2021 discharge: General budget of the EU - European Economic and Social Committee

2022/2086(DEC) - 10/05/2023 - Text adopted by Parliament, single reading

The European Parliament decided by 562 votes to 70, with 4 abstentions, to **grant discharge** to the Secretary-General of the European Economic and Social Committee in respect of the implementation of the budget of the European Economic and Social Committee for the financial year 2021.

In its resolution, adopted by 552 votes to 79 with 4 abstentions, Parliament made the following observations:

Budgetary and financial management

The Committee's final budget for 2021 amounted to **EUR 145 024 938**, which represents a slight increase of 1.7% compared to EUR 142 539 393 in 2020 and EUR 138 502 768 in 2019. Members expressed concern the **low budget implementation** of 90.8 % compared to 91.8 % in 2020 and far from the pre-pandemic levels in 2019 and 2018.

The uncommitted appropriations returned to the Union budget are the highest in the last four years. The **low payment** rate at 31 December 2021 of 78 %, a decrease from 83.2 % and 92.5 % respectively in 2020 and 2019 is also stressed.

In 2021, the COVID-19 pandemic had an impact on the Committee's activities, reducing the use of funds for some lines (travel expenses and allowances for members, interpretations, staff missions and organisation of events and hearings), while for others, the health crisis required additional expenditure (technical assistance for remote or hybrid meetings, reinforcement of IT systems to cope with the increase in teleworking, and additional equipment required by the Committee's medical service). The leftover appropriations were used to address the backlog in IT and buildings, acknowledged in previous discharge exercises.

Members considered that the allowance for remote participation in Committee meetings, although reduced, is difficult to understand from the point of view of public opinion, as it could damage the Committee's reputation. They also felt that, since the lifting of health measures and measures taken during the COVID-19 pandemic, the allowance for remote participation in meetings was no longer necessary.

Internal management, performance and control

2021 was again a year in which the Committee was affected by the COVID-19 pandemic, during which a series of decisions were taken to enable the Committee's main bodies to continue to operate despite the limitations imposed by safety and security concerns.

Members welcomed the Committee's integrated business analysis programme, which aims to identify and map all the underlying business processes that have an influence on the expenditure estimates for the budget lines, which should further improve the sound and efficient management of available human and financial resources. However, they are concerned about the limited resources available to the Committee's Internal Audit Service (IAS).

In 2021, the Committee adopted 200 opinions (compared with 131 in 2020 and 127 in 2019), of which 151 were based on referrals, 28 were own-initiative opinions and 12 were exploratory opinions (the

number of opinions based on referrals having reached 65 and 59 in 2020 and 2019 respectively). Members welcome the decision to launch a pilot project on strengthening the follow-up to opinions issued.

Members noted a doubling of the number of meetings with Parliament's counterparts in the preparation of the Committee's opinions compared to 2020, which confirms the Committee's role in the legislative cycle. They called on the Committee to ensure that its opinions are shared with members of Parliament's relevant committees, in accordance with the cooperation agreement between Parliament and the Committee of the Regions (CoR).

Human resources, equality and staff well-being

Parliament noted, in 2021, despite the limitations imposed as a result of the COVID-19 pandemic, the Committee managed to guarantee safe working conditions.

The Committee reports that there were 699 members of staff employed on 31 December 2021, compared to 702 in both 2020 and 2019. In 2021, the number of posts in the Committee’s establishment plan increased from 668 to 699, which was foreseen in 2020.

A large number of temporary and contract agents were employed in 2021. The Committee is invited to further deepen its administrative cooperation with the CoR via the joint services arrangement to enhance the synergic effects of pooling staff.

The majority of the Committee’s staff is composed of women (448 out of 699), in both the assistant category and the administrator category. They welcomed the well-balanced gender representation in middle and senior management functions. On the other hand, the Committee’s geographical balance is not satisfactory given that Member States are not proportionally represented.

In 2021, the Committee evaluated its action plan for equal opportunities and diversity in order to launch the development of a **reinforced strategy for diversity and inclusion**. The Committee is invited to support initiatives that contribute to making the Committee a more inclusive workplace. The Committee is asked to include in the upcoming diversity and inclusion strategy and action plan on, specific actions on recruiting and on-boarding of candidates with disabilities and to pay similar attention to accessibility and mobility when carrying out building renovation.

Ethical framework and transparency

Members welcomed the **update of the Committee's code of conduct** in January 2021, with reinforced sanctions and a wider scope, and the adoption of a detailed ethics action plan in January 2021. They reiterated their call to also consider an external audit on ethics and transparency.

As regards the former Committee member identified by OLAF as a victim of serious misconduct, an agreement was found with regard to the ways to remedy the issue, centred on the strengthening the Committee’s code of conduct, strengthening the ethical framework, giving priority to finding fair settlements and providing public apologies to victims. However, Members deplored the fact that the Committee's Secretary General still refuses to acknowledge internal shortcomings and responsibilities, which results in a breach of the duty of care towards the Committee's staff.

Members regretted that the Committee continues to ignore Parliament's calls for an external and independent enquiry specifically aimed at examining the Committee's human resources procedures and their effectiveness, with a focus on identifying the responsibilities of the administrative hierarchy in dealing with harassment complaints and ensuring the well-being of staff. They called on the Committee to take all necessary measures to **effectively prevent future cases of harassment**.

Parliament welcomed the fact that the Committee's revised code of conduct, introduced in January 2021, contains specific provisions on the declaration of financial interests and on conflicts of interest. It noted with satisfaction that ethics training became mandatory for all staff in 2021.

Parliament also commented on the digital transition, cybersecurity and data protection, buildings and security, the environment and sustainability, interinstitutional cooperation and communication.

The resolution made the following observations, inter alia:

- the Committee has worked to support the recovery process after the COVID-19 pandemic, in particular to benefit more from the increased digitalisation. The initial IT budget for 2021 was EUR 5 400 000 compared to EUR 4 700 000 in 2020, thus an increase of EUR 700 000 (15 %). The Committee is invited to continue to give a high level of attention to cyber security issues;

- the leading component of the building strategy of geographical concentration was pursued with the exchange of the TR74 and B68 buildings for the VMA building. The building exchange carried out requires additional intervention to provide a fitting working environment for the new tenants;

- positive environmental accomplishments were made in 2021, as regards electricity, water and paper consumption (reductions of 2.1 %, 14.3 % and 55 % respectively compared to 2020);

- the current agreement on administrative cooperation between the Committee and the CoR, which entered into force on 1 November 2021 for a period of five years, has strengthened the governance of the cooperation and the control mechanisms and is further evidence of the willingness to share resources efficiently and create synergies.