

2008 budget: other sections

2007/2019B(BUD) - 11/10/2007

The Committee on Budgets adopted the report by Ville **ITÄLÄ** (EPP-ED, FI) on the EU 2008 budget (other sections). It recalls that 2008 is the second year of the new financial framework (2007-2013), for which the ceiling of heading 5 (Administrative expenditure) has been set at EUR 7 457 million at current prices and that Preliminary Draft Budget (PDB) of all the institutions left a margin of EUR 121 285 164 below the ceiling of heading 5 of the financial framework for the financial year 2008. After Council's decision, the draft budget (DB) has a margin of EUR 266 755 254 below the ceiling of heading 5 for 2008.

The report recognises that the institutions, after the Council's first reading, have made the effort to reduce some of their usual expenditures in order to balance their absolute needs. It considers that this exercise has contributed to setting-up a budget for the EU tax-payer as requested in the guidelines resolution. The committee encourages the institutions to pursue in this direction in order to strengthen citizens' confidence in the European institutions and in Europe.

It notes that most of the increase beyond the inflation rate is due to buildings' expenditure. Concern is expressed for the coming years regarding the weight of buildings related expenditure if not closely managed by the institutions. The institutions are invited to keep the Budgetary Authority regularly informed of the evolution of their different projects with a medium term perspective and to control accordingly their expansion. It requests that, in view of the entry into force in 2009 of the Members' Statute, an updated property investment plan for the coming 3 years including refurbishing costs should be submitted to the Budgetary Authority not later than 31 March 2008.

The committee has therefore decided to **limit the budget increase of 2008 to 6.92 %**. It decides to leave a margin under the ceiling of heading 5. It recommends restoring **EUR 8 180 945** out of the EUR 22 127 359 reduction made by Council on the budget of the other institutions (excluding the Commission), that is restoring 37% following the examination of the specific requests and needs of each institution

In the context of a general concern vis-à-vis the **environment**, all institutions, including the Commission, are invited to exploit the various possibilities, together with the host Member States, for achieving a more efficient public transport plan, including in-house mobility information points, intranet information on timetables and other incentives, in order to encourage the staff of the European institutions to use public transport or bicycles under safe conditions. More specifically, the report acknowledges the efforts made by Parliament in the past 2 years to implement a redeployment exercise. It notes that in 2006 Parliament had requested from the other institutions more precise information on the performance and costs of their core tasks in order to justify in a more transparent manner the effectiveness or otherwise of additional funds. It regrets that very few institutions are providing this informative activity-related reporting and requests all the institutions in question to provide this information by the first week of September of each year.

Section I - European Parliament: the committee welcomes the fact that the Bureau has, for the first time, made new requests in its amending letter which are below the self-imposed ceiling of 20% of heading 5. It takes note of the fact that the Bureau intends to launch a number of new projects which are not directly linked to Parliament's core activities and considers that in view of the lack of flexibility which exists in the administrative budget, the development of new projects should be undertaken in a prudent way taking into account the limited availability of financial resources and the perspectives from 2009 onwards. It encourages the administration and the Bureau to reflect on the real needs and on the institution in administrative and political terms and to seek means to reduce the current costs of the tasks undertaken. It suggests that a broad discussion on the history of Europe and its interpretation take place at expert level

before creating the House of European History. It welcomes the new redeployment plan proposed by the Secretary General which concerns 58 posts. Lastly, it decides to reduce a number of budget lines, especially those that proved to be inflated in 2006 ([BUD/2007/2018](#)).

