Basic information

2016/2156(DEC) DEC - Discharge procedure	Procedure completed
2015 discharge: EU general budget, European Economic and Social Committee **Subject** 8.70.03.05 2015 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	STAES Bart (Verts/ALE)	08/08/2016
	Shadow rapporteur MARINESCU Marian-Jean (PPE) IVAN Cătălin Sorin (S&D) CZARNECKI Ryszard (ECR) THEURER Michael (ALDE) DE JONG Dennis (GUE/NGL) VALLI Marco (EFDD) KAPPEL Barbara (ENF)	

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	GEORGIEVA Kristalina

Key events

Date	Event	Reference	Summary
11/07/2016	Non-legislative basic document published	COM(2016)0475	Summary
04/10/2016	Committee referral announced in Parliament		
22/03/2017	Vote in committee		
31/03/2017	Committee report tabled for plenary	A8-0144/2017	Summary
26/04/2017	Debate in Parliament		
27/04/2017	Decision by Parliament	T8-0150/2017	Summary
27/04/2017	Results of vote in Parliament		
27/04/2017	End of procedure in Parliament		
29/09/2017	Final act published in Official Journal		

Technical information

Procedure reference	2016/2156(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/07366

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE593.844	06/02/2017	
Amendments tabled in committee		PE600.915	07/03/2017	
Committee report tabled for plenary, single reading		A8-0144/2017	31/03/2017	Summary
Text adopted by Parliament, single reading		T8-0150/2017	27/04/2017	Summary

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	05876/2017	17/02/2017	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2016)0475	11/07/2016	Summary

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

Final act	
Budget 2017/1622 OJ L 252 29.09.2017, p. 0129	Summary

2015 discharge: EU general budget, European Economic and Social Committee

2016/2156(DEC) - 17/02/2017 - Supplementary non-legislative basic document

Based on the observations contained in the report by the Court of Auditors, the Council called on the European Parliament to **grant discharge to all of the EU institutions in respect of the implementation of their respective budgets for the financial year 2015**.

The Council welcomed that the administrative and related expenditure of the EU institutions remained **free from material error** with an estimated level of error of **0.6 %,** which is well below the materiality threshold. It noted with satisfaction that **no serious weaknesses** were identified by the Court in the supervisory and control systems and in the examined annual activity reports.

The Council took note of a limited number of errors detected by the Court, notably in the **recruitment and procurement procedures** and in the **management of staff allowances**.

2015 discharge: EU general budget, European Economic and Social Committee

2016/2156(DEC) - 11/07/2016 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2015, as part of the 2015 discharge procedure.

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

Legal reminder: the consolidated annual accounts of the European Union for the year 2015 have been prepared on the basis of the information presented by the institutions and bodies under Article 148(2) of the Financial Regulation applicable to the general budget of the European Union.

(1) Governance and budgetary principles: the organisational governance of the EU consists of institutions, agencies and other EU bodies. The main institutions in the sense of being responsible for drafting policies and taking decisions are the EP, the European Council, the Council and the Commission.

The EU Budget finances a wide range of policies and programmes throughout the EU. In accordance with the priorities set by the European Parliament and the Council in the Multiannual Financial Framework (MFF), the Commission carries out specific programmes, activities and projects in the field.

The budget is prepared by the Commission and usually agreed in mid-December by the Parliament and the Council, based on the procedure of Art. 314 TFEU.

According to the principle of budget equilibrium, the total revenue must equal total expenditure (payment appropriations) for a given financial year.

EU revenues: the EU has two main categories of funding: own resources revenues and sundry revenues. Own resources can be divided into traditional own resources (such as custom levies), the own resource based on value added tax (VAT) and the resource based on gross national income (GNI). Sundry revenues arising from the activities of the EU (e.g. competition fines) normally represent less than 10 % of total revenue. Own resources revenue make up the vast majority of EU funding.

Expenditure of the EU institutions: the EU's operational expenditure of these institutions takes different forms, depending on how the money is paid out and managed.

From 2014 onwards, the Commission classifies its expenditure as follows:

- **Direct management**: the budget is implemented directly by the Commission services.
- **Indirect management**: the Commission confers tasks of implementation of the budget to bodies of EU law or national law, such as the EU agencies.
- **Shared management**: under this method of budget implementation tasks are delegated to Member States. About 80 % of the expenditure falls under this management mode covering such areas as agricultural spending and structural actions.

