Basic information	
2012/2172(DEC) DEC - Discharge procedure	Procedure completed
2011 discharge: EU general budget, Economic and Social Committee **Subject** 8.70.03.07 Previous discharges	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	ČEŠKOVÁ Andrea (ECR)	29/02/2012
	Shadow rapporteur SONIK Bogusław (PPE) DEUTSCH Tamás (PPE) KALFIN Ivailo (S&D) SKYLAKAKIS Theodoros (ALDE) STAES Bart (Verts/ALE) SØNDERGAARD Søren Bo (GUE/NGL) ANDREASEN Marta (EFD) EHRENHAUSER Martin (NI)	

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.	
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.	

European Commission	

Commission DG	Commissioner
Budget	ŠEMETA Algirdas

Key events

Date	Event	Reference	Summary
25/07/2012	Non-legislative basic document published	COM(2012)0436	Summary
13/09/2012	Committee referral announced in Parliament		
19/03/2013	Vote in committee		
21/03/2013	Committee report tabled for plenary	A7-0076/2013	Summary
16/04/2013	Debate in Parliament		
17/04/2013	Decision by Parliament	T7-0129/2013	Summary
17/04/2013	Results of vote in Parliament		
17/04/2013	End of procedure in Parliament		
16/11/2013	Final act published in Official Journal		

Technical information

Procedure reference	2012/2172(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/7/10401

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE497.969	29/01/2013	
Amendments tabled in committee		PE506.052	26/02/2013	
Committee report tabled for plenary, single reading		A7-0076/2013	21/03/2013	Summary
Text adopted by Parliament, single reading		T7-0129/2013	17/04/2013	Summary

Council of the EU

Document type	Reference	Date	Summary
Document attached to the procedure	05752/2013	01/02/2013	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2012)0436	25/07/2012	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N7-0127/2012 OJ C 344 12.11.2012, p. 0001	06/09/2012	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Decision 2013/0547
OJ L 308 16.11.2013, p. 0126 Summary

2011 discharge: EU general budget, Economic and Social Committee

2012/2172(DEC) - 06/09/2012

OBJECTIVE: presentation of the Report of the Court of Auditors on the 2011 budget (section VI – European Economic and Social Committee).

CONTENT: the Court of Auditors published its 35th Annual Report on the implementation of the EU budget for the 2011 financial year.

In accordance with the tasks and objectives conferred on the Court of Auditors by the Treaty on the Functioning of the European Union, it provides under the discharge procedure, for both the European Parliament and Council, a statement of assurance ("DAS") about the reliability of the accounts and the legality and regularity of the transactions of each institution, body or agency of the EU, based on an independent external audit.

The audit also focuses on the budget implementation of the European Economic and Social Committee.

On the basis of its audit work, the Court considers that payments for "Administrative and other expenditure" policy are, overall, significantly error-free. **The estimated error rate is 0.1 %.**

The Court, however, draws attention to the errors and weaknesses which did not affect the Court's conclusion. The Court examined a sample of **procurement procedures** and noted several weaknesses in the application of selection and award criteria, some of which had an impact on the results of the procedure. Other weaknesses relate to the organisation of cross border competition, to the management of automatic award procedures and to the respect of provisions as regards the drafting and filing of tendering documents.

The Court also detects weaknesses when it reviewed a sample of calculations and **payments of social allowances** as well as a sample of employment contracts concluded with temporary agents.

The Court therefore recommends that the institutions and bodies of the EU:

- take steps to ensure that staff deliver, at appropriate intervals, documents **confirming their personal situation** and implement a system for the timely monitoring of these documents;
- improve the IT systems used to manage these payments to ensure that the allowances paid by national authorities are updated automatically;

- take steps to ensure that the provisions of the relevant regulations are applied when concluding, extending or modifying employment contracts with non-permanent staff;
- ensure that authorising officers improve **the design, coordination and performance of procurement procedures** through appropriate checks and better guidance.

