2020 budget: estimates of revenue and expenditure, Section I – Parliament

2019/2003(BUD) - 25/03/2019 - Committee report tabled for plenary, single reading

The Committee on Budgets adopted the report by Vladimír MAKA (S&D, SK) on the estimates of revenue and expenditure of the European Parliament for the financial year 2020.

Members recalled that a budget of EUR 2 068 530 000 has been proposed by the Secretary-General for Parliament's preliminary draft estimates for 2020, representing an overall increase of 3.58% compared to the 2019 budget and 18.38% for heading V of the multiannual financial framework (MFF 2014-2020). Almost two thirds of the budget is index-bound expenditure, most of which relates to salaries, pensions, medical expenses and allowances for Members (21%) and staff (35%) in office and retired, as well as buildings (13%).

General framework

Members noted that the level of estimates for 2020 corresponds to 18.22 %, which is lower than that achieved in 2019 (18.51 %) and the lowest part of heading V in more than 15 years. They endorsed the agreement reached in the conciliation between the Bureau and the Committee on Budgets on 19 March 2019 to set the increase over the budget 2019 at 2.68 %, corresponding to the overall level of its estimates for 2020 to EUR 2 050 430 000 and to reduce accordingly the appropriations proposed on certain budget lines.

They proposed to provide Item 1650 - Medical service with EUR 140 000, Item 320 - Acquisition of expertise with EUR 160 000 and Item 3211 – Science media hub with appropriations amounting to EUR 400 000. They proposed that Parliament’s services put in place the modification of the remarks in Item 1650 - “Medical service”, since the additional appropriations of EUR 140 000 are intended to cover expenses related to mediator and psychologist for prevention and fight against psychological and sexual harassment, and in Item 320 - “Acquisition of expertise”, since the additional appropriations of EUR 160 000 are intended to cover expenses related to expertise and experts in the field of prevention, investigation, and fight against psychological and sexual harassment.

Members noted that most of the savings resulting from the withdrawal have already been incorporated into the 2019 budget and that for 2020 there would be only a slight decrease in certain expenditure due to having 46 less Members. In the event that the United Kingdom does not withdraw from the Union or withdraws without a deal, the proposed appropriations can be adjusted throughout the budgetary procedure, by the Bureau, the Committee on Budgets or the Plenary.

Transparency and accuracy

Members took note of the increased transparency in the preparation of the Secretary-General’s report. They called for Parliament’s 2020 budget to be realistic and accurate regarding the matching of needs and their costs, to avoid over-budgeting. Careful planning and organisation of its working methods are needed and, whenever possible, the pooling of functions and structures to avoid unnecessary bureaucracy, functional overlaps and duplication of effort and resources.

Engaging with citizens

Members asked for further details on an order of magnitude of the entire expected costs before Parliament's reading of the budget in autumn 2019. They noted that the amount budgeted for the installation of five new Europa Experience centres in Liaison Offices covers the exhibition infrastructure itself. They noted the creation of a series of mobile installations, which would tour Member States to bring the Union closer to citizens.

Building and Transport policy

Members reiterated their call for a transparent decision-making process in the field of buildings policy based on early information. They disagree with the ongoing practice of the year-end 'mopping up transfer' to contribute to current building projects and recommended that the annual budget planning for all buildings earmark an allocation for maintenance and renovation costs corresponding to 3 % of the total new building costs, as part of a regular and anticipatory building policy.

They are concerned by Parliament's intention to expand its activity and diplomatic presence in Indonesia (Jakarta), Ethiopia (Addis Ababa) and the United States (New York).

Lastly, they considered that potential savings to Parliament's budget can be achieved with a single seat, recalling the 2014 European Court of Auditors analysis which estimated the costs of the geographic dispersion of Parliament to be EUR 114 million per year.

Security

The report noted that the iPACS project will provide Parliament with modern and integrated security technology in order to remove remaining weaknesses in buildings' security, and in 2020 will be in the fifth and final year of implementation. The Secretary-General is called on to summarise in detail all expenses linked to the buildings security from 2016.

Issues related to Members and Accredited Parliamentary Assistants (APA)

Members reiterated their call to find a workable solution for those APAs who, having worked for two parliamentary terms without interruption in the end of the current term, will not be entitled to access the European pension rights scheme when they reach pension age. Members reiterated their call for the Bureau to take action for the full alignment of the allowances rates incurred in respect of duty travel between Parliament's three places of work between officials, others servants and APAs as from the next legislative term.

The report called for an examination of the voluntary Members´ Pension Fund by the European Court of Auditors and asks to investigate the ways to ensure a sustainable financing of the Voluntary Pension Fund in accordance with the provisions of the Statute for Members while ensuring full transparency.

It reiterated its appeal for transparency regarding the General Expenditure Allowance (GEA) for Members.

Staff-related issues

In a period in which the financial and personnel resources available to Union institutions are likely to be increasingly constrained, the report stated that it is important to identify areas, including but not limited to IT services and security, interpretation and translation services or driver service, in which synergies between the back office functions could be increased using the experience of Parliament and the other Union institutions and taking fully into account the governance difficulties and the differences in terms of scale to build up fair cooperation agreements.

Members recommended the greater use of videoconferences and other technologies in order to protect the environment and save resources, in particular by reducing staff duty travel between the three places of work.