2022 discharge: General budget of the EU - Court of Auditors

2023/2133(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 V – Court of Auditors.

The committee called on the European Parliament to grant the Secretary-General of the Court of Auditors discharge in respect of the implementation of the budget of the Court of Auditors for the financial year 2022.

Budgetary and financial management

The report noted that the overall budget of the Court for 2022 amounted to EUR 162 141 175, equivalent to an increase of 5.5 % from EUR 153 721 727 in 2021. This increase was primarily due to salary adjustments and 20 new temporary posts related to NextGenerationEU. In 2022, 90 % of appropriations were for its members and staff, while 10 % were for buildings, equipment and miscellaneous expenditure. The report further reiterated the importance of ensuring that the Court is provided with adequate staff in order to adequately fulfil its mandate as well as the new tasks relating to the entry into force of new financing instruments, such as the Recovery and Resilience Facility (the RFF).

The budgetary implementation rate for 2022 was 98.5 %, a slight increase compared to the previous two years.

In addition, the general mission budget of the Court declined from EUR 2 988 000 in 2021 to EUR 2 452 000 in 2022, equivalent to a reduction of 18 %, which was a result of continued travel restrictions at the beginning of 2022 and changes in working methods with a larger number of remote meetings.

The report noted that Russia’s illegal and unjustified war of aggression against Ukraine in various ways created budgetary pressures for the Court, including through rising inflation and salary adjustments, strongly increasing electricity and heating costs.

Internal management, performance and internal control

2022 was the second year of the implementation of the Court’s 2021-2025 strategy and, at the end of 2022, out of 29 strategic measures 18 had been fully implemented, or the framework for the measure had been established and further actions were ongoing, while 11 measures were ongoing or recurrent. The Court presented 7 annual reports, 8 opinions, 28 special reports and 1 review, which is very similar to the number of reports, opinions, special reports and reviews presented in 2020 and 2021.

The report encouraged the Court to enhance its contribution to combat fraud in the Union budget. It called on the Court to work on identifying the necessary requirements for collection, processing and storing of data necessary for the easy and interoperable auditing of Member States’ use of public funds.

Human resources, equality and staff well-being

The Court, at the end of 2022, had 921 members of staff, slightly up from 917 at the end of 2021 and 910 at the end of 2020. The overall gender distribution at the end of 2022 was 434 men, equivalent to 47.1 % and 487 women, equivalent to 52.9 %.

Members regretted that over the years the Council repeatedly proceeds to nominate members of the Court despite those nominees being rejected by Parliament.

Ethical framework and transparency

The report welcomed the revised code of conduct from May 2022 for the Court's members and former members, following Parliament's recommendation, establishing *inter alia* the obligation for members to reside where the Court is located.

Parliament continues to be of the opinion that information about missions of the members of the Court should be published for the entire period that a member holds office and that members should have no formalised political links, including honorary functions in political parties or organisations.

Members welcomed that the Court, in recent years, has engaged in a process of updating its ethical framework.

Highlighting that is no Court-wide anti-fraud strategy, Members encouraged the Court to address that issue as a matter of priority. They also continue to reject the Court's assessment and decision not to join the EU Transparency Register and reiterated their strong call for the Court to join it.

Members reiterated its satisfaction that, in 2022, the Court established a register for the attendance of members of the Court at meetings, following reiterated requests by Parliament in that respect.

Buildings

The report noted that the Court carried out significant renovation works on the K2 building during 2022 which was completed in early 2023 and entailed the renovation of four floors in order to provide a modern workplace that is appreciated by members of staff and is more environmentally friendly.

Interinstitutional cooperation

Members noted the triparty agreement between the Court, the Commission and the European Investment Bank from November 2021 which has clarified and streamlined some processes and that the Court has gained improved access to information that relates to operations financed or guaranteed by the Union budget. It is suggested that the Parliament should be entrusted to grant discharge to the EIB in order to strengthen the democratic legitimacy of that important Union institution and, thus, improve transparency and accountability and good governance of financial and human resources.

Enhanced cooperation with OLAF, the European Public Prosecutor's Office (EPPO), the EDPS and the European Ombudsman has been welcomed.

Communication

Lastly, Members welcomed that the Court adopted a new communication strategy in January 2022 which puts the general public at the centre and that it updated its website in 2023 to provide a better experience for users. It also created a portal which can makes data related to audits more accessible for a broad audience including students, academia and the general public.