Basic information

2021/2107(DEC) DEC - Discharge procedure	Procedure completed
2020 discharge: General budget of the EU - European Parliament **Subject** 8.70.03.10 2020 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	FREUND Daniel (Greens /EFA)	29/07/2021
	Shadow rapporteur FERNANDES José Manuel (EPP) WOLTERS Lara (S&D) BOYER Gilles (Renew) CZARNECKI Ryszard (ECR) ADINOLFI Matteo (ID) OMARJEE Younous (The Left)	

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	HAHN Johannes

Key events

Date	Event	Reference	Summary
30/06/2021	Non-legislative basic document published	COM(2021)0381	Summary
14/09/2021	Committee referral announced in Parliament		
28/02/2022	Vote in committee		
16/03/2022	Committee report tabled for plenary	A9-0044/2022	
04/05/2022	Decision by Parliament	T9-0145/2022	Summary
04/05/2022	Debate in Parliament		
05/10/2022	Final act published in Official Journal		

Technical information

Procedure reference	2021/2107(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CONT/9/06502

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE699.017	17/12/2021	
Amendments tabled in committee		PE703.200	03/02/2022	
Committee report tabled for plenary, single reading		A9-0044/2022	16/03/2022	
Text adopted by Parliament, single reading		T9-0145/2022	04/05/2022	Summary

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	06001/2022	03/03/2022	

European Commission

Document type	Reference	Date	Summary
	COM(2021)0381		

Non-legislative basic document		30/06/2021	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N9-0043/2022 OJ C 430 25.10.2021, p. 0007	25/10/2021	

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

Meetings with interest representatives published in line with the Rules of Procedure

Rapporteurs, Shadow Rapporteurs and Committee Chairs

Transparency				
Name	**Role**	**Committee**	**Date**	**Interest representatives**
FREUND Daniel	Rapporteur	CONT	08/09/2021	Transparency International Liaison Office to the European Union

Final act
Budget 2022/1686 OJ L 258 05.10.2022, p. 0001

2020 discharge: General budget of the EU - European Parliament

2021/2107(DEC) - 30/06/2021 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2020, as part of the 2020 discharge procedure.

Analysis of the accounts of the EU Institutions: European Parliament

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. They are prepared according to the highest available international public sector standards.

The discharge is a Parliament decision that reflects its conclusions at the end of a process, the discharge procedure, on the way the Commission (and other institutions and bodies) has carried out its task of implementing the EU budget.

The decision is based in particular on the European Court of Auditors reports, in particular its annual report, in which the Court provides a Statement of Assurance (DAS) on the legality and regularity of transactions (payments and commitments).

Implementation of the European Parliament's appropriations for the financial year 2020

The document comprises a series of detailed annexes, the most important concerning the implementation of the budget.

As regards the **expenditure** of the European Parliament, the table on the financial and budgetary management of this institution stated that the final appropriations amounted to EUR 2 038 745 000, or 18.1% of heading 5 of the Multiannual Financial Framework.

This represented a 2.1 % increase over the 2019 final budget (EUR 1 996 978 262).

Commitments totalled EUR 1 950 750 955, accounting for 95.7% of final appropriations (2019: 98.8%).

Payments totalled EUR 1 590 035 012, or 81.5% of commitments entered into (2019: 86.1%).

Automatic **carryovers** to financial year 2020 totalled EUR 356 517 981, accounting for 18.3% of the total appropriations committed (2019: 13.9%).

Total revenue entered in the accounts as at 31 December 2020 was EUR 203 449 523 (2019: EUR 207 521 070).

The sum of EUR 17 292 007 (2019: EUR 23 745 738), representing 0.8 % of final appropriations (2019: 1.2 %), was **cancelled**.

Parliament's activities in 2020 were marked by:

- the **final agreement** reached by Parliament on the Multiannual Financial Framework (MFF) 2021-2027. The MFF is equipped with a budget of **EUR 1 074 billion** in 2018 prices to address the EU's long-term priorities. It goes together with the **Next Generation EU recovery package** (NGEU) of **EUR 750 billion** in grants and loans over the period 2021-2024 to meet the unparalleled socio-economic challenge of the COVID-19 pandemic. Moreover, an overall of 30% of the total expenditure from MFF and NGEU is to target climate-related spending;

- the challenges brought about by the COVID-19 pandemic which resulted in fundamental changes to Parliament’s way of working. As from mid-March 2020, Parliament’s administration went from an occasional teleworking scheme to teleworking being implemented between 70% and 100%, depending on the lockdown measure enforced and on the need of physical presence. New working methods also included the suspension of sessions, remote meetings and voting systems;

