Basic information

2021/2111(DEC) DEC - Discharge procedure	Procedure completed
2020 discharge: General budget of the EU - European Economic and Social Committee **Subject** 8.70.03.10 2020 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	GARCÍA MUÑOZ Isabel (S&D)	30/06/2022
	Shadow rapporteur LENAERS Jeroen (EPP) CHASTEL Olivier (Renew) PEKSA Mikuláš (Greens/EFA) CZARNECKI Ryszard (ECR) 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, Climate 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.	

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		
30/03/2022	Committee report tabled for plenary	A9-0079/2022	
04/05/2022	Decision by Parliament	T9-0149/2022	Summary
04/05/2022	Debate in Parliament		
04/05/2022	Report referred back to committee		
06/10/2022	Vote in committee		
10/10/2022	Committee report tabled for plenary	A9-0238/2022	Summary
18/10/2022	Decision by Parliament	T9-0361/2022	Summary
18/10/2022	Results of vote in Parliament		
14/02/2023	Final act published in Official Journal		

Technical information

Procedure reference	2021/2111(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CONT/9/09301 CONT/9/06565

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE699.020	17/12/2021	
Amendments tabled in committee		PE703.195	01/02/2022	
Committee report tabled for plenary, single reading		A9-0079/2022	30/03/2022	
Text adopted by Parliament, single reading		T9-0149/2022	04/05/2022	Summary
Committee draft report		PE734.321	18/07/2022	
Amendments tabled in committee		PE736.355	06/09/2022	
Committee report tabled for plenary, single reading		A9-0238/2022	10/10/2022	Summary
Text adopted by Parliament, single reading		T9-0361/2022	18/10/2022	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	
EU	For information	32022B1703 OJ L 258 05.10.2022, p. 0108	05/10/2022	

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Budget 2023/0323
OJ L 045 14.02.2023, p. 0007

2020 discharge: General budget of the EU - European Economic and Social Committee

2021/2111(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 Economic and Social Committee

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 Economic and Social Committee's appropriations for the financial year 2020

The total 2020 budget was **EUR 142.5 million**, of which EUR 130.9 million was spent or carried forward to 2021 as commitments. This equals a take-up rate of 91.8%, compared to 98.1% in 2019. This difference is mainly explained by the impact of the COVID-19 pandemic on EESC activities. The take-up of appropriations carried forward from 2019 to 2020 was slightly lower than in 2019: 79.2% (EUR 6.9 million) in 2020 as compared to 82.1% in 2019 (EUR 7.1 million).

The EESC's activities in 2020 were marked by:

- COVID-19: contingency plans were set up to allow the EESC's activities to continue under the exceptional circumstances, by proposing guiding principles such as setting-up adequate logistical support to allow remote meetings to be held, partly with simultaneous interpretation (via suitable videoconferencing tools), as well as providing reimbursement for participation in remote meetings under certain conditions and providing guidance on transfers of unused funds;

- significant leftovers mainly on the budget lines for members' travel costs and allowances, as well as on those covering interpretation, staff missions and the organisation of events and hearings, including catering related to these events;

- the EESC adopted a total of **131 opinions and reports**, including 19 exploratory opinions, 65 opinions on referral from the European Parliament and Council, 30 own-initiative opinions and 17 other opinions and reports.

- the preparation of a new management plan (2021-2025) defining five sets of values and five key strategic objectives that will steer the work of the general secretariat over the five-year period.

2020 discharge: General budget of the EU - European Economic and Social Committee

2021/2111(DEC) - 18/10/2022 - Text adopted by Parliament, single reading

The European Parliament decided by 454 votes to 173, with 8 abstentions, to **grant** 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 2020.

In its resolution, adopted by 550 votes to 56, with 28 abstentions, Parliament nevertheless made a number of recommendations that should be taken into account when granting discharge.