Consolidated annual accounts of the EU: this Commission document concerns the EU's consolidated accounts for the year 2015 and details how spending by the EU institutions and bodies was carried out. The consolidated annual accounts of the EU provide financial information on the activities of the institutions, agencies and other bodies of the EU from an accrual accounting and budgetary perspective.

It also presents the accounting principles applicable to the European budget (in particular, consolidation).

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.

Audit and discharge: the EU's annual accounts and resource management are audited by the European Court of Auditors, its external auditor, which as part of its activities draws up for the European Parliament and the Council:

- an annual report on the activities financed from the general budget, detailing its observations on the annual accounts and underlying transactions;
- an opinion, based on its audits and given in the annual report in the form of a statement of assurance, on (i) the reliability of the accounts and (ii) the legality and regularity of the underlying transactions involving both revenue collected from taxable persons and payments to final beneficiaries.

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 (and other EU bodies) from its responsibility for management of a given budget** by marking the end of that budget's existence. This discharge procedure may produce three outcomes: (i) the granting; (ii) postponement; (iii) or the refusal of the discharge.

The document also 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 the Economic and Social Committee's appropriations for the financial year 2015: the document comprises a series of detailed annexes, the most important concerning the implementation of the budget. The appropriations available for 2015 amounted to **EUR 142 million** with 87.24% committed.

As regards the budget implementation of the EESC, the Annual Activity Report 2015 stated that the Committee focused on the following activities:

1. continue the work of the EECS as the coordination structure between the European institutions and stakeholders in social dialogue: the EESC's recommendations to meet these challenges included, among others, accelerated economic integration and convergence, strengthening democracy in the EU, reinforcing the European social model and establishing a robust migration policy. The European Union had to cope with some immense challenges in 2015 such as an unprecedented refugee crisis. In 2015, the EESC adopted a total of 117 opinions. Of these, some 19 opinions were adopted on referral from the European Parliament;

2. act as a voice for civil society: the EESC organised Civil Society Day 2015 to enhance political dialogue between the Committee and European civil society organisations, and to establish genuine structured civil dialogue with the European institutions. It also created the pilot project My Europe … Tomorrow (with the aim of rolling out a structured dialogue on European issues with members of the public through civil society organisations;

3. prepare the establishment of the new committee through administrative improvements and practices to improve efficiency: structured cooperation has been established with both the European Parliament, with the Committee of the Regions in multiple areas of collaboration, in order to achieve economies of scale (environmental management, governance structure, IT, operational activities, security management and translation/interpretation).

2015 discharge: EU general budget, European Economic and Social Committee

2016/2156(DEC) - 27/04/2017 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Secretary-General of the European Economic and Social Committee (EESC) in respect of the implementation of the Committee's budget for the financial year 2015.

In its resolution accompanying the decision on discharge, adopted by 511 votes to 115 with 7 abstentions, Parliament noted with satisfaction that, in its annual report for 2015, the Court identified **no significant weaknesses** in respect of the audited topics relating to human resources and procurement for the Committee.

Payments as a whole for the year ended on 31 December 2015 for administrative and other expenditure of the EESC were **free from material error**.

Financial and budgetary management: in 2015, the EESC's budget amounted to EUR 129 100 000 (compared to EUR 128 559 380 in 2014), **with a utilisation rate of 95.9 %.** A slight increase compared to 2014.

Members stated that the report on the implementation of the Cooperation Agreement between Parliament and the Committee assessed the cooperation between both institutions in a timely and positive manner. However, the nature of the 'intensified' cooperation referred to in the Agreement needs to be better clarified in the Agreement. They called for a **joint assessment of the budgetary savings** resulting from the Agreement to be included in its mid-term review or in the next follow-up report of the Agreement.

The resolution noted that the **opinions of the Committee are not well integrated in Parliament's work** and called for a streamlined procedure of the Committee and Parliament in this respect.

EESC's actions: Members made a series of recommendations to the EESC:

- extend the scope of the concept of performance-based budgeting (PBB) in its daily activities: this concept should not apply only to the EESC's budget as a whole but should also include the setting of specific, measurable, attainable, realistic and time-based (SMART) targets to individual departments, units and staffs' annual plans;
- provide a comparative annual overview of members' travel expenses for 2014, 2015 and 2016;
- join the future Inter-Institutional Agreement on a Mandatory Transparency Register;
- implement the necessary measures to improve its recruitment procedures given the number of vacant permanent posts in 2015;
- take action to correct gender imbalances and to report back to the discharge authority on the measures taken and on the results achieved;
- present a report on staff's sick leave divided by the number of working days on sick leave per individual member of staff;
- target its well-being activities to include as many members of staff as possible to help further improve its staff's well-being;
- assess the cost-effectiveness of the arrangement now in practice as regards outsourcing rate for translation.

