2020 discharge: General budget of the EU - European Parliament

2021/2107(DEC) - 04/05/2022 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to its President in respect of the implementation of the European Parliament's budget for the financial year 2020.

In its resolution, adopted by 533 votes to 87 with 14 abstentions, Parliament made the following observations:

Parliament's budgetary and financial management

Parliament's final appropriations for 2020 amounted to **EUR 2 038 745 000**, i.e. 18.1% of the ceiling of heading V of the multiannual financial framework allocated in 2020 to the administrative expenditure of the Union institutions as a whole, which represents an increase of 2.1% compared to the 2019 budget (EUR 1 996 978 262), but also a decrease of 0.4% of its relative share in the overall budget.

The total amount of revenue recognised as at 31 December 2020 was **EUR 203 449 523** (compared with EUR 207 521 070 in 2019), of which EUR 33 567 305 was assigned revenue (compared with EUR 36 566 236 in 2019).

Four chapters alone accounted for 67.6% of total commitments: Chapter 10 (Members of the Institution), Chapter 12 (Officials and Temporary staff), Chapter 20 (Buildings and associated costs) and Chapter 42 (Expenditure on parliamentary assistance).

95.7% of the appropriations entered in Parliament's budget, amounting to EUR 1 950 750 955, were committed, i.e. a cancellation rate of 0.8%. **A very high level of budget implementation was achieved**. Total payments amounted to EUR 1 590 035 012, which corresponds to an implementation rate of payment appropriations of 81.5%.

The cancelled appropriations in the financial year 2020, amounting to EUR 17 292 007, were mainly related to expenditure on buildings, production and broadcasting, as well as salaries, IT and telecommunications.

During the financial year 2020, twelve transfers were approved for an amount of EUR 183 933 785, i.e. 9% of the final appropriations. 76.4 % of the transfers were related to Parliament's building policy and mainly to the financing of the purchase of the Wiertz building and the annual fees for the Adenauer II building project.

Parliament found that the audit evidence overall indicates that expenditure on administration is not affected by a material level of error.

COVID-19

Parliament welcomed the fact that, from the outset of the pandemic and throughout the crisis, Parliament took often unprecedented decisions to mitigate the risks to Members and staff, while ensuring that it was able to continue its core business. It welcomed Parliament's ability to implement new working methods, in particular teleworking and remote participation.

Members welcomed the fact that computerised procedures included the organisation of remote meetings and remote voting systems in plenary sessions and parliamentary committees, enabling Parliament to continue its work, including during the Strasbourg part-sessions, which were suspended for most of 2020. The suspension of part-sessions in Strasbourg has contributed to a total saving of EUR 26 260 608, according to Parliament's secretariat, while significantly reducing Parliament's carbon footprint.

Members welcomed the fact that Parliament had distributed reusable fabric masks to staff at the start of the COVID-19 pandemic. They also commended Parliament's efforts to provide daily solidarity meals and shelter for vulnerable women at Parliament's three workplaces.

With regard to interpretation services, Members pointed out that some committee sessions did not have all the required languages, which made it difficult for some members to participate and reduced their opportunities for interaction.

Environmental footprint of Parliament's operations

Members asked Parliament to reassess its EMAS (EU Eco-Management and Audit Scheme) targets for 2023 in the light of the COVID-19 pandemic. Parliament reiterated its call for the modification of the current CO2 reduction plan to achieve carbon neutrality using an internationally recognised methodology, once it has been validated.

While noting that three of the Parliament's buildings in Brussels have recently received internationally recognised environmental certification for sustainability, Parliament welcomed the installation of heat pumps and cogeneration in the Strasbourg and Brussels buildings to produce renewable electricity and heat.

Recalling that almost two-thirds of Parliament's carbon footprint originates from the transport of people, Parliament called for priority to be given to low-carbon modes of transport for missions. It called for a sufficient increase in the number of electric vehicle chargers as well as additional bicycle parking spaces and the creation of suitable parking for cargo bikes.

Members welcomed Parliament's efforts to reduce food waste by collecting and delivering leftover food to ‘frontline’ organisations that distribute it to people in need.

