2016 discharge: EU general budget, European External Action Service (EEAS)

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The Committee on Budgetary Control adopted the report by Marco VALLI (EFDD, IT) calling on the European Parliament to grant the High Representative of the Union for Foreign Affairs and Security Policy discharge in respect of the implementation of the budget of the European External Action Service (EEAS) for the financial year 2016.

Members noted that the EEAS has continued to implement its administrative budget **without being affected by major errors** and that the overall level of error in the spending related to the 'Administration' budget has been estimated by the Court of Auditors at 0.2 %. They regretted that the Court found again, as in 2015, **weaknesses in procurement procedures** organised by Union delegations for contracts worth less than EUR 60 000. The report acknowledged that the EEAS undertook a series of initiatives aiming at reducing errors in procurement procedures by improving the training, support and advice provided to the delegation staff responsible for procurement. The EEAS is asked to continue its efforts to actively support and monitor the implementation of procurement rules and procedures in the delegations in order to improve the overall compliance and effectiveness of their tendering procedures and contract management.

Budget and financial management: Members observed that the final EEAS budget of EUR 636.1 million for 2016 was executed at 99.7 % in commitments and 87.5 % in payments as at the year-end. They took note of the current budget breakdown, namely EUR 222.7 million for EEAS headquarters and EUR 413.4 million for the delegations.

Members underlined that the execution of the EEAS administrative budget, particularly for the delegations, should improve in efficiency, since certain delegations have been receiving separate contributions from the Commission from 33 different budget lines regarding the administrative costs of Commission staff in delegations. The Commission is called on to work in cooperation with the Council and the Parliament towards a budgetary simplification in order to improve budget management and provide a transparent overview to Union citizens of the costs.

EEAS actions: Members made a series of observations on the management of the EEAS:

- continue its efforts to actively support and monitor the implementation of procurement rules and procedures in the delegations in order to improve the overall compliance and effectiveness of their tendering procedures and contract management;

- consider the possibility of introducing **global or regional procurement procedures** covering several Union delegations to replace individual low value contracts;
- evaluate to what extent such an arrangement could reduce weaknesses in procurement procedures and to inform the Parliament's Committee on Budgetary Control of the result of this analysis;
- encourage the EEAS to take measures to reduce this high rate of anomalies in ***ex ante*** **verification** of financial transactions;
- set up rules on **lobbying** in order to distinguish between economic diplomacy and lobbying and to secure transparency for lobbying both in the headquarters and in the delegations;
- undertake an in-depth assessment of its recruitment policy to allow for better implementation of the **geographical balance** policy pursued by the EEAS;
- continue implementing the recommendations of the Court in its special report on the EEAS' management of its **buildings** around the world. In this regard, in 2016, the EEAS contracted a

service provider to systematically monitor market information and to calculate returns on investment against the existing renting options;

- fully implement the recommendation in cooperation with the Commission to prepare a detailed action plan in order to enhance effectiveness of Union support to **Palestine**.