Parliament welcomed: (i) the setting up of a support service for public procurement in 2015; (ii) the implementation of a cost-based system for reimbursement of members' travel expenses; (iii) the downward trend of the unused rate of interpretation services requested; (iv) the efforts and the results so far achieved in improving the environmental footprint of the Committee and the renewal of the Eco-Management and Audit Scheme (EMAS) certification; (v) the information on the Committee's building policy in its annual activity report, its efforts and achievements in stepping up its information and communication policy.

Lastly, Members took note of the Committee's plan to comply with the inter-institutional agreement to reduce staff by 5 % over a period of five years. They asked to be informed as to how this reduction tallies with the situation in 2016.

2015 discharge: EU general budget, European Economic and Social Committee

2016/2156(DEC) - 27/04/2017 - Final act

PURPOSE: to grant discharge to the European Economic and Social Committee for the financial year 2015.

NON-LEGISLATIVE ACT: Decision (EU) 2017/1622 of the European Parliament on discharge in respect of the implementation of the general budget of the European Union for the financial year 2015, 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 of the European Economic and Social Committee for the financial year 2015.

This decision is in line with the European Parliament's resolution adopted on 27 April 2017 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 27 April 2017).

Amongst Parliament's main observations in the resolution accompanying the discharge decision, Parliament welcomed the fact that the internal whistleblowing rules entered into force in early 2016 and supported the creation of **ethics counsellors' posts** to help with possible harassment-related situations.

Noting that the opinions of the Committee are not well integrated into Parliament's work, the Committee is called on to **develop proposals** together with Parliament's Secretary-General to streamline the procedures of the Committee and Parliament in this respect.

2015 discharge: EU general budget, European Economic and Social Committee

2016/2156(DEC) - 31/03/2017 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Bart STAES (Greens/EFA, BE) calling on the European Parliament to **grant discharge** to 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 2015.

Members welcomed the conclusion of the Court of Auditors, according to which the payments as a whole for the year ended on 31 December 2015 for administrative and other expenditure of the European Economic and Social Committee were **free from material error**. No significant weaknesses were identified in respect of the audited topics relating to human resources and procurement.

Financial and budgetary management: Members noted that in 2015 the Committee's budget – mostly administrative - amounted to EUR 129 100 000 (compared to EUR 128 559 380 in 2014), **with a utilisation rate of 95.9 %.** A slight increase compared to 2014.

Members stated that the report on the implementation of the Cooperation Agreement between Parliament and the Committee assessed the cooperation between both institutions in a timely and positive manner. However, the nature of the 'intensified' cooperation referred to in the Agreement needs to be better clarified in the Agreement. They called for a **joint assessment of the budgetary savings** resulting from the Agreement to be included in its mid-term review or in the next follow-up report of the Agreement.

The report noted that the opinions of the Committee are not well integrated in Parliament's work. It called on the Committee to develop proposals together with Parliament's Secretary-General to streamline the procedures of the Committee and Parliament in this respect.

EESC's actions: Members made a series of recommendations to the EESC:

- extend the scope of the concept of performance-based budgeting (PBB) in its daily activities: this concept should not apply only to the EESC's budget as a whole but should also include the setting of specific, measurable, attainable, realistic and time-based (SMART) targets to individual departments, units and staffs' annual plans;
- provide a comparative annual overview of members' travel expenses for 2014, 2015 and 2016;
- join the future Inter-Institutional Agreement on a Mandatory Transparency Register;
- implement the necessary measures to improve its recruitment procedures given the number of vacant permanent posts in 2015;
- take action to correct gender imbalances and to report back to the discharge authority on the measures taken and on the results achieved;
- present a report on staff's sick leave divided by the number of working days on sick leave per individual member of staff;
- target its well-being activities to include as many members of staff as possible to help further improve its staff's well-being;
- assess the cost-effectiveness of the arrangement now in practice as regards outsourcing rate for translation.

The report welcomed the setting up of a support service for public procurement in 2015. It also noted with great satisfaction the efforts and the results so far achieved in improving the environmental footprint of the Committee and the renewal of the Eco-Management and Audit Scheme (EMAS) certification.

Lastly, Members welcomed the information on the Committee's building policy in its annual activity report, its efforts and achievements in stepping up its information and communication policy.