2018 discharge: EU general budget, Court of Auditors

2019/2059(DEC) - 14/05/2020 - Text adopted by Parliament, single reading

The European Parliament decided by 677 votes to 7, with 7 abstentions, to **grant discharge** to the Secretary-General of the Court of Auditors in respect of the implementation of the Court's budget for the financial year 2018.

In the resolution accompanying its discharge decision (adopted by 681 to 9, with 3 abstentions), the European Parliament made a series of observations:

Budgetary and financial management

Members noted the external auditor's opinion that the Court's financial statements give a true and fair view of its financial position as at 31 December 2018.

In 2018, the Court's final appropriations totalled EUR 146 469 000 (compared with EUR 141 240 000 in 2017), which represents an overall increase of 3.70 % compared with 2017 (the increase in price levels is estimated at 1.9 % in Luxembourg). Of the total appropriations, 96.21 % were committed at the end of 2018 (compared with 97.73 % in 2017 and 99 % in 2016) and 94.73 % were paid in 2018 (compared with 94.27 % in 2017 and 93.29 % in 2016).

Members are concerned about the persistent overbudgeting for expenditure on buildings, furniture, equipment and miscellaneous operating expenditure, with a commitment rate of 59.13% (compared to 57.13% in 2017) and a payment rate of 55.11% (compared to 55.75% in 2017). They also requested that the audit work carried out under Chapter 10 'Administration' of the Court's 2018 Annual Report be extended to examine weaknesses in the administrative expenditure of each institution.

Parliament welcomed the fact that the Court has generally applied budgetary discipline well in recent years in order to maintain the stability of its administrative costs without negatively impacting on its core activities. No additional posts have been requested for 2018.

Publications and communication

Parliament welcomed the Court's digital communication strategy, which involves cooperation with non-institutional actors, such as think tanks, NGOs, professional associations and universities, which can act as a multiplier to the Court's messages. The Committee welcomed the fact that overall media coverage, including social networks, almost tripled in 2018 compared to 2017.

Members welcomed the marked improvement in the effectiveness of the Court's work, as the number of special reports has increased by 25% since 2008 and attendance at meetings of Parliament, the Council and national parliaments has increased by 47%, 39% and 164% respectively since 2017.

Other observations

The Court of Auditors was invited, inter alia, to:

- further discuss the issue of the publication of its annual activity report with Parliament's Committee on Budgetary Control and other relevant actors in order to better assess the timing of the discharge procedure;

- re-examine the issue of the use of official vehicles for private use, which should under no circumstances be tolerated;

- consider including the added value of audit in its key performance indicators and to report continuously on the implementation of its recommendations;

- consider presenting an independent annual report on the EU institutions (as it already does for EU agencies);

- introduce procedures for recording annual leave, sick leave and absences for other reasons of its members to ensure that all leave taken by its members is effectively recorded;

- ensure that its members submit declarations of interest instead of declarations of absence of conflict of interest and strengthen current procedures, including those of the Ethics Committee, to ensure that no conflicts of interest arise;

- extend its contacts to other universities in order to establish future cooperation that is both diversified and geographically balanced;

- continue its efforts to promote gender balance, in particular in management and senior management positions.

In general, Parliament highlighted the work achieved in recent years on issues such as performance-based budgeting, the ethical framework and the many related rules and procedures, enhanced communication activities and the increasing number of measures to improve transparency. It underlined the importance of collaboration and of sharing of experience among Union institutions and bodies and suggested that an analysis be made of the possibility of formalised networking activities in different domains in order to share best practises and to develop common solutions.