Basic information

2021/2110(DEC) DEC - Discharge procedure	Procedure completed
2020 discharge: General budget of the EU - Court of Auditors **Subject** 8.70.03.10 2020 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	GARCÍA MUÑOZ Isabel (S&D)	12/07/2021
	Shadow rapporteur LENAERS Jeroen (EPP) CHASTEL Olivier (Renew) PEKSA Mikuláš (Greens/EFA) KUHS Joachim (ID) FLANAGAN Luke Ming (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		
23/03/2022	Committee report tabled for plenary	A9-0061/2022	
04/05/2022	Decision by Parliament	T9-0148/2022	Summary
04/05/2022	Debate in Parliament		
05/10/2022	Final act published in Official Journal		

Technical information

Procedure reference	2021/2110(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/9/06544

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE699.022	21/12/2021	
Amendments tabled in committee		PE703.196	01/02/2022	
Committee report tabled for plenary, single reading		A9-0061/2022	23/03/2022	
Text adopted by Parliament, single reading		T9-0148/2022	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
Non-legislative basic document	COM(2021)0381	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	

Final act
Budget 2022/1701 OJ L 258 05.10.2022, p. 0094

2020 discharge: General budget of the EU - Court of Auditors

2021/2110(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 Court of Auditors

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 Court of Auditors' appropriations for the financial year 2020

The European Court of Auditor's (ECA) 2020 budget was around **EUR 152 million**, which is less than 0.1 % of total EU spending and around 1.5% of its administrative spending.

The proportion of the 2020 budget used was 96 %.

The Court's activities in 2020 were marked by:

- the COVID-19 crisis which did not prevent the ECA from auditing the performance and regularity of EU actions. Business continuity was maintained throughout the year. The ECA showed flexibility in adapting its work programme to the new situation and changing circumstances arising from the pandemic;

- the **revision of the 2020 work programme**, approaches ad timelines were adjusted to take

account of changing circumstances;

- the presentation of **two reviews** on the EU's response to the COVID-19 crisis: the first looking at the economic policy measures adopted at EU and national levels to limit and counter the damage caused by the COVID-19 pandemic and the second on the EU's public health response to COVID-19;

- the preparation of the ECA's **new 2021-2025 strategy** in order to provide long-term orientations for the audit work, to promote organisational change initiatives for continuous improvement and to remain at the forefront of developments in public-sector auditing;

- the publication of 32 special reports and reviews;

- **11 opinions** issued mainly dealing with the amendments of existing rules in the 2014-2020 MFF in the context of the EU's response to the COVID-19 outbreak or to legislative proposals for the 2021-2027 MFF and the 'Next Generation EU' (NGEU) initiative.

2020 discharge: General budget of the EU - Court of Auditors

2021/2110(DEC) - 04/05/2022 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Secretary-General of the Court of Auditors in respect of the implementation of the Court's budget for the financial year 2020.

Parliament welcomed the independent external auditor's opinion that the financial statements give a true and fair view of the Court's financial situation. However, it asked the Court to simplify the structure of its next follow-up report, to include all the necessary replies and to give detailed and concrete explanations on the implementation of Parliament's recommendations.

In its resolution, adopted by 361 votes to 240 with 46 abstentions, Parliament made the following observations.

Budgetary and financial management

Parliament noted that the Court's budget continues to grow, reaching **EUR 152 million** in 2020 (compared with EUR 147 million in 2019), which represents less than 0.1% of the Union's total expenditure and around 1.4% of the Union's total expenditure on administration. The overall implementation rate for 2020 was **96%** (compared to 98% in 2019). In 2020, payments amounted to EUR 137 132 964, compared to EUR 137 799 512 in 2019.

Due to the COVID-19 pandemic, some budget lines were only partially used. In contrast to the savings, there was an increase in costs for IT (+30. 77%), medical service (+214.29%) and security (+288.10%). Some appropriations were cancelled at the end of the year.

