2021 discharge: General budget of the EU - European Parliament

2022/2082(DEC) - 10/05/2023 - Text adopted by Parliament, single reading

The European Parliament decided by 527 votes to 87, with 7 abstentions, to **grant discharge** to the President in respect of the implementation of the European Parliament's budget for the financial year 2021.

In its resolution, adopted by 500 votes to 79 with 53 abstentions, Parliament made the following observations:

Parliament's budgetary and financial management

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. The surplus from the COVID-19 pandemic was mainly used to finance Parliament's building policy.

Measures related to the COVID-19 pandemic

2021 was marked by the ongoing challenges that arose from the COVID-19 pandemic, requiring most of the unprecedented and extraordinary measures introduced in 2020 to be maintained, and where necessary, adapted in order to minimise the risk for Members and staff, while ensuring that Parliament remained in a position to continue its core activities.

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 continuation of the pandemic in 2021 has led to considerable transfers within Parliament's budget, and a budget surplus has been recorded in areas such as travel expenses, the organisation and reception of groups of visitors, in person training and energy consumption, which have all fallen. The pandemic has also created new budgetary needs in other areas, notably health and prevention, as well as the technical equipment and logistics required for voting and multilingual hybrid meetings.

Members praised the vital role of Parliament's medical services, which have been at the forefront of the response to the pandemic, and recognised the huge amount of work that has been done, including treatment, testing and vaccination of staff. The total cost of the testing centres was EUR 5 415 789 in Brussels, EUR 302 288 in Luxembourg and EUR 39 370 in Strasbourg. Parliament acquired various models of body temperature detectors at a total cost of EUR 595 459 (EUR 212 944 in 2021).

The pandemic had a negative impact on Parliament's catering staff. Parliament was the first EU institution to launch a food donation programme and was the only institution to take measures to save jobs during the crisis. The work of Parliament's staff interpreters and freelance interpreters during the pandemic was also commended.

Transparency and ethics

Members stressed 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 recalled 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 as well as the need to set up a **Union Ethics body** set up by the end of the current term.

The resolution also made the following recommendations:

- **Parliament's ethical framework must be thoroughly overhauled** in order to provide more effective deterrents to current and future threats and interference, whether by Members or staff; illegal activities funded by paid lobbyists are a serious attack on democracy and must be the subject of zero tolerance and increased vigilance;

- 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; the obligation to publish meetings with interest representatives to all Members working on reports, opinions or resolutions;

- **access by interest representatives to the EU institutions** and their funding programmes must be checked in advance, and consideration should be given to whether it should be included in the Early Detection and Exclusion System (EDES);

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

- the Office should put in place an appropriate procedure to allow OLAF access to Members' offices, computers and e-mail accounts in the event of well-founded suspicions against individual Members.

Parliament welcomed the Bureau's decision to lay down stricter rules to regulate 'revolving doors' for former Members and civil servants by introducing a cooling off period under which former Members may not engage in any lobbying or representation activity in the European Parliament for six months after the end of their mandate.

Parliament 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 resolution highlighted 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 noted 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 welcomed the ambitious programme of 'Europa Experience' facilities, which aims to bring the Union closer to its citizens. It also reiterated its long-standing request to the Secretary-General to analyse the feasibility of international sign language interpretation for all plenary debates.

Digital transition and cybersecurity: in 2021, the overall cost of technical solutions to allow remote voting sessions amounted to EUR 1 275 500. Members pointed out, however, that all innovations implemented will require an investment for their maintenance in view of future uses. They welcomed the investments made by Parliament in strengthening its cyber security, in particular with the creation of a dedicated directorate. Parliament is invited to maintain its efforts and increase its investment in cyber security.

Buildings policy: Members noted that Parliament's administration is currently working on a comprehensive approach to defining Parliament's long-term buildings policy, taking into account the impact of the energy crisis, rising raw material prices, environmental obligations and new working methods in Parliament. They asked Parliament's administration to examine the need to acquire or construct new buildings in the future.

Environmental footprint of Parliament's activities and mobility: Parliament was pleased to note that emissions in 2021 were lower than in 2019, representing 2 501 tonnes of CO2. Passenger transport accounts for around two-thirds of the carbon footprint. The suspension of part-sessions in Strasbourg would have contributed to a total saving of EUR 26 260 608, while significantly reducing Parliament's carbon footprint. The Court of Auditors estimates that eliminating travel between Strasbourg and Brussels could generate an annual saving of EUR 114 million, to be increased by an exceptional saving of EUR

616 million if the Strasbourg buildings are sold or reduced by EUR 40 million if they are not. Members welcomed the fact that the Brussels site has 138 parking spaces reserved for electric vehicles, as well as the possibility for staff to hire electric or ordinary bicycles during sessions held in Strasbourg.

Voluntary pension fund: Members noted with concern that the actuarial deficit of the voluntary pension fund amounted to EUR 379 million on 31 December 2021, compared with EUR 371.3 million on 31 December 2020. They are concerned that the fund is expected to be fully exhausted by the end of 2024 or 2025 at the latest, and that in the meantime the voluntary pension fund continues to sell assets in order to meet its pension obligations. Parliament has asked the Office to provide the discharge authority with a detailed estimated projection of the costs in respect of the fund for the coming years and to actively pursue its search for a feasible, legal and fair solution, given the urgency of the situation.