2016 discharge: EU general budget, European Economic and Social Committee

2017/2141(DEC) - 18/04/2018 - Text adopted by Parliament, single reading

The European Parliament decided by 560 votes to 130, with 4 abstentions, to **grant discharge** to the Secretary-General of the European Economic and Social Committee in respect of the implementation of the committee's budget for the 2016 financial year.

Members welcomed the conclusion of the Court of Auditors, according to which the payments as a whole for the year ended on 31 December 2016 for administrative and other expenditure of the committee were **free from material error**. No significant weaknesses were identified in respect of the audited topics relating to human resources and procurement.

However, the Members stressed that the discharge procedure needs to be streamlined and sped up. They requested that the CJEU and the Court of Auditors follow best practice in the private sector and proposes in this regard to **review the timetable for the discharge procedure** so that the vote on the discharge would take place in Parliament's plenary part-session in November, thereby closing the discharge procedure within the year following the accounting year in question.

Financial and budgetary management: Members welcomed the overall prudent and sound financial management of the Committee in the 2016 budget period. They expressed support for the successful shift towards **performance-based budgeting** in the Commission's budget planning. They encourage the Committee to apply that method to its own budget-planning procedure.

In 2016, the Committee's budget - purely administrative - amounted to EUR 130 586 475 (EUR 129 100 000 in 2015), with a utilisation rate of 97.55 %. An increase of the utilisation rate was noted in 2016 when compared to 2015.

EESC's activities: Members made a series of recommendations to the EESC:

- continue applying performance-based budget principles in its daily operations and keep Parliament informed of the update of the key activity performance indicators (KAPIs) in 2017;
- provide the discharge authority with clarifications of expenditure in connection with the **modernisation** of the Committee, in order to boost transparency and accountability, and to publish the cost-benefit assessment;
- provide the discharge authority with a cost-benefit assessment of the **missions** for the Union and visited countries, and the list of the visited countries in 2016;
- further strengthen the contacts between the Committee and the chairs and the rapporteurs of Parliament's committees in order to ensure better follow-up of the Committee's contribution to the Union legislative process;
- put in place measures for improving **staff well-being at work** and for a closer monitoring of absences;
- urge the President, the Vice-Presidents and the Secretariat of the Committee to publish their **declarations of interest** on its website by the end of June 2018;
- put forward a unique and complete form of declaration of conflicts of interest to replace the declaration of absence of conflicts of interest;
- encourage the adoption of appropriate measures in order to make savings and **reduce environmental pollution**;

- assess the potential of other instruments which may contribute to economic savings, inter alia on travel expenses;
- establish an independent body with sufficient budgetary resources to support **whistleblowers** wishing to disclose information on possible irregularities negatively impacting on the Union's financial interests, while ensuring their confidentiality is protected;
- improve policy in order to further prevent any form of psychological and sexual **harassment**.

Parliament welcomed the administrative cooperation agreement between the Committee and the Committee of the Regions, which entered into force in 2016 and provides for shared translation and logistics directorates. It also welcomed the Committee's compliance with the targets set by the interinstitutional agreement to reduce staff by 5 % over the period of five years.

Lastly, Parliament regretted that, at this point, no predictions can be made about the financial, administrative, human and other consequences related to the decision of the United Kingdom to withdraw from the Union. It called on the Committee and the Court to perform impact assessments and inform Parliament of the results by the end of 2018.