- substantial transfers within Parliament’s budget from travel expenses to increased ICT needs;

- the withdrawal of the United Kingdom from the EU (Brexit). The number of Members was reduced from 751 to 705 as from 1 February 2020. For the Liaison Offices, Brexit necessarily changed the situation in the UK. The Bureau decided to maintain Parliament’s presence in the UK through the London Liaison Office, equipping it with a new mandate, while confirming the closure of the Edinburgh Office at the end of 2020;

- the decision to purchase the Wiertz building allowed to complete another step of Parliament’s building strategy. It will further consolidate the real estate of the Parliament, underpin the interconnectivity of the central buildings and further contribute to improved security.

2020 discharge: General budget of the EU - European Parliament

2021/2107(DEC) - 04/05/2022 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to its President in respect of the implementation of the European Parliament's budget for the financial year 2020.

In its resolution, adopted by 533 votes to 87 with 14 abstentions, Parliament made the following observations:

Parliament's budgetary and financial management

Parliament's final appropriations for 2020 amounted to **EUR 2 038 745 000**, i.e. 18.1% of the ceiling of heading V of the multiannual financial framework allocated in 2020 to the administrative expenditure of the Union institutions as a whole, which represents an increase of 2.1% compared to the 2019 budget (EUR 1 996 978 262), but also a decrease of 0.4% of its relative share in the overall budget.

The total amount of revenue recognised as at 31 December 2020 was **EUR 203 449 523** (compared with EUR 207 521 070 in 2019), of which EUR 33 567 305 was assigned revenue (compared with EUR 36 566 236 in 2019).

Four chapters alone accounted for 67.6% of total commitments: Chapter 10 (Members of the Institution), Chapter 12 (Officials and Temporary staff), Chapter 20 (Buildings and associated costs) and Chapter 42 (Expenditure on parliamentary assistance).

95.7% of the appropriations entered in Parliament's budget, amounting to EUR 1 950 750 955, were committed, i.e. a cancellation rate of 0.8%. **A very high level of budget implementation was achieved**. Total payments amounted to EUR 1 590 035 012, which corresponds to an implementation rate of payment appropriations of 81.5%.

The cancelled appropriations in the financial year 2020, amounting to EUR 17 292 007, were mainly related to expenditure on buildings, production and broadcasting, as well as salaries, IT and telecommunications.

During the financial year 2020, twelve transfers were approved for an amount of EUR 183 933 785, i.e. 9% of the final appropriations. 76.4 % of the transfers were related to Parliament's building policy and mainly to the financing of the purchase of the Wiertz building and the annual fees for the Adenauer II building project.

Parliament found that the audit evidence overall indicates that expenditure on administration is not affected by a material level of error.

COVID-19

Parliament welcomed the fact that, from the outset of the pandemic and throughout the crisis, Parliament took often unprecedented decisions to mitigate the risks to Members and staff, while ensuring that it was able to continue its core business. It welcomed Parliament's ability to implement new working methods, in particular teleworking and remote participation.

Members welcomed the fact that computerised procedures included the organisation of remote meetings and remote voting systems in plenary sessions and parliamentary committees, enabling Parliament to continue its work, including during the Strasbourg part-sessions, which were suspended for most of 2020. The suspension of part-sessions in Strasbourg has contributed to a total saving of EUR 26 260 608, according to Parliament's secretariat, while significantly reducing Parliament's carbon footprint.

Members welcomed the fact that Parliament had distributed reusable fabric masks to staff at the start of the COVID-19 pandemic. They also commended Parliament's efforts to provide daily solidarity meals and shelter for vulnerable women at Parliament's three workplaces.

With regard to interpretation services, Members pointed out that some committee sessions did not have all the required languages, which made it difficult for some members to participate and reduced their opportunities for interaction.

Environmental footprint of Parliament's operations

Members asked Parliament to reassess its EMAS (EU Eco-Management and Audit Scheme) targets for 2023 in the light of the COVID-19 pandemic. Parliament reiterated its call for the modification of the current CO2 reduction plan to achieve carbon neutrality using an internationally recognised methodology, once it has been validated.

While noting that three of the Parliament's buildings in Brussels have recently received internationally recognised environmental certification for sustainability, Parliament welcomed the installation of heat pumps and cogeneration in the Strasbourg and Brussels buildings to produce renewable electricity and heat.

