## Basic information

| | |
|---|---|
| **2008/2280(DEC)**<br>DEC - Discharge procedure | Procedure completed |
| 2007 discharge: EU general budget, Economic and Social Committee<br>**Subject**<br>8.70.03.07 Previous discharges | |

## Key players

European Parliament

| Committee responsible | Rapporteur | Appointed |
|---|---|---|
| CONT Budgetary Control | SØNDERGAARD Søren Bo (GUE/NGL) | 26/03/2008 |

| Committee for opinion | Rapporteur for opinion | Appointed |
|---|---|---|
| AFET Foreign Affairs | The committee decided not to give an opinion. | |
| DEVE Development | The committee decided not to give an opinion. | |
| INTA International Trade | The committee decided not to give an opinion. | |
| BUDG Budgets | The committee decided not to give an opinion. | |
| ECON Economic and Monetary Affairs | The committee decided not to give an opinion. | |
| EMPL Employment and Social Affairs | The committee decided not to give an opinion. | |
| ENVI Environment, Public Health and Food Safety | The committee decided not to give an opinion. | |
| ITRE Industry, Research and Energy | The committee decided not to give an opinion. | |
| IMCO Internal Market and Consumer Protection | The committee decided not to give an opinion. | |

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|---|---|---|---|
| TRAN | Transport and Tourism | The committee decided not to give an opinion. | |
| REGI | Regional Development | The committee decided not to give an opinion. | |
| AGRI | Agriculture and Rural Development | The committee decided not to give an opinion. | |
| PECH | Fisheries | The committee decided not to give an opinion. | |
| CULT | Culture and Education | The committee decided not to give an opinion. | |
| JURI | Legal Affairs | The committee decided not to give an opinion. | |
| LIBE | Civil Liberties, Justice and Home Affairs | The committee decided not to give an opinion. | |
| AFCO | Constitutional Affairs | The committee decided not to give an opinion. | |
| FEMM | Women's Rights and Gender Equality | The committee decided not to give an opinion. | |
| PETI | Petitions | The committee decided not to give an opinion. | |

Council of the European Union

| Council configuration | Meetings | Date |
|---|---|---|
| Economic and Financial Affairs ECOFIN | 2922 | 2009-02-10 |

European Commission

| Commission DG | Commissioner |
|---|---|
| Budget | KALLAS Siim |

**Key events**

| Date | Event | Reference | Summary |
|---|---|---|---|
| | | SEC(2008)2359 | Summary |

| | | | |
|---|---|---|---|
| 23/07/2008 | Non-legislative basic document published | | |
| 20/11/2008 | Committee referral announced in Parliament | | |
| 16/03/2009 | Vote in committee | | Summary |
| 20/03/2009 | Committee report tabled for plenary | A6-0155/2009 | |
| 21/04/2009 | Debate in Parliament | | |
| 23/04/2009 | Decision by Parliament | T6-0291/2009 | Summary |
| 23/04/2009 | Results of vote in Parliament | | |
| 23/04/2009 | End of procedure in Parliament | | |
| 26/09/2009 | Final act published in Official Journal | | |

## Technical information

| | |
|---|---|
| **Procedure reference** | 2008/2280(DEC) |
| **Procedure type** | DEC - Discharge procedure |
| **Legal basis** | Rules of Procedure EP 102 |
| **Stage reached in procedure** | Procedure completed |
| **Committee dossier** | CONT/6/67135 |

## Documentation gateway

**European Parliament**

| Document type | Committee | Reference | Date | Summary |
|---|---|---|---|---|
| Committee draft report | | PE416.556 | 28/01/2009 | |
| Amendments tabled in committee | | PE421.130 | 23/02/2009 | |
| Committee report tabled for plenary, single reading | | A6-0155/2009 | 20/03/2009 | |
| Text adopted by Parliament, single reading | | T6-0291/2009 | 23/04/2009 | Summary |

**European Commission**

| Document type | Reference | Date | Summary |
|---|---|---|---|
| Non-legislative basic document | SEC(2008)2359 | 23/07/2008 | Summary |

**Other institutions and bodies**

| Institution/body | Document type | Reference | Date | Summary |
|---|---|---|---|---|
| CofA | Court of Auditors: opinion, report | N6-0003/2009<br>OJ C 286 10.11.2008, p. 0001 | 10/11/2008 | Summary |

| Additional information | | |
|---|---|---|
| **Source** | **Document** | **Date** |
| European Commission | EUR-Lex | |

| Final act | |
|---|---|
| Budget 2009/0637<br>OJ L 255 26.09.2009, p. 0081 | Summary |

# 2007 discharge: EU general budget, Economic and Social Committee

2008/2280(DEC) - 23/04/2009 - Text adopted by Parliament, single reading

The European Parliament adopted a decision by 434 votes to 21, with 9 abstentions, a decision to grant discharge to the Secretary-General of the European Economic and Social Committee (EESC) in respect of the implementation of its budget for the financial year 2007.

