2016 discharge: EU general budget, European Parliament

2017/2137(DEC) - 18/04/2018 - Text adopted by Parliament, single reading

The European Parliament decided by 540 votes to 47, with 4 abstentions, to **grant discharge** to its president in respect of the implementation of the European Parliament's budget for the financial year 2016.

Parliament's budgetary and financial management: Parliament's final appropriations for 2016 totalled EUR 1 838 613 983, or 19.39 % of heading V of the Multiannual Financial Framework (MFF) set aside for the 2016 administrative expenditure of the Union institutions as a whole, representing a 2.4 % increase over the 2015 budget.

Four chapters accounted for 69.92 % of total commitments:

- Chapter 10 (Members of the institution),
- Chapter 12 (Officials and temporary staff),
- Chapter 20 (Buildings and associated costs),
- Chapter 42 (Expenditure relating to parliamentary assistance).

Members pointed out that **99.2 % of the appropriations entered in Parliament's budget, amounting to EUR 1 823 844 172, were committed**, with a cancellation rate of 0.8 %. They noted with satisfaction that, as in previous years, a very high level of budget implementation was achieved.

Cancelled appropriations and transfers: the cancelled appropriations for the year 2016, amounting to EUR 14 769 811, were mainly related to remuneration and other entitlements, as well as, once more, to the expenditure related to buildings. Seven transfers were approved in 2016, which amounted to EUR 66 655 000 or 3.6 % of final appropriations.

Members observed with concern that the majority of such transfers were, once more, related to the **Parliament's buildings policy**, and in particular to the Konrad Adenauer building project. They stressed that level of the 'mopping-up' transfer continues to be very high and that effective budget management should be able to reduce such transfers to the bare minimum necessary. They urged for Parliament's buildings policy to be laid down with sufficient clarity, as part of the budgetary strategy.

2016 discharge: Parliament noted that the overall audit evidence indicates that the spending on 'administration' is not affected by a material level of error. It also noted that, on the basis of the 12 quantified errors, the estimated level of error present in heading 5 of the MFF on administration is 0.2 % (down from 0.6 % in 2015).

- ***Management of funds by political groups***: Members also noted the specific findings concerning Parliament contained in the annual report of the Court of Auditors for 2016. They noted with concern that the Court found **weaknesses in checks** on the authorisation and settlement of expenditure made without being covered by contracts resulting from a procurement procedure.

Parliament's Secretariat is encouraged to continue its additional efforts in **assisting the political groups in improving their internal financial management.** Political groups should improve the application of relevant rules for authorising and settling expenditure.

- *Geographical dispersion:* according to the Court, the costs of the geographic dispersion of Parliament amount to EUR 114 million per year. Members recalled that the estimate of the **environmental impact** of that dispersion is between 11 000 to 19 000 tonnes of CO2 emissions and called on the Council to find a solution for this waste of taxpayers' money.

Moreover, Members noted with regret that in 2016, the total cost of reimbursements solely for Members' travel expenses for plenary sessions in Strasbourg amounted to as much as EUR 21 352 262. They called on the Council to find a solution toward a **single seat** for the European Parliament.

- *Parliamentary assistants:* for the purposes of equal treatment of workers, Members called for swift action to be taken to bring the **daily hotel allowance and the subsistence allowance** for parliamentary assistants on mission in Strasbourg into line with that for officials and other staff.

In addition, Members considered it appropriate to **keep the small increase in budget line 422 'Expenditure related to parliamentary assistance'**, taking into account the higher workload through Brexit, growing number of trilogues and increasing number of temporary and special committees, which has reached a historical record of 25 standing and temporary committees, and the coincidence of the end of legislature with the complex package of legislative MFF proposals.

- *Follow-up to the United Kingdom referendum:* Members noted the position of the President of Parliament is that, as long as the United Kingdom remains a full member of the Union, British Members and Parliament staff enjoy exactly the same rights and obligations as all other Members and staff of the house.

They acknowledged that the referendum result had a considerable impact on committee secretariats, research units and horizontal services of the political directorates-general.

Administration and management of the European Parliament: Members made a series of remarks on the following issues:

- enhanced **social media strategy** in light of the 2019 elections;
- review of the system for calculating the reimbursement of **travel expenses** for groups of visitors sponsored by Members;
- assessment of the **Accredited Parliamentary Assistants'** tasks, mission and reimbursements;
- the potential risks for British staff and on how to ensure that British staff do not become victims of **Brexit**, and that their statutory, contractual and acquired rights be fully safeguarded;
- the application of **zero-tolerance** towards violence in any form be it structural, sexual, physical or psychological and the creation of a **central complaints office** for reporting harassment cases;
- Parliament's medium-term **building strategy** should take into account recent developments on the Luxembourg and Strasbourg premises and should be focused on the Brussels premises and in particular on the future of the Paul-Henri Spaak building
- good cooperation between the unions and the Secretary-General based on fair working conditions for **interpreters**, while ensuring the smooth running of parliamentary work at the same time;
- assessment of the current situation of the **voluntary pension fund** which is still unavailable (its estimated actuarial deficit rose from EUR 286 million at the end of 2015 to EUR 326,2 million at the end of 2016);
- the improvement of information technology services;
- renewal of the car-fleet: the Bureau should not limit itself to electric cars as a more environmentally-friendly solution since there are concerns regarding their production (including the sufficient availability of the necessary resources) and the disposal of batteries at the end of their life-cycle.

Members called on the Secretary-General to:

- take measures to deal with significantly increasing hotel prices in Strasbourg
- negotiate with the Belgian railways to offer more direct trains between Brussels-Luxembourg railway station and Zaventem Airport at peak arrival and departure times for Members;
- promote train travel for Members.

Lastly, Members made a number of recommendations regarding **green public procurement** and reducing plastic waste on the different sites of the European Parliament.