The Court also makes a number of comments specific to each institution or body of the European Union. These observations do not affect the positive overall appraisal given that they do not significantly affect overall administrative expenditure.

In the specific case of the audit of the European Economic and Social Committee, the Court notes in particular the following points:

- **contracts with temporary and contract staff:** an examination of the procedures for the extension and modification of contracts of temporary and contract staff found that the provisions included in the internal rules and in the guidelines applicable to the selection and grading of these staff did not consistently take into account professional experience acquired by these staff. In addition, one of the guidelines applied had no date of entry into force. The Court finds that these inconsistencies increase the risk of error in the grading of temporary staff employed under the provisions of Article 2(b) of the CEOS.
- **grade and classification of staff:** one staff member recruited as a temporary agent under the above mentioned provisions, out of four cases examined, was graded one grade above the basic grade of his career. This staff member was re-graded to the basic grade six months later when it was found that there was a lack of posts for the promotion of permanent staff. The Court considers that this situation shows a weakness in the planning of the allocation of available posts among the various categories of staff.

2011 discharge: EU general budget, Economic and Social Committee

2012/2172(DEC) - 01/02/2013

In view of the observations made in the Court of Auditor's report, the Council calls on the European Parliament **to grant discharge to all of the Union's institutions in regard to the implementation of their respective budgets for the financial year 2011**.

Overall, the Council's remarks are positive in regard to the expenditure of the institutions since it notes that, again in 2011, the administrative expenditure of EU institutions and bodies **remained free from material error and that their supervisory and control systems continued to comply** with the requirements of the Financial Regulation.

Nevertheless, the Council regrets that in some institutions **weaknesses were still detected in the payment of social allowances to staff members**, in the employment contracts for non-permanent staff and in procurement procedures.

It welcomes the measures already taken and encourages the institutions concerned to address the remaining weaknesses pointed out by the Court.

The Council notes the Court's recommendations that the institutions concerned should ensure that staff regularly deliver documents on their personal situation, that the relevant provisions are applied when concluding, extending or modifying employment contracts with non-permanent staff, and that the authorising officers further improve guidance and appropriate checks concerning procurement procedures.

2011 discharge: EU general budget, Economic and Social Committee

2012/2172(DEC) - 21/03/2013 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Andrea ČEŠKOVÁ (ECR, CZ) in which it calls on the European Parliament to grant the Secretary-General of the European Economic and Social Committee (EESC) discharge in respect of the implementation of the European Economic and Social Committee budget for the financial year 2011.

Members welcome the fact that, on the basis of its audit work, the Court of Auditors concluded that the payments as a whole for the year ended on 31 December 2011 for administrative and other expenditure of the institutions and bodies were free from material error.

They point out that, in the 2011 annual report, the Court of Auditors included observations on the conclusion of contracts with temporary and contract staff, identifying some inconsistencies in the guidelines applicable to the grading and recruitment of staff. They call on the European Economic and Social Committee (EESC) to ensure that those inconsistencies do not recur.

Members also note that in 2011 the EESC had commitment appropriations of EUR 128.6 million available, with a utilisation rate of 95.4%, lower than the rate of 2010. This is mainly due to the Council's decision not to adopt the Commission's proposal for salary adjustments for 2011.

The report notes how Members are pleased with the achievements in the area of translation following the renewed EESC, Committee of the Regions Cooperation agreement. Further efforts are needed however.

Members also call for : (i) improvements as regards energy consumption; (ii) translation and interpretation services. They wish to see more detailed information included in the EESC's annual report on the provision of space for meetings organised by external civil-society organisations working in conjunction with the EESC.

It should be noted that in its resolutions of May 2011 and May 2012 granting discharge in respect of the implementation of the EESC budget, Parliament called on the European Ombudsman to inform it of **cases of maladministration** which had arisen within the EESC. They considered that Parliament should envisage the possibility to send this issue back to the competent parliamentary committee. They take note that the EESC has pledged, and has taken measures, to prevent similar situations from happening in future.

