2021 discharge: General budget of the EU - European Parliament

2022/2082(DEC) - 14/04/2023 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Isabel GARCÍA MUÑOZ (S&D, ES) on the discharge for implementation of the European Union general budget for the financial year 2021, Section I - European Parliament.

The committee responsible recommended that Parliament **give its President discharge** in respect of the implementation of the European Parliament's budget for the financial year 2021.

Parliament's budgetary and financial management

Members note that Parliament's final appropriations for 2021 totalled **EUR 2 063 521 135**, or 19.4% of heading 7 of the Multiannual Financial Framework set aside for the 2021 administrative expenditure of the Union institutions as a whole, representing a 1.2% increase compared to the 2020 budget (EUR 2 038 745 000).

Total revenue entered in the accounts as of 31 December 2021 was **EUR 215 332 108** (compared to EUR 203 449 523 in 2020), including EUR 37 150 961 in assigned revenue (compared to EUR 33 567 305 in 2020).

Five chapters alone accounted for 75.8 % of total commitments, namely Chapter 10 (Members of the institution), Chapter 12 (Officials and temporary members of staff), Chapter 20 (Buildings and associated costs), Chapter 21 (Data processing, equipment and movable property), and Chapter 42 (Expenditure relating to parliamentary assistance), indicating a high level of rigidity for a major part of Parliament's expenditure.

Members are pleased to note that, as in previous years, a **very high level of budgetary implementation was achieved**. Total payments amounted to EUR 1 649 796, which corresponds to an implementation rate of 81.1% for payment appropriations. They also note the higher level of transfers made in 2021, due to budgetary savings resulting from the COVID-19 crisis, compared to the pre-pandemic years.

Measures related to the COVID-19 pandemic

Members note that 2021 was marked by the problems caused by the COVID-19 pandemic, which made it necessary to continue the extraordinary and unprecedented measures introduced in 2020 and to adapt them where necessary to limit any risk to Members and staff, while ensuring that Parliament was able to continue to carry out its core activities. Members note that the COVID-19 pandemic resulted in an estimated **budget surplus of EUR 95 804 765**, but that it also led to the need to reinforce other budget lines for a total of EUR 26 230 480, resulting in net savings of EUR 69 574 285.

The report welcomes the Court's findings in its report 18/2022 'The EU institutions and COVID-19' that the EU institutions were resilient in the face of the COVID-19 pandemic and that their response was rapid and flexible and benefited from previous investments in digitalisation.

Members are concerned that, in certain cases, some of the measures that were introduced to prevent the further spread of the COVID-19 pandemic resulted in modified working conditions in specific services. Parliament's administration is invited to proactively re-evaluate working conditions in possible similar situations.

Transparency and ethics

The report stresses that transparency, accountability and integrity are fundamental ethical principles in the EU institutions, and in Parliament in particular as the home of European democracy. They point out that **inadequate ethical rules and poor enforcement of those rules** can undermine the integrity of the institution and that unethical behaviour must be prevented, prosecuted and condemned, as it significantly undermines the credibility and legitimacy of Parliament and the Union as a whole and poses a serious threat to democracy and public trust.

In this respect, Members recall Parliament's resolution of 16 September 2021, in which it affirmed the importance of strengthening the transparency and integrity of the EU institutions by establishing an **independent European body responsible for ethical issues**, as well as Parliament's resolution of 15 December 2022 on the suspicions of corruption on the part of Qatar and, more broadly, the need for transparency and accountability within the European institutions.

Members make the following recommendations:

- there is a need for stricter rules, greater transparency and control over **Member's side incomes**, to avoid conflicts of interest; the code of conduct should be revised with this in mind;

- the administration should carry out mandatory **transparency checks** on the participation of interest representatives in parliamentary events;

- the administration should equip itself with the means to strengthen internal rules and instruments for **preventing conflicts of interest**;

- the **rules on access** to Parliament's premises for stakeholders should be revised;

- internal rules on the **transparency register** must be effectively enforced, including, where appropriate, through the imposition of adequate sanctions; the scope of the transparency register should be extended to include representatives of third countries;

- Members and staff should be encouraged not to hold meetings with organisations that are not on the transparency register and not to engage in lobbying activities with such organisations;

- **access of NGOs** and stakeholders to EU institutions and their funding programmes should be verified in advance;

- the formation of **friendship groups** with third countries should be banned where an official Parliament delegation already exists.

Members note that currently, under any circumstances, OLAF has no access to Member's offices, computers and e-mail accounts, even when it is investigating cases related to Members on the basis of a substantiated suspicion. They call on the Bureau to put in place a proper procedure to allow OLAF access in cases of well-founded suspicion against individual Members.

The report also made further observations on the following points:

Harassment and whistleblowing: six harassment cases against Members were opened in 2021 and four cases were pending from 2020. In the four cases closed in 2021, no harassment was found. Members welcome Parliament's zero tolerance policy towards harassment and the awareness-raising campaigns carried out.

Communication and inter-institutional cooperation: the report highlights the important role played by the communication strategy in engaging with citizens on a range of projects and activities through multiple channels, despite the difficulties encountered in 2021. It notes an average growth in engagement rate of 69% on Parliament social media channels between 2020 and 2021 and an average growth of 11% in the number of followers in 2021. It welcomes the ambitious programme of 'Europa Experience' facilities, which aims to bring the Union closer to its citizens.

Digital transition and cyber security: the report notes the importance of all of the IT systems that ensure proper remote functioning of Parliament. However, it points out, that all innovations implemented will require an investment for their maintenance in view of future uses. It urges the Parliament to maintain its effort and increase its investment in cyber security.

Buildings policy: Members note that Parliament's administration is currently developing a comprehensive approach to defining Parliament's long-term buildings policy in the light of the impact of the energy crisis, rising raw material prices, environmental obligations and the new working methods introduced in Parliament. They call on Parliament's administration to reflect on the need to acquire or construct new buildings in the future.

Environmental footprint of Parliament's activities and mobility: the report calls on Parliament's administration to report on activities that aim to close the gaps in order to achieve all targets on time selected by the Bureau Working Group on Buildings, Transport and Green Parliament. Members are pleased to note that emissions in 2021 were lower than in 2019, amounting to 2501 tonnes of CO2. The suspension of part-sessions in Strasbourg contributed to a total saving of EUR 26 260 608, according to Parliament's secretariat, while significantly reducing Parliament's carbon footprint. Members welcome the fact that the Brussels site has 138 parking spaces reserved for electric vehicles.