2022 discharge: General budget of the EU - European Economic and Social Committee

2023/2135(DEC) - 07/03/2024 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Luke Ming FLANAGAN (The Left, IE) on discharge in respect of the implementation of the general budget of the European Union for the financial year 2022, Section VI – European Economic and Social Committee.

The committee called on the European Parliament to grant the Secretary-General of the European Economic and Social Committee discharge in respect of the implementation of the budget of the European Economic and Social Committee for the financial year 2022.

Budgetary and financial management

The report noted that, in 2022, the final adopted budget for the Committee amounted to EUR 152 451 643, representing an overall increase of 5.1 % compared to 2021. The remuneration and allowances budget line increased by 5 % between 2021 and 2022 due to the annual indexation of salaries. It also noted that the distribution of appropriations across budget lines in the 2022 budget remained comparable to previous years' distribution.

The European Economic and Social Committee's budget implementation rate was 96.12 % in 2022, after two years of lower budgetary implementation due to the COVID-19 pandemic and the related travel restrictions. Members noted that the payment execution rate followed the same trend and reached 88.12 % in 2022. The carry-over of appropriations to the year 2022 amounted to EUR 20 162 518, i.e. approximately 13 % of the 2022 annual budget, which was substantially higher than the average in previous years due to the postponement of buildings works in 2020 and 2021.

Members noted that Russia's war of aggression against Ukraine in various ways created budgetary pressures for the Committee, including through rising inflation and salary adjustments, strongly increasing energy costs and the cost of construction and raw materials.

Moreover, the 2022 budget for staff missions increased by EUR 25 000 as compared to 2021, which was financed by a budget transfer, to cover higher expenses due to the increase in flight and hotel prices in 2022 and amounted to a total of EUR 398 974.

Internal management, performance and internal control

The report noted that the Committee pursues its mission through opinions, which refer to legislative proposals made by the Commission (referrals), own-initiative opinions, which call on the Union institutions to take action, and exploratory opinions, which feed into the Commission's work on its planned initiatives, and that the Committee's positions can be highlighted in resolutions or included in evaluation and information reports. In 2022, the Committee adopted 202 opinion and reports which is in line with its average annual performance, excluding 2019 and 2020 when the activity of the Committee was lower. The Committee also enhanced its engagement in the political and legislative cycle by attending 345 high-level national, Union and international meetings, summits and conferences, and by organising 116 hearings and 29 conferences.

The report noted that the Committee continued to reinforce its internal control framework in 2022 with the simplification of the financial circuits under the 'light verification' procedure for some low-value transactions and to develop its policy on sensitive posts.

Ethical framework and transparency

Members noted that the Committee continued its internal reform process with the adoption of new rules of procedures in March 2022 and their implementing provisions in November 2022. They also noted with satisfaction that the Committee continued to train staff and raise awareness about the ethics framework in place, in particular the new code of conduct, harassment and whistleblowing, and the role and responsibilities of the ethics counsellors whose mandate started in January 2022.

The Committee is congratulated for taking the decision to formally join, as of 1 June 2023, the EU transparency register between the European Parliament, the Council of the European Union and the European Commission.

Although the Committee has a series of measures in place to prevent fraud, Member regret that an integrated anti-fraud strategy has not yet been put in place despite previous requests from Parliament.

Buildings

The report recalled that the Committee and the Committee of Regions (CoR) lost 5 000 m² in office space following the take-over of the rental contract of the former EEAS building at Belliard 100, which took effect in September 2021, and the building exchange between the Committee and the CoR's Belliard 68 and Trèves 74 and the Commission's Van Maerlant 2 (VMA), which took effect in September 2022.

In 2022, the building strategy of the Committee and the CoR focused on the geographical concentration of the buildings which was achieved by physically connecting all the buildings used by the Committees to their main building. Members welcomed the new physical connection to Parliament's buildings which became operational in November 2022, offering a more direct, easier and 125 m shorter pathway between the buildings of the Committee and the CoR and the buildings of Parliament.

Interinstitutional cooperation

The report welcomed the budgetary and administrative savings achieved through interinstitutional cooperation, in particular the close cooperation established at administrative level with the CoR with which the Committee shares premises and joint services in the areas of translation, infrastructure, logistics and IT while maintaining its full institutional autonomy.

Members also welcomed the Committee's strengthened involvement in the legislative cycle and called on the Committee to ensure that its opinions are shared with the members of the relevant committees of Parliament in line with the cooperation agreement between Parliament and the Committee.

Communication

In 2022, the Committee's overall budget for communication was EUR 1.5 million, the same amount as in 2021. This budget was primarily allocated to support the development and maintenance of the Committee' s website, social media communication, media monitoring, media relations and promotion of major activities and events of the Committee.

Lastly, the report welcomed that the Committee ensures that citizens have open access to its documents via a dedicated electronic register.