- **Enhancing Members' assistance:** the committee considers that preserving the linguistic diversity of Members of the European Parliament is one of the most important challenges for the administration and therefore limits the global allocation for the pilot project to EUR 4 million and, at the same time, to place EUR 2 million in the reserve in order to induce the administration to give priority to more efficient linguistic support for Members during official meetings. This reserve of EUR 2 million does not affect the pilot project. The report takes note of the proposal to create a new article 323 for the "relations with Parliaments of third countries and support for parliamentary democracy" with an amount of EUR 360 000 to differentiate, by geographical area, the Parliament's activities. It expresses its concern regarding the number of delegations and assemblies in the Parliament's budget in particular due to the fact that their financial impact is not clearly identified in the budget as it includes not only the appropriation under the existing items but also the related costs for interpretation and technical and logistical support. It asks the administration to make a proposal to improve the transparency of this type of activity. Once again, the committee considers that the Presidencies of the Parliament and the Council should take into account EU citizens' opinion as regards the geographical dispersion of the Parliament amongst the three places of work and the related costs and environmental consequences. It invites the two Presidencies to negotiate while retaining the important symbolic value of Strasbourg, to bring up a proposal to **hold plenary sittings there twice a year** in order to respond to citizens' concerns in terms of savings and environment. As regards parliamentary assistance, the report calls on the administration to strengthen the internal control system in order to ensure that recruitment of Members' assistants is clear and transparent, guaranteeing that tax and social regulations (salary and social security rights, etc.) are respected. The Commission is called upon to present a new proposal for an assistants' statute that guarantees the necessary freedom of choice and flexibility for Members in terms of duration of contracts and salaries.
- **European Political Foundations:** Parliamentarians have decided at this stage of the budgetary procedure, pending the adoption of the legal basis for the financing of the European Political Foundations, to create a new heading (403, "Contributions to European political foundations") with an EUR 5 million allocation in the reserve and a token entry ("p.m").
- **For an Environmentally friendly Parliament:** the report regrets that, more than 5 years after the start of the EMAS process in the budget procedure, EMAS registration is still pending and the impact on the environment as well as the savings and the investments in relation to its implementation are still not known. The administration is invited to provide the above information and to report on the reduction of energy consumption that should have resulted from the decrease in air-conditioning during the summer period, and to present an action plan for reducing and offsetting CO2 emissions caused by the Parliament's activities. The administration is asked to renew its car fleet as soon as possible by purchasing or renting vehicles which pollute less than the current ones, such as hybrid cars, and to present the relevant action plan.
- **Information policy:** the report reiterates its willingness to have a strong information policy involving the political groups and close to the European citizens, through the strengthening of the local and regional media, the quick opening of the Visitors' Centre in Brussels and the increased flexibility of the use of the visitors' groups. The Bureau is called upon to decide on a programme for the forthcoming election campaign that takes into account the need for close contact between Members and EU citizens. The role of the Information Offices as well as the local and regional media should be strengthened. The committee looks forward to receiving their annual work programme for 2008 by December 2007 in order to release the reserve in January. The committee regrets the lack of information being submitted to the Budgetary Authority on the progress registered to date on the WebTV prototype, especially since information policy, including WebTV, is considered a priority for 2008. It decides to keep EUR 9 million in the reserve for information and communication until the prototype is presented for approval to the Budgetary Authority.

- **Security:** MEPs request that staff respect the rules concerning staff wearing badges in the Parliament's buildings. They invite the Quaestors to reconsider the use of electronic badges by Members, which will enable the implementation of different new facilities, such as electronic signatures. Security around Parliament's premises in Brussels is not well assured after normal working hours for its Members and staff therefore the Belgian authorities are pressed to improve the situation.
- **Miscellaneous:** MEPs took note of the proposal made by the Bureau to allocate an amount of EUR 100 000 to the Sakharov Foundation as a subsidy towards human rights activities.
- **Establishment plan:** the committee supports the setting-up of two new Directorates General for Interpretation and Technological Innovation Support. It has approved the modifications of the establishment plan measures proposed by the Secretary General as a package as follows: i) release from the reserve for the creation of 16 new posts requested in the estimates and their corresponding appropriations; this concerns 9 and 7 posts including one temporary post for the sixth Quaestor; ii) make the necessary appropriations available for the creation of 5 posts for the analytical service within the Library and 2 posts for the creation of the new Directorates General; iii) the conversion of 35 posts into posts which were placed in reserve. It has also decided to release from the reserve the 448 upgradings for Parliament's secretariat requested by the administration in the context of the Staff Regulations for permanent and temporary staff and their corresponding appropriations. It has likewise decided to confirm the 74 upgradings requested by the political groups.

