2020 discharge: General budget of the EU - European Economic and Social Committee

2021/2111(DEC) - 04/05/2022 - Text adopted by Parliament, single reading

The European Parliament decided by 429 votes to 158, with 46 abstentions, to **postpone its decision** on the discharge to the Secretary General of the European Economic and Social Committee in respect of the implementation of the European Economic and Social Committee's budget for the year 2020.

Parliament noted that the Court of Auditors had not found any significant weaknesses in the Committee's audit in the areas of human resources and public procurement. On the basis of its audit work, the Court concluded that the payments for the administrative expenditure of the institutions, including those of the Committee, for the financial year 2020 were, taken as a whole, **free from material error**. No specific problems relating to the regularity of transactions were detected by the Court.

In its resolution, adopted by 541 votes to 39 with 62 abstentions, Parliament made the following observations.

Budgetary and financial management

The Committee's budget for 2020 amounted to **EUR 142 500 000** (an increase of 4.22% compared to the 2019 budget), of which EUR 130 900 000 was spent or carried over to 2021 as commitments. The implementation rate in 2020 was **91.8%** (compared to 98.1% in 2019). As a result of the pandemic, several budget lines were affected both in terms of reduced utilisation of appropriations and necessary additional expenditure. To make up for the remaining amounts in the budget lines affected by the pandemic, the Committee initiated transfers at the beginning of 2020 for an exceptionally high total amount of about EUR 12 500 000.

Parliament noted the decision of the Committee Bureau on the one-off increase in the IT co-financing allocation for members, which allowed members who had attended at least 50% of the meetings to which they had been invited to receive EUR 2 500 for each of the two annual instalments in 2020. It asked the Committee to provide information on this one-off increase in the section of its website dedicated to the travel expenses and allowances of its members.

Parliament reiterated its regret at the Committee Bureau's decision of 9 June 2020 to allow members to be paid the usual daily allowance for participating in Committee meetings at a distance. It felt that such a decision damaged the Committee's reputation among citizens.

Internal management, performance, internal control

The Committee issued 131 opinions, position papers and information reports in 2020 (compared to 127 in 2019). The Committee is asked to report on its compliance with inter-institutional deadlines in response to referrals and any delays over the last five years.

Regarding the Committee's new organisation chart, Members are concerned that the transfer of the legal service to the responsibility of the Secretary-General will not give the legal service the necessary independence. They asked the Committee to reconsider this reorganisation. They also reiterated their call for internal procedures that provide for mandatory and timely consultation of the Legal Service before taking action on serious irregularities.

Concerned about the extent to which the Committee's work is taken into account, Members called on the Committee to ensure that each opinion is shared with members of the relevant parliamentary committees and to formally and systematically request a speaking slot when presenting draft reports to Parliament. They asked the Committee to involve the Parliament's rapporteurs in the preparation of its opinions, in order to strengthen political cooperation with the Parliament and recommended that the Committee carry out a more quantitative and qualitative impact assessment of its opinions. The Committee is called upon to strengthen the staff working in the areas of legislative work and inter-institutional relations.

Human resources, equality and staff well-being

At the end of 2020, the Committee's total number of staff was **702**, the same as at the end of 2019. The occupation rate of its posts in the establishment plan was 95.6%. Members deplored the number of long-term vacancies in middle and senior management, 'ad interim' managers and managers in double posts. They encouraged the Committee to look at ways to increase its attractiveness as an employer and the interest of potential candidates.

At the end of 2020, the Committee's staff consisted of 702 employees, of whom **458 were women and 244 men**. The percentage of women in middle management positions decreased from 48% in 2019 to 47% in 2020. The decrease is steeper for the percentage of women in senior management positions, from 57% in 2019 to 40% in 2020. Members encouraged the Committee to study the specific incentives and measures successfully implemented in other organisations to promote women's access to management positions.

Parliament recalled the investigation by the European Anti-Fraud Office (OLAF) in 2018 and 2019 into the **harassment case** involving the former President of Group I, which was opened after years in which shortcomings in the internal procedure and unjustifiable inaction by the administrative hierarchy prevented a better resolution of the case. It deeply regretted that the Secretary General of the Committee still refuses to acknowledge internal failings and responsibilities.

Members are concerned that the former Group I President has been appointed by the Council for a new term. They called for a review of the appointment procedure to enable the Committee to take a more active approach to the appointment of its members.

Parliament is aware of the amicable settlements reached with the two victims of harassment, who are still working in the Committee, but regrets that one of the two victims is still waiting for the final execution of the settlement concerning her. The Committee is called upon to apply uniform procedures for dealing with harassment cases so that there are no differences between victims and that the accused are treated in the same way, regardless of factors such as hierarchical position.

Members reiterated that unethical behaviour by staff and members of the EU institutions and bodies hampers the proper management of EU funds and has a negative impact on citizens' trust in the EU as a whole.

Ethical framework and transparency

Parliament believes that the **new code of conduct** should build on the experience gained from the harassment case, and include a fast and victim-protecting complaints procedure from the outset, as well as a clear and binding system of sanctions. The Committee should do more to raise awareness of the ethical framework and whistleblowing procedures.

Opposing the Committee's rejection of the use of the Transparency Register on the grounds that the Committee is a consultative body, Members urged the Committee to join the Transparency Register in order to promote transparency in its interactions with external interest representatives. The Committee is

urged to speed up its decision-making process on the revision of the current lobbying and advocacy framework in order to also strengthen its system for dealing with potential conflicts of interest.

Digital transformation, cyber security, data protection

Parliament noted that the budget for IT in 2020 amounted to EUR 7 500 000, compared to EUR 4 900 000 in 2019, an increase of 53%, largely due to unused appropriations transferred from other budget lines in order to continue clearing the IT backlog. It recalled that budget transfers cannot replace the necessary structural funding of an IT service.

Inter-institutional cooperation

Members welcomed the increasing bilateral cooperation between the Parliament and the Committee. The Committee's political cooperation with the Parliament, the Council and the Commission should be more systematic, given the Committee's role as representative of the social partners and civil society organisations. Members also highlighted the adoption of the new administrative cooperation agreement between the Committee and the Committee of the Regions (CoR), which entered into force on 1 November 2021, and which strengthens the governance of the cooperation and the control mechanisms to ensure the effective management of the joint services.