The European Parliament also adopted by 424 votes to 21 with 9 abstentions, a resolution with observations which form an integral part of the decision to grant discharge.

The resolution recalls that, in 2007, the European Economic and Social Committee (EESC) had commitment appropriations available amounting to a total of EUR 116 million (compared to EUR 112 million in 2006), with a utilisation rate of 91.64% (below the average of the other institutions).

The other main issues contained in the resolution can be summarised as follows:

- **Cooperation Agreement with the Committee of the Regions**: Parliament welcomes the signature in December 2007 of a new Administrative Cooperation Agreement between the EESC and the Committee of the Regions (CoR) for the period 2008 to 2014. It is convinced that cooperation between the two institutions will be financially advantageous to European taxpayers and note that the new Agreement keeps the most important areas (infrastructure, IT and telecommunications, as well as translation, including the production of documents) within the Joint Services' remit, while a limited number of services are de-coupled. It stresses, however, that this de-coupling should be budget neutral.

- **Advantages for EESC staff**: recalling the Court's finding that "by continuing to apply a multiplication factor greater than 1 in the two years following promotion, rather than converting the balance over 1 into seniority in step, the EESC thereby grants its staff a financial advantage not granted by the other institutions", Parliament calls on the EESC to ensure the equal treatment of all staff. In this context, it awaits the Civil Service Tribunal's ruling on an appeal brought by a Commission official, and expects the EESC to align its practice (if necessary retroactively) to this ruling.

- **Negotiated contracts**: Parliament notes with satisfaction the considerable reduction in the value of negotiated contracts as a proportion of the value of contracts awarded from 7.5% in 2006 to 2.5% in 2007. Moreover, it notes that a building contractor with which the EESC and the CoR had contractual relationships was arrested in March 2007 under suspicion of fraud. In this context, Parliament recalls that it is crucial to strengthen controls in all areas.

- **Fraudulent claims for travel expenses**: Parliament notes that the Belgian tribunal of first instance found a former EESC Member guilty of fraudulent claims for travel expenses (double reimbursement). It notes that general review of the rules for reimbursement of travel and meeting expenses of EESC Members was adopted on 25 September 2007 (aimed at improving and simplifying the procedures involved) but consider it necessary to look into this matter in the following discharge exercise (financial year 2008).

- **Declarations of interests**: Parliament notes that Members of the EESC do not declare their financial interests or disclose relevant information on such things as declarable professional activities and remunerated posts or activities. It suggests that the EESC introduce this obligation for all its Members.

Parliament praises the EESC for the quality of its annual activity report, but request the inclusion in its following activity report of a chapter giving a detailed account of the follow-up during the year to Parliament's earlier discharge decisions.

Lastly, Parliament regrets the fact that, despite amendments to the Financial Regulation, its rules on procurement are still excessively cumbersome for smaller institutions, such as the EESC. It therefore calls on the Commission to consult extensively with this institution in order to ensure that its concerns are fully taken into account in the final draft.

# 2007 discharge: EU general budget, Economic and Social Committee

2008/2280(DEC) - 23/04/2009 - Final act

PURPOSE: to grant discharge to the EESC for the financial year 2007.

LEGISLATIVE ACT: Decision 2009/637/EC of the European Parliament on the discharge for implementation of the European Union general budget for the financial year 2007 (Section VI - European Economic and Social Committee).

CONTENT: with the present decision, the European Parliament grants the Secretary-General of the European Economic and Social Committee discharge in respect of the implementation of the budget for the financial year 2007.

This decision is in line with the European Parliament's resolution adopted on 23 April 2009 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 23/04/2009).

# 2007 discharge: EU general budget, Economic and Social Committee

2008/2280(DEC) - 23/07/2008 - Non-legislative basic document

PURPOSE: to present the final annual accounts of the European Communities for the financial year 2007 - Other institutions: section VI - Economic and Social Committee.

CONTENT: this document sets out the amount of expenditure and the financial statement of the Economic and Social Committee (ESC) for 2007. It presents an analysis of the institution's financial management as well as its main axes of expenditure.

The figures mentioned hereafter are taken from volume I of the consolidated annual accounts of the European Communities for the year 2007:

**Commitment appropriations**:

- commitment appropriations authorised: EUR 116 million;
- commitments made in 2007: EUR 107 million (implementation rate of 91.64%);
- appropriations carried over to 2008: EUR 1 million (0.54% of total commitments);
- appropriations lapsing: EUR 9 million (7.82% of the budget).

**Payment appropriations**:

- payment appropriations authorised: EUR 128 million;
- payments made in 2007: EUR 109 million (implementation rate of 85.66%);
- appropriations carried over to 2008: EUR 8 million (6.17% of total payments);
- appropriations lapsing: EUR 10 million (8.17% of the budget).