Recalling that almost two-thirds of Parliament's carbon footprint originates from the transport of people, Parliament called for priority to be given to low-carbon modes of transport for missions. It called for a sufficient increase in the number of electric vehicle chargers as well as additional bicycle parking spaces and the creation of suitable parking for cargo bikes.

Members welcomed Parliament's efforts to reduce food waste by collecting and delivering leftover food to ‘frontline’ organisations that distribute it to people in need.

Parliament recalled that the single seat has the support of a large majority of the Parliament to ensure efficient use of EU taxpayers' money and to fulfil the Parliament's responsibility as an institution to reduce its carbon footprint. Permanent changes would require a Treaty amendment.

Transparency and ethics

Parliament welcomed the fact that the ethical and transparency standards applicable to the Parliament are in many respects ahead of the equivalent standards applicable in the Member States. Parliament should strive to set an example in establishing Europe-wide standards of ethics and transparency.

Members noted that the quality of entries on the activities of interest representatives in the transparency register has improved in recent years. On the other hand, they deplored the fact that Members participate in unofficial election observation missions. They also considered that the Members’ Administration Unit should frequently remind Members of the obligation to notify the President of the receipt of a gift received in an official capacity. They also called on the Parliament's services to carry out an independent evaluation to check whether the activities of Members after the end of their mandate lead to conflicts of interest.

Parliament noted that there were no cases of whistleblowing in Parliament in 2020.

Staff, accredited parliamentary assistants (APAs) and local assistants

Parliament called for measures to be taken as soon as possible to remedy the fact that the rules governing the termination of APAs' contracts do not currently provide for the possibility of termination by ‘mutual consent’. It called for APAs to receive the same subsistence allowance as the statutory personnel for their missions to attend the part-sessions in Strasbourg.

Members welcomed Parliament's introduction of a series of measures to promote the work-life balance of staff when teleworking to ensure continuity of activities. They welcomed the possibility offered by the Secretary General's decision of 31 March 2021 to work away from the place of employment. However, they regretted that this was only possible through part-time work with a corresponding reduction in salary.

Parliament welcomed the results achieved through the Parliament's gender mainstreaming policy, such as the parity at director level or the fact that 41.9% of the head of unit posts are occupied by women. However, there is still significant room for improvement at directors-general. Members reiterated their request to the Secretary General to stress the importance of all recruitments being competence-based, while respecting the need to achieve geographical balance between all Member States at all staff levels.

Buildings policy

Parliament recalled that throughout 2020, the administration continued the implementation of Parliament’s ‘Building Strategy Beyond 2019’. This strategy endorses flexibility as a key principle for allocating offices to both Members and members of staff and allows the space available to be used in an adjustable manner while adapting to all possible situations in the post-COVID-19 period.

Members are in favour of discussing Parliament's accommodation needs in the light of the effects of the COVID-19 pandemic and the current and future development of teleworking and, if necessary, adapting its long-term building strategy accordingly. They encouraged a review of the building policy to determine whether there is still a need for dedicated office space for each staff member. The administration should pool workstations as much as possible in accordance with members of staff's teleworking, while continuing to guarantee office space for each staff member who so requests.

Cybersecurity

Members noted that the number of cyber-attacks is increasing significantly and that these attacks can cause considerable damage to Parliament's IT system and even the institution's ability to function. They welcomed the adoption of an information security policy by the Secretary General in June 2020 and encouraged Parliament to take all necessary measures to strengthen its IT structure and cybersecurity staff as soon as possible.

Voluntary pension scheme

Parliament recalled that as at 31 December 2020, the actuarial deficit of the voluntary pension fund amounted to EUR 371.3 million, compared to EUR 328.6 million as at 31 December 2019.

Members are concerned that the Court of Justice estimates that the fund will be insolvent by 2024, while the fund's last payouts are estimated to be made in 2091. They called on the Bureau, the board and the members of the voluntary pension fund to support measures to limit the deficit of the voluntary pension fund and to consider any other measures that would contribute to this objective.

Public procurement

Parliament noted that, out of a total of 198 contracts awarded in 2020, 60 were awarded by open or restricted procedure, with a value of EUR 405.2 million, and 136 by negotiated procedure with a total value of EUR 179.1 million. The total number of contracts awarded by negotiated procedure increased as a percentage of the total value of contracts awarded from 26% in 2019 to 31% in 2020, but decreased in volume from EUR 208.53 million in 2019 to EUR 179.1 million in 2020.

Parliament is invited to follow the progress made in the field of social and sustainable procurement, such as the OECD work on public procurement and responsible business conduct, as well as the future EU legislative framework on corporate due diligence.