2011 discharge: EU general budget, Economic and Social Committee

2012/2172(DEC) - 17/04/2013 - Text adopted by Parliament, single reading

The European Parliament adopted by 549 votes to 68, with no abstentions, a decision to grant the Secretary-General of the European Economic and Social Committee (EESC) discharge in respect of the implementation of the European Economic and Social Committee budget for the financial year 2011.

In its resolution accompanying the discharge decision, Parliament welcomes the fact that, on the basis of its audit work, the Court of Auditors concluded that the payments as a whole for the year ended on 31 December 2011 for administrative and other expenditure of the institutions and bodies were free from material error. It points out that, in the 2011 annual report, the Court of Auditors included observations on the conclusion of contracts with temporary and contract staff, identifying some inconsistencies in the guidelines applicable to the grading and recruitment of staff. It calls on the European Economic and Social Committee (EESC) to ensure that those inconsistencies do not recur.

Parliament also notes that in 2011 the EESC had commitment appropriations of EUR 128.6 million available, with a utilisation rate of 95.4%, lower than the rate of 2010. This is mainly due to the Council's decision not to adopt the Commission's proposal for salary adjustments for 2011. It supports the EESC's efforts to limit the budget for 2013, keeping it at the level of 2012 and thereby ensuring a flat rate increase.

Parliament is also pleased with the achievements in the area of translation following the renewed EESC, Committee of the Regions Cooperation agreement. Further efforts are needed however.

Parliament calls for : (i) improvements as regards energy consumption; (ii) translation and interpretation services. It wishes to see more detailed information included in the EESC's annual report on the provision of space for meetings organised by external civil-society organisations working in conjunction with the EESC.

Maladministration: Parliament notes that in its resolutions of May 2011 and May 2012 granting discharge in respect of the implementation of the EESC budget, it called on the European Ombudsman to inform it of cases of maladministration which had arisen within the EESC. It expresses its concern at the Decision of the European Ombudsman of 6 November 2012 - complaint No 2744/2009(MF)JF - relating to a ‘very serious case of maladministration’ and stating its intention to forward that decision to the President of the Parliament for consideration as to whether it should be submitted to the competent parliamentary committee. Members take note that the EESC has pledged, and has taken measures, to prevent similar situations from happening in future.

Parliament regrets that during 2011, there was an inappropriate linkage of the institutional website of the EESC and the personal blog of its Secretary General, which only ceased after an incident in which comments on the latter were highlighted. It reiterates the importance of separating institutional information and the personal opinions of officials.

2011 discharge: EU general budget, Economic and Social Committee

2012/2172(DEC) - 17/04/2013 - Final act

PURPOSE: to grant discharge to the European Economic and Social Committee for the financial year 2011.

NON-LEGISLATIVE ACT: Decision 2013/547/EU of the European Parliament on discharge in respect of the implementation of the European Union’s General Budget, section VI – European Economic and Social Committee, for the financial year 2011.

CONTENT: with the present decision, and in accordance with Article 318 of the Treaty on the Functioning of the European Union (TFEU), the European Parliament grants discharge to the Secretary-General of the European Economic and Social Committee in respect of the implementation of the budget for the financial year 2011.

The decision is in line with the European Parliament's resolution adopted on 17 April 2013 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 17 April 2013).

2011 discharge: EU general budget, Economic and Social Committee

2012/2172(DEC) - 25/07/2012 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2011, as part of the 2011 discharge procedure.

Analysis of the accounts of the EU Institutions: Section VI - **European Economic and Social Committee**.

Legal reminder: the consolidated annual accounts of the European Union for the year 2011 have been prepared on the basis of the information presented by the institutions and bodies under Article 129(2) of the Financial Regulation applicable to the general budget of the European Union. They were prepared in accordance with Title VII of the Financial Regulation and with the accounting principles, rules and methods set out in the notes to the financial statements.

The objective of the financial statements is to provide information about the financial position, performance and cashflow of a body that is useful to a wide range of users. The objective is to provide information that is useful for decision making, and to demonstrate the accountability of the entity for the resources entrusted to it.