Internal management, performance, internal control

Members welcomed the progress made in a range of areas, including increased resources for performance audits, increased productivity in all categories of audits, and increased stakeholder interest in and media coverage of the Court's reports.

Parliament noted that the Court applies a set of key performance indicators to provide information on its performance levels. In 2020, a total of 69 publications were issued (33 annual and special reports, 11 opinions, 6 reviews, 14 audit previews and 5 other documents), compared to 67 in 2019. For the first time ever, the Court published an annual report on the overall performance of the EU budget. The vast majority of the opinions published concerned either changes to the rules governing the 2014-2020 Multiannual Financial Framework (MFF) in connection with the EU's response to the COVID-19 pandemic, or legislative proposals for the 2021-2027 MFF and the 'Next Generation EU' stimulus package.

Parliament also commented on the installation allowance for Members of the Court and on the residence allowance, which should be consistent with the installation allowance. It welcomed the fact that, in accordance with its revised code of conduct, the Court has expressly introduced a legal obligation for its members to reside where the Court has its seat.

Other comments included the provision of language courses for members of the Court in the interests of the institution, the use of the attendance register as a tool to proactively prevent potential cases of absenteeism, the duration and location of missions and rules to prevent misuse of mission orders, and information on the use of the budgetary allocation for representation.

Ethical framework and transparency

Parliament is concerned about media reports of a series of ethical and financial management problems at the Court in relation to its members which may damage the Court's reputation and integrity. It asked the Court to appoint a newly elected ethics committee to examine the areas in question and to assess the ethical adequacy of the existing rules.

Members regretted that, following the coverage of a number of ethically and financially questionable practices, the Court has refused to cooperate fully and engage in an equal dialogue with members of Parliament's Budgetary Control Committee regarding the disclosure of key information and documents.

Parliament highlighted the findings of the 2019 peer review of the Court's ethical framework, which recommended greater clarity in the rules in place and further improvement of the Court's ethical control system. It asked the Court to keep the discharge authority informed of the current review of its ethical framework. The current system for preventing conflicts of interest should also be strengthened.

Members welcomed the fact that the Court's code of conduct clarifies the procedural rules applicable to members' obligations regarding external activities and their professional activities after leaving office. However, they condemned missions by the President of the Court with a clear political purpose which are not in line with the ethical standards and principles expected from the Court. They were of the opinion that members of the Court should not be allowed to share their residence with members of their cabinets and welcomed the Court's intention to clarify the principles governing the living arrangements of its members.

Human resources, equal opportunities and staff well-being

At the end of 2020, the Court employed a total of 925 staff members, including 669 officials, 158 temporary staff, 83 contract staff and 15 seconded national experts (SNEs). The average occupation rate in 2020 was 97.2%. Overall, the Court employed equal portions of men and women, with 475 women and 435 men out of 910 employees. Parliament regretted that in 2020 the Court had only eight women, compared to 18 men, and considered it unacceptable that the Court had only 16 women out of a total of 112 members since its creation in 1977.

Members regretted that the Council has repeatedly appointed members of the Court despite a negative opinion from Parliament. They believe that the procedure for appointing members of the Court should be reformed and aligned to that of judges of the Court of Justice and stressed that Parliament should have a binding role in assessing the suitability of candidates for the Court.

Parliament noted that the Court offers various flexible working arrangements to promote work-life balance. It welcomed the possibility of teleworking from outside the place of employment. In 2020, the Court did not record any confirmed cases of psychological or sexual harassment.

Digitalisation, cyber security, data protection

In 2020, the total budget for IT amounted to EUR 10 093 000, an increase of 25% compared to 2019. Parliament noted with interest that, due to the COVID-19 pandemic, the entire audit cycle had to be performed digitally. The cybersecurity in force (over the period 2018-2021) has been tested and is operational, with the internet filtering system having blocked over 70 000 online threats in 2020.

Lastly, Parliament considered that the Court had adopted and endorsed a series of measures necessary to protect its staff during the COVID-19 pandemic and welcomed the fact that the Court was monitoring the situation through surveys on well-being at work, staff perception of work and satisfaction.