Section IV - Court of Justice: MEPs highlight the fact that the increase of the budget is mainly due to the handover of the New Palais and they consider that its financial impact is particularly substantial in the 2008 budget. They state that this should remain exceptional and that the margin under heading 5 in 2009 will be limited. They consequently invite the Court of Justice to proceed to a detailed and scrutinised exercise in order to limit its growth in 2009. The report agrees with the Court of Justice to reduce its contribution to the lease-purchase for the New Palais by EUR 4 million, thanks to the frontloading of this amount from the 2007 budget. It has decided in agreement with the Court of Justice to restore the standard abatement to a level of 3.7% and has therefore restored the corresponding appropriations. The report sets out the following establishment plan measures: i) the creation of 9 temporary posts to reinforce the Cabinets of the Advocates General and of the President of the Civil Service Tribunal; ii) the creation of 1 position for the recruitment of a lawyer to cope with the increasing "data protection" requirements; iii) 1 for the implementation of the interinstitutional SAP software project. It has increased the appropriations made available by the Council in the draft budget by EUR 3 102 000 which represents an 8.03% increase over the 2007 budget.

Section V - Court of Auditors: MEPs decided in agreement with the Court of Auditors to restore the standard abatement to a level of 4.82% which represents an increase of EUR EUR 3 261 204 which represents a 9.65 % increase over the 2007 budget. They intend to grant the institution the following posts: 2 for the human resources division following the decision to reinforce it in two years' time; 1 for the implementation of the new SAP software project and 1 for the plan on documenting and simplifying measures. They intend to transform several posts. Parliamentarians have restored the appropriation linked to fitting-out work required by the health and security law of the Luxembourg State and the renovation of the Court's meeting room.

Section VI - European Economic and Social Committee and Section VII - Committee of the Regions: the report regrets that at this stage of the budgetary procedure the two committees have not been able to present their new cooperation agreement. The committee has consequently decided to enter in Chapter 10 0 ("Provisional appropriation") 10% of the 2007 budget of the Joint Service cost. It is ready to release the appropriations from the reserve as soon as the new cooperation agreement is concluded.

- **EESC: MEPs** decided to leave the standard abatement at a level of 4% and accepted the Council's position on the request for upgradings for career development. They have decided on the creation of 5 new permanent posts and they have increased the appropriations made available by the Council in the draft budget by EUR 546 178 which represents a 1.82 % increase over the 2007 budget.
- **COR:** MEPs have decided to restore the standard abatement to a level of 4%. They have therefore restored the corresponding made available by the Council in the draft budget by EUR 1 054 962 which represents a 6.12 % increase, including the costs related to enlargement, over the 2007 budget. The report amends the establishment plan measures as follows: the confirmation of the 15 posts related to the enlargement to Bulgaria and Romania as agreed by the Council in its draft budget; the creation of 10 additional permanent posts related to the enlargement to Romania and Bulgaria. The committee is ready to examine the possibility of creating 7 further posts related to this enlargement in the future; the creation of a new Director's post through the upgrading of an available post for the unit on Communication, Press and Protocol.

Section VIII – Ombudsman: the committee has increased the appropriations made available by the Council in the draft budget by EUR 142 230 which represents a 4.36% increase over the 2007 budget.

Section IX - European Data Protection Supervisor: the committee agrees with the Council not to apply a standard abatement. It has decided on the creation of the four posts requested funded for six months. It has increased the appropriations made available by the Council in the draft budget by EUR 83 058 to maintain its level of development, which represents an increase of 7.1% over the 2007 budget.