1) Purpose: the document helps to bring insight into the EU budget mechanism and **the way in which the budget has been managed and spent in 2011**. It recalls that the European Union's operational expenditure covers the various headings of the financial framework and takes different forms, depending on how the money is paid out and managed. In accordance with the Financial Regulation, the Commission implements the general budget using the following methods: direct or indirect centralised management (by means of bodies or agencies of public law or other); decentralised management where the Commission delegates certain tasks for the implementation of the budget to third countries; and, thirdly, shared management where budget implementation tasks are delegated to Member States, in areas such as agricultural expenditure and structural actions.

The document also presents the different financial actors involved in the budget process (accounting officers, internal officers and authorising officers) and recalls their respective roles in the context of the tasks of sound financial management.

Amongst the other legal elements relating to the implementation of the EU budget presented in this document, the paper focuses on the following issues:

- accounting principles applicable to the management of EU spending (business continuity, consistency of accounting methods, comparability of information ...);
- consolidation methods of figures for all major controlled entities (the consolidated financial statements of the EU comprise all significant controlled entities –institutions, organisations and agencies, this being 50 controlled entities, 5 joint ventures and 4 associates. In comparison with 2010, the scope of consolidation has been extended by 7 controlled entities (one institution, 6 agencies);
- the recognition of financial assets in the EU (tangible and intangible assets, financial assets and other miscellaneous investments);
- the way in which EU public expenditure is committed and spent, including pre-financing (cash advances intended for the benefit of an EU organ);
- the means of recovery following irregularities detected;
- the *modus operandi* of the accounting system;
- the audit process followed by the European Parliament's granting of the discharge.

To recap, the **final control is the discharge of the budget for a given financial year**. **The discharge represents the political aspect of the external control of budget implementation** and is the decision by which the European Parliament, acting on a Council recommendation, "releases" the Commission from its responsibility for management of a given budget by marking the end of that budget's existence.

The document also details specific expenditure of the institutions, in particular: i) pensions of former Members and officials of institutions; ii) joint sickness insurance scheme and iii) buildings. For the Parliament, the outstanding contractual obligation relating to building contracts totalled EUR 434 million in 2011.

Lastly, the document presents a series of tables and detailed technical indicators on (i) the balance sheet; (ii) the economic outturn account; (iii) cashflow tables; (iv) technical annexes concerning the financial statements.

2) Implementation of appropriations under Section VI of the budget for the financial year 2011: the document also comprises a series of detailed tables, the most important concerning the implementation of the budget. Concerning the expenditure of the European Economic and Social Committee (EESC), the information drawn from the EESC's Annual Activity Report 2011 shows that:

- commitments granted to this institution for 2011 were **EUR 128.6 million;**
- amount actually spent: **EUR 122.6 million**;
- the rate of budgetary implementation was 95.4%

3) Budgetary implementation - conclusions: in more general and political terms, the Committee's budgetary implementation for the financial year 2011 was marked by the following:

- **in the context of the Hungarian Presidency:** organisation of events in the economic, social, cultural and educational field on a wide variety of subjects, reflecting, in particular, the theme addressed by the Europe 2020 strategy, partnership with eastern European countries, energy policy and SME policy (including taxation);
- **in the context of the Polish Presidency:** organisation of events in the economic, social, cultural and educational field on the financial crisis, sustainable development, innovation and combating poverty. In the cultural field, work focused on Polish literature and music;
- strengthening of the involvement of civil society and citizens in the framework of the institution's work;
- organisation of international and pan-European debates and dialogues;
- organisation of public events targeted at wider audiences.

In parallel, internally, the EESC's activities involved:

- budgetary consolidation and the management of the budget procedure with a view to the complete autonomy of the Committee's budget;
- mid-term evaluation of the cooperation agreement with the Committee of the Regions;
- modernisation of member support services and the digitisation of the archives (Mota Project);
- creation of a pilot action to strengthen the involvement of civil society in the Committee's activities, thanks to the creation of a data base of civil society organisations.