Budgetary and financial management

Parliament reiterated its observations with regard to the 'IT co-financing allowance for members' that provides a yearly IT allowance of EUR 3 000 to each member (EUR 5 000 in 2020 under the one time increase related to the measures introduced as a result of the COVID-19 pandemic). It asked the European Economic and Social Committee to reconsider the amount of the IT allowance as well as its nature, with the aim of switching from a flat-rate allowance to a payment based on actual and justified costs.

The resolution also called on the Committee to enhance the interinstitutional cooperation and consequently the impact of the Committee's work and for its legal service to be provided with sufficient resources and the requisite mandate to perform its tasks successfully.

Human resources, equality and staff well-being

The Committee's establishment plan has suffered a reduction of 7.98 % compared to 2013 figures (exceeding the 5 % target established by the Commission), which has an evident negative impact on the workload/resources ratio and therefore on the well-being of staff. In this regard, Parliament welcomed the action plan for recruitment and retention of staff, approved in October 2021, and the future revision of the Committee's **mobility policy**.

On gender equality, Parliament noted the ongoing consideration on new measures to promote women's access to management posts, such as intermediate management responsibilities below head of unit level and the practical implementation of gender budgeting.

Moreover, in order to benefit from the lessons learnt in the COVID-19 pandemic, a **recovery action plan** for the Committee was set-up in 2021 aiming to help staff members to move forward towards a post-pandemic way of working. In this regard, Parliament noted that a new decision on teleworking and flexitime was adopted in April 2022 to establish modern, flexible and output-driven working conditions for staff.

Ethical framework and transparency

Parliament noted that the measures delivered by the joint working group entrusted with the revision of the Committee's ethical framework resulted in an ethics action plan adopted in January 2021. It welcomed that a number of actions have been fully implemented such as, *inter alia*, the revision of the decisions on whistleblowing and on harassment, the mandatory training on ethics for all staff, the setting up and training of a new team of ethics counsellors, the ongoing renewal of the network of confidential counsellors.

The resolution also noted that the **strengthened code of conduct** for members provides greater clarity and imposes more severe sanctions in the event of any breach of the rules. Parliament objected to the rejection by the Committee of the use of the Transparency Register on the grounds that the Committee is a consultative body and urged it to join the Register to improve the transparency of its interactions with external interest representatives. It was also requested that all internal procedures and decisions, including the ones on ethics, be published in a specific column of the Committee's website.

Inter-institutional cooperation

While taking note of the ongoing negotiations with the Commission and the Council aiming to strengthen institutional and administrative relations, Parliament called for the cooperation agreement between the Committee and the Parliament to be made binding, in particular calling for close and timely cooperation between the respective rapporteurs of the two institutions, for the Committee's opinions to be shared with the relevant committees of the Parliament during the report drafting phase and for the Committee's rapporteurs to be systematically invited to the presentation of those reports.

Moreover, Parliament recommended that the Committee should carry out a more quantitative and qualitative impact analysis of its opinions and urged the Committee to reinforce the staff working in the areas of legislative work and interinstitutional relations.

2020 discharge: General budget of the EU - European Economic and Social Committee

2021/2111(DEC) - 04/05/2022 - Text adopted by Parliament, single reading

The European Parliament decided by 429 votes to 158, with 46 abstentions, to **postpone its decision** on the discharge to the Secretary General of the European Economic and Social Committee in respect of the implementation of the European Economic and Social Committee's budget for the year 2020.

Parliament noted that the Court of Auditors had not found any significant weaknesses in the Committee's audit in the areas of human resources and public procurement. On the basis of its audit work, the Court concluded that the payments for the administrative expenditure of the institutions, including those of the Committee, for the financial year 2020 were, taken as a whole, **free from material error**. No specific problems relating to the regularity of transactions were detected by the Court.

In its resolution, adopted by 541 votes to 39 with 62 abstentions, Parliament made the following observations.

