2019 discharge: General budget of the EU - European Council and Council

2020/2142(DEC) - 28/04/2021 - Text adopted by Parliament, single reading

The European Parliament decided by 627 votes to 60, with 11 abstentions, to postpone its decision to grant the Secretary-General of the Council discharge in respect of the implementation of the budget of the European Council and of the Council for the financial year 2019.

State of play in the refusal of discharge

Recalling that over the course of almost twenty years, Parliament has developed the practice of granting discharge to all Union institutions, bodies, offices and agencies, Members reiterated that both openness and transparency in Union administration and the protection of the financial interests of the Union require an open and transparent discharge procedure where every EU institution is accountable for the budget it executes.

Members recalled the difficulties repeatedly encountered in the discharge procedures to date due to a lack of cooperation from the Council and recalled that Parliament refused to grant discharge to the secretary-general of the Council in relation to the financial years 2009 to 2019.

In the current situation, Parliament can only check the reports of the Court and of the European Ombudsman as well as the information on the Council's website. The fact that Parliament does not receive written or oral answers from the Council during the annual discharge procedure, makes it impossible for Parliament to make an informed decision on granting discharge.

Members underlined the need to re-start negotiations with the Council with a view to reaching a mutually satisfactory agreement to finally overcome this situation of deadlock.

Separate budgets

Parliament regretted that the longstanding request to divide the budget of the European Council and the Council into a separate budget for each of the two institutions for transparency reasons and to improve accountability for both institutions has not been considered. It urged the Council, as it has done repeatedly in previous discharge resolutions, to prepare separate budgets for the European Council and the Council for reasons of transparency and to improve accountability and expenditure efficiency for both institutions.

Budgetary and financial management

The Council's budget is mostly administrative with a large part of it being used for expenditure in relation to persons, buildings, furniture, equipment and miscellaneous running costs.

In 2019, the Council had an overall budget of EUR 581 895 459 (compared to EUR 572 854 377 in 2018), with a global implementation rate of 92.3 % (compared to 91.9 % in 2018).

The appropriations carried over from 2018 to 2019 amounted to a total of EUR 56 599 584, equivalent to a carry-over rate of 10.7 %, coming mainly from categories such as computer systems (EUR 19.5 million), buildings (EUR 16 million) and interpretation (EUR 11.9 million).

The implementation of carry-overs in 2019 amounted to payments in total of EUR 49 240 654 or 87.7 %. Despite a slight decrease in the carry-over rate in 2019, Parliament called on the Council to redouble its efforts to avoid budgetary overestimates.

The resolution welcomed improvements in the Council's financial management and performance systems.

Human resources

The number of posts in the establishment plan for 2019 was fixed at 3 033 (compared to 3 031 posts in 2018). Members called on the Council to report on its action plan on gender equality, on the measures taken to ensure that people with disabilities have the same professional opportunities as others and on the corresponding procedures put in place. The Council is invited to correct geographical and gender imbalances to ensure a proper representation of nationals from all Member States, including in management positions.

Conflict of interest, harassment, whistleblowing

The Council plays a key role in the nomination and appointment procedures of the EU institutions and bodies. Parliament recommended that this role be reviewed on the basis of the Union's ethical principles, including integrity and dignity. It expressed concern at the repeated appointments by the Council of candidates to become members of the European Court of Auditors despite Parliament's adverse opinion of the candidate expressed in a rejection vote by the vast majority in Parliament's Plenary due to candidates' lack of sufficient competences and personal or political impartiality.

Members deplored the lack of a common EU ethical framework governing the work of Member States' representatives in the Council. They called on the Council to bring the code of conduct of the President of the European Council into line with those of the Parliament and the Commission. They also reiterated their concern about the conflict of interest situations in which a number of Member States' representatives are involved in political and budgetary decision-making processes.

Transparency

Parliament noted that the Member States are expected to finance their own Council presidencies and regretted that they resort to corporate sponsorship to cover some of their expenses. Members are highly concerned about the possible reputational damage that this practice might cause to the Council and the EU. They urged that presidencies should avoid resorting to corporate sponsorship to cover expenses and called on the Council to consider establishing a budget for each Presidency.

Members drew attention to the Ombudsman's request to the General Secretariat of the Council to keep a full record of all meetings between lobbyists and the President of the European Council, or members of his cabinet.