guidelines on the prevention and management of conflicts of interest in EU decentralised agencies" but regretting the lack of guidelines for seconded national experts, and external and interim staff;
- the lack of visibility and democratic accountability of the agencies, as they were seen to be **vulnerable in respect of external influences from specialist lobbyists**, in particular from those representing big business. Members also referred to the issues of multilingualism, noting that few applied multilingual policies apart from the Translation Centre for the Bodies of the European Union;
- internal controls, with certain agencies not applying the rules fully.

Lastly, Parliament stressed that a solution must be found to the problem of **budgetary surpluses, and the possibility of re-allocating the money to the Union budget should be explored.**