2019 budget: estimates of revenue and expenditure, Section I – Parliament

2018/2001(BUD) - 17/04/2018 - Committee report tabled for plenary, single reading

The Committee on Budgets adopted the report by Paul RÜBIG (EPP, AT) on Parliament's estimates of revenue and expenditure for the financial year 2019.

Members recalled that a budget of EUR 2 016 644 000 has been proposed by the Secretary-General for Parliament's preliminary draft estimates for 2019, representing an overall increase of 3.38 % on the 2018 budget (including EUR 37.3 million for the change of parliamentary term and EUR 34.3 million for other extraordinary expenditure) and a share of 18.79 % of heading V of the 2014-2020 multiannual financial framework.

They noted the level of estimates for 2019 corresponds to 18.53 %, which is lower than that achieved in 2018 (18.85 %) and the lowest part of heading V in more than 15 years.

At the same time, the report pointed out that, due to the 2019 European elections, expenditure will rise significantly in certain sectors, particularly as regards non-re-elected Members and their assistants, while savings will be made in other sectors as a result of the decline in parliamentary activity during the election year.

In general, Members approved the agreement reached between the Bureau and the Committee on Budgets to set the **increase in the 2018 budget at 2.48%,** bringing the overall level of its estimates for 2019 to **EUR 1 999 144 000**, and to reduce the level of expenditure of the preliminary draft estimates approved by the Bureau by EUR 17.5 million.

Brexit: Members observed that on 8 December 2017, Union and UK negotiators reached an agreement in principle on the financial settlement relating to the withdrawal of the United Kingdom from the Union, which includes a provision that the UK will participate in the Union's annual budgets for 2019 and 2020 as though it was still a Member State of the Union and will contribute its share of the financing of the Union's liabilities incurred before 31 December 2020.

An own-initiative report on Parliament's composition was voted in plenary in February 2018 and provided for the reduction to 705 Members after the withdrawal of the United Kingdom from the Union. In the event that the United Kingdom is still a Member State at the beginning of the 2019-2024 parliamentary term, the number of Members shall be 751, until the withdrawal of the United Kingdom from the Union becomes legally effective.

Parliament's estimates, for the moment, reflect a status-quo situation with a Parliament composed of 678 Members from 27 Member States between 30 March 2019 and the end of the 8th legislative period, and a Parliament composed of 705 Members from 27 Member States from the start of the 9th legislative period till the end of the 2019 financial year; takes note with satisfaction of the adjustments proposed by the Secretary-General which were adopted by the Bureau on 12 March 2018.

2019 European elections: the report welcomed the **communication campaign**, which helps explain the EU and Parliament's purpose to citizens. The total budget for the campaign amounts to **EUR 33.3 million** for 2018 and 2019.

In this context, Members stressed the important role of communication via the websites of social networks, conferences for citizens and stakeholders to be organised in 2018, and liaison offices at national level.

The **European political parties and the national parties** will play an essential role alongside, in particular in the framework of the “Spitzenkandidaten” process, Members therefore proposed to enable them to carry out this mission with funding specifically increased for 2019.

Buildings policy: Members reiterated their call for a **transparent** decision-making process in the field of buildings policy, based on early information.

They questioned the EUR 1.58 million planned for studies on the renovation of the Spaak building knowing that EUR 14 million have already been budgeted in the budget 2018. The Secretary-General is called on to provide the Committee on Budgets with any information relating to this decision before the Parliament's reading of the budget in autumn 2018.

Recalling the European Court of Auditors' analysis of 2014, which estimated the cost of Parliament's geographical dispersion at **EUR 114 million per year**, Members stressed the potential savings to the European Parliament's budget of a single seat and therefore called for a **roadmap to a single seat**.

Aspects relating to Members and accredited parliamentary assistants (APAs): Members called on the Bureau to ensure that the **social and pension rights** of Members and APAs are respected and that adequate financial resources are made available.

They called for a **workable solution for the APAs** who, after having worked for two parliamentary terms without interruption in the end of the current term, will not be entitled to access the pension rights of the European scheme when they reach retirement age.

Staff-related issues: in a period in which the financial and personnel resources available to the Union institutions are likely to be increasingly constrained, Members considered it important that the institutions themselves are able to **recruit and retain the most able staff** to meet the complex challenges ahead.

Until the election recess, Parliament will face a **unique situation** resulting from the coincidence of the usual end of legislature rush with the complex package of legislative multiannual financial framework (MFF) proposals, the Brexit and the growing number of trilogies.

To enable Parliament and its Committees to perform the core-business, Members considered it vital to continue to ensure an adequate level of logistical and human resources.