2014 discharge: EU general budget, Committee of the Regions

2015/2160(DEC) - 12/04/2016 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Monica MACOVEI (ECR, RO) calling on the European Parliament to give discharge to the Committee of the Regions in respect of the implementation of the general budget of the European Union for the financial year 2014, Section VII – Committee of the Regions.

It welcomed the fact that the Court of Auditors observed that **no significant weaknesses** had been identified in respect of the audited topics relating to human resources and procurement for the Committee. The Court concluded that the payments as a whole for the year ended on 31 December 2014 for administrative and other expenditure of the institutions and bodies were **free from material error**.

Budgetary and financial management: Members observed that, in 2014, the Committee had an approved budget of EUR 87 600 000 (EUR 87 373 000 in 2013), of which EUR 86 300 000 were commitment appropriations with a utilisation rate of 98.5 %. They welcome the increase of the utilisation rate in 2014.

Members are concerned with **the increase in the number of exception reports**: 87 financial exceptions and three administrative exceptions. They stress that the administrative exceptions were related to **non-compliance with internal procedures**. They note that four derogations were made in 2014 (compared to one in 2013) on procurement rules or contract management and that most of the derogation reports (58 out of 81) are related to absence or insufficiency of legal commitments. They ask for detailed information by the end of June 2016 on how those derogations occurred, the amounts involved and the corrective measures taken to prevent similar situations recurring.

Members made a series of observations and recommendations on the **daily management** of the Committee:

- the number of missions is **extremely high** (787), as is the expenditure generated by members for travel and meeting allowances; more extensive use of **videoconferencing** and all related tools should be made to significantly cut costs;
- room for improvement in the collaboration between Parliament and the Committee based on their co **operation agreement**, in particular with regard to political aspects;
- is there is a low execution rate for **translation outsourcing and translation tools**, with budget execution rate for several of the translation lines well below the average of previous years;
- fewer than 35 % of managers in the Committee are **women** while more than 60 % of the staff is composed of women. This imbalance must be redressed as quickly as possible;
- **lease expenses** (external lessors) are too high. The Committee needs to identify solutions jointly with Parliament and the Commission, such as extensive joint use of buildings and meeting and conference rooms, to reduce costs;
- performance of **IT projects and applications** is a clearly identified weakness, for which little to no measures were taken. Members call for an impact analysis of the projects and their added value to EU citizens by the end of June 2016;
- there is a need to address without delay the risks identified during the audits and risk analyses that have been performed, particularly in the areas of **financial management and operational or organisational matters**.

Whistleblowing

Members find it unacceptable that the Committee has been dealing with the same **whistleblowing** case since 2003 and that, despite the Civil Service Tribunal judgments of 2013 and 2014, and Parliament's discharge resolution of 29 April 2015, it has not yet complied with those judgments, recognised the plaintiff’s action as being legitimate, or finally closed the case.