**Main axes of expenditure for 2007**: in 2007, the secretariat's work was organised around the principal overall objectives for the secretariat-general, as set out in the secretariat's 2007 work programme (WP 2007). These included: (i) assistance for members; (ii) communication; (iii) support measures; (iv) management of the secretariat; (v) staff policy; (vi) the review of the cooperation agreement with the CoR. The report notes that the achievements may be considered to be satisfactory, even if negotiations on the new cooperation agreement with the CoR paralysed or slowed some scheduled initiatives.

Among the most symbolic actions in each of these areas, this summary will focus on the following points:

- **assistance for members**: this area was characterised by the installation of Bulgarian and Romanian members, improved information for members and continued implementation of the 2005 conclusions on assistance for members, the improvement of working methods and consolidation of the role and support for the activities of the new structures set up - liaison group with European NGO networks. Other initiatives were taken in order to develop relations with the Commission, Parliament and Council;
- **communication**: 2007 was characterised by the implementation of the strategic communication plan and by the strengthening of communication within the secretariat;
- **support measures**: the EESC implemented a policy for partnership with outside organisations. 2007 was also characterised by the fitting-out of the Van Maerlant area and refitting in line with the Jacques Delors area and a guarantee from the Parliament concerning provision of a room for the holding of the plenary sessions. The EESC also launched its EMAS certification;
- **management of the secretariat**: the secretariat simplified and reviewed its working methods (implementation of the working party's conclusions of November 2006) and continued its efforts at interdepartmental cooperation and cooperation with the group secretariats;
- **staff policy**: discussion on the adoption of a management policy with training as a priority and measures aimed at increasing professionalism in certain services;
- **review of the cooperation agreement with the Committee of the Regions**: the EESC achieved its objective of establishing a new framework to continue the close cooperation with the CoR under a long-term commitment. It was possible to maintain jointly operating services in the most important areas: infrastructure, IT and telecommunications as well as translation and production of documents. However, at the urging of the CoR, some decoupling in non-strategic areas could not be avoided. As a result, additional resources had to be made available in 2008 by means of efficiency gains in the areas remaining in the Joint Services and mini-cooperation agreements had to be drawn up in the areas concerned by decoupling (i.e. the medical and welfare service, the library, the pre-press and the internal services). These mini-agreements were concluded in March 2008. Lastly, the new agreement introduces a clear structure, which is expected to facilitate cooperation and communication between the two Committees.

The other main points concerning the implementation of the EESC budget can be summarised as follows:

**Title I (staff expenditure)**: as in the previous year, this Title was characterised by a less efficient implementation of staff expenses than expected (enlargement related staff). Given that this was the case for three consecutive years, this Title was significantly reduced for 2008. Note also the poor implementation of translation expenses. Lastly, in 2007 the institution tried to predict its needs in terms of childcare facilities for its staff in order to reach a balanced solution for financing the interinstitutional crèche.

**Title II (operating expenditure)**: this Title was characterised by the end of the building policy of the two committees and by the continuation of their plans to move to their respective new locations. At 31 December 2007, the EESC and the CoR together had five buildings under long-term leases:

- Building Bertha von Suttner (BvS), Rue Montoyer 92-102;
- Building Jacques Delors (JDE), Rue Belliard 103-113;
- Building Remorqueur (REM), Rue Belliard 93;
- Rue Belliard 68-72;
- Rue de Trèves 74.

The total net-asset-value of the 5 buildings is calculated at EUR 236 556 808 (the EESC-part is EUR 144 108 828). As in previous years the EESC has prepaid on the leases for some of the buildings. Prepayments were made for Rue de Trèves 74 and Remorqueur building (REM), Rue Belliard 93.

# 2007 discharge: EU general budget, Economic and Social Committee

2008/2280(DEC) - 10/11/2008

PURPOSE: to present the report of the Court of Auditors on the implementation of the budget for the financial year 2007 (other institutions – European Economic and Social Committee).

CONTENT: in its annual report for the financial year 2007, the Court focuses on the legality and regularity of the operating expenditure of the institutions. In 2007, the Court notes that all the institutions operated satisfactorily the supervisory and control systems required by the Financial Regulation and the transactions tested were free from material error of legality and regularity.

However, the Court draws attention to a number of findings which should be taken into consideration by the institutions concerned. In the specific case of the audit of the **European Economic and Social Committee**, the Court notes a specific discrepancy in the calculation of salaries of officials who have been promoted. The Court notes that, by maintaining this discrepancy, the Committee of the Regions grants its staff a financial advantage which the other institutions do not grant. It therefore calls on the institution to change this practice.

For the rest, the Court notes that the audit did not give rise to any significant observations.