Parliament recalled that the single seat has the support of a large majority of the Parliament to ensure efficient use of EU taxpayers' money and to fulfil the Parliament's responsibility as an institution to reduce its carbon footprint. Permanent changes would require a Treaty amendment.

Transparency and ethics

Parliament welcomed the fact that the ethical and transparency standards applicable to the Parliament are in many respects ahead of the equivalent standards applicable in the Member States. Parliament should strive to set an example in establishing Europe-wide standards of ethics and transparency.

Members noted that the quality of entries on the activities of interest representatives in the transparency register has improved in recent years. On the other hand, they deplored the fact that Members participate in unofficial election observation missions. They also considered that the Members’ Administration Unit should frequently remind Members of the obligation to notify the President of the receipt of a gift received in an official capacity. They also called on the Parliament's services to carry out an independent evaluation to check whether the activities of Members after the end of their mandate lead to conflicts of interest.

Parliament noted that there were no cases of whistleblowing in Parliament in 2020.

Staff, accredited parliamentary assistants (APAs) and local assistants

Parliament called for measures to be taken as soon as possible to remedy the fact that the rules governing the termination of APAs' contracts do not currently provide for the possibility of termination by 'mutual consent'. It called for APAs to receive the same subsistence allowance as the statutory personnel for their missions to attend the part-sessions in Strasbourg.

Members welcomed Parliament's introduction of a series of measures to promote the work-life balance of staff when teleworking to ensure continuity of activities. They welcomed the possibility offered by the Secretary General's decision of 31 March 2021 to work away from the place of employment. However, they regretted that this was only possible through part-time work with a corresponding reduction in salary.

Parliament welcomed the results achieved through the Parliament's gender mainstreaming policy, such as the parity at director level or the fact that 41.9% of the head of unit posts are occupied by women. However, there is still significant room for improvement at directors-general. Members reiterated their request to the Secretary General to stress the importance of all recruitments being competence-based, while respecting the need to achieve geographical balance between all Member States at all staff levels.

Buildings policy

Parliament recalled that throughout 2020, the administration continued the implementation of Parliament's 'Building Strategy Beyond 2019'. This strategy endorses flexibility as a key principle for allocating offices to both Members and members of staff and allows the space available to be used in an adjustable manner while adapting to all possible situations in the post-COVID-19 period.

Members are in favour of discussing Parliament's accommodation needs in the light of the effects of the COVID-19 pandemic and the current and future development of teleworking and, if necessary, adapting its long-term building strategy accordingly. They encouraged a review of the building policy to determine whether there is still a need for dedicated office space for each staff member. The administration should pool workstations as much as possible in accordance with members of staff's teleworking, while continuing to guarantee office space for each staff member who so requests.

Cybersecurity

Members noted that the number of cyber-attacks is increasing significantly and that these attacks can cause considerable damage to Parliament's IT system and even the institution's ability to function. They welcomed the adoption of an information security policy by the Secretary General in June 2020 and encouraged Parliament to take all necessary measures to strengthen its IT structure and cybersecurity staff as soon as possible.

Voluntary pension scheme

Parliament recalled that as at 31 December 2020, the actuarial deficit of the voluntary pension fund amounted to EUR 371.3 million, compared to EUR 328.6 million as at 31 December 2019.

Members are concerned that the Court of Justice estimates that the fund will be insolvent by 2024, while the fund's last payouts are estimated to be made in 2091. They called on the Bureau, the board and the members of the voluntary pension fund to support measures to limit the deficit of the voluntary pension fund and to consider any other measures that would contribute to this objective.

Public procurement

Parliament noted that, out of a total of 198 contracts awarded in 2020, 60 were awarded by open or restricted procedure, with a value of EUR 405.2 million, and 136 by negotiated procedure with a total value of EUR 179.1 million. The total number of contracts awarded by negotiated procedure increased as a percentage of the total value of contracts awarded from 26% in 2019 to 31% in 2020, but decreased in volume from EUR 208.53 million in 2019 to EUR 179.1 million in 2020.

Parliament is invited to follow the progress made in the field of social and sustainable procurement, such as the OECD work on public procurement and responsible business conduct, as well as the future EU legislative framework on corporate due diligence.