Budgetary and financial management

The Committee's budget for 2020 amounted to **EUR 142 500 000** (an increase of 4.22% compared to the 2019 budget), of which EUR 130 900 000 was spent or carried over to 2021 as commitments. The implementation rate in 2020 was **91.8%** (compared to 98.1% in 2019). As a result of the pandemic, several budget lines were affected both in terms of reduced utilisation of appropriations and necessary additional expenditure. To make up for the remaining amounts in the budget lines affected by the pandemic, the Committee initiated transfers at the beginning of 2020 for an exceptionally high total amount of about EUR 12 500 000.

Parliament noted the decision of the Committee Bureau on the one-off increase in the IT co-financing allocation for members, which allowed members who had attended at least 50% of the meetings to which they had been invited to receive EUR 2 500 for each of the two annual instalments in 2020. It asked the Committee to provide information on this one-off increase in the section of its website dedicated to the travel expenses and allowances of its members.

Parliament reiterated its regret at the Committee Bureau's decision of 9 June 2020 to allow members to be paid the usual daily allowance for participating in Committee meetings at a distance. It felt that such a decision damaged the Committee's reputation among citizens.

Internal management, performance, internal control

The Committee issued 131 opinions, position papers and information reports in 2020 (compared to 127 in 2019). The Committee is asked to report on its compliance with inter-institutional deadlines in response to referrals and any delays over the last five years.

Regarding the Committee's new organisation chart, Members are concerned that the transfer of the legal service to the responsibility of the Secretary-General will not give the legal service the necessary independence. They asked the Committee to reconsider this reorganisation. They also reiterated their call for internal procedures that provide for mandatory and timely consultation of the Legal Service before taking action on serious irregularities.

Concerned about the extent to which the Committee's work is taken into account, Members called on the Committee to ensure that each opinion is shared with members of the relevant parliamentary committees and to formally and systematically request a speaking slot when presenting draft reports to Parliament. They asked the Committee to involve the Parliament's rapporteurs in the preparation of its opinions, in order to strengthen political cooperation with the Parliament and recommended that the Committee carry out a more quantitative and qualitative impact assessment of its opinions. The Committee is called upon to strengthen the staff working in the areas of legislative work and inter-institutional relations.

Human resources, equality and staff well-being

At the end of 2020, the Committee's total number of staff was **702**, the same as at the end of 2019. The occupation rate of its posts in the establishment plan was 95.6%. Members deplored the number of long-term vacancies in middle and senior management, ‘ad interim’ managers and managers in double posts. They encouraged the Committee to look at ways to increase its attractiveness as an employer and the interest of potential candidates.

At the end of 2020, the Committee's staff consisted of 702 employees, of whom **458 were women and 244 men**. The percentage of women in middle management positions decreased from 48% in 2019 to 47% in 2020. The decrease is steeper for the percentage of women in senior management positions, from 57% in 2019 to 40% in 2020. Members encouraged the Committee to study the specific incentives and measures successfully implemented in other organisations to promote women's access to management positions.

Parliament recalled the investigation by the European Anti-Fraud Office (OLAF) in 2018 and 2019 into the **harassment case** involving the former President of Group I, which was opened after years in which shortcomings in the internal procedure and unjustifiable inaction by the administrative

hierarchy prevented a better resolution of the case. It deeply regretted that the Secretary General of the Committee still refuses to acknowledge internal failings and responsibilities.

Members are concerned that the former Group I President has been appointed by the Council for a new term. They called for a review of the appointment procedure to enable the Committee to take a more active approach to the appointment of its members.

Parliament is aware of the amicable settlements reached with the two victims of harassment, who are still working in the Committee, but regrets that one of the two victims is still waiting for the final execution of the settlement concerning her. The Committee is called upon to apply uniform procedures for dealing with harassment cases so that there are no differences between victims and that the accused are treated in the same way, regardless of factors such as hierarchical position.

Members reiterated that unethical behaviour by staff and members of the EU institutions and bodies hampers the proper management of EU funds and has a negative impact on citizens' trust in the EU as a whole.

Ethical framework and transparency

Parliament believes that the **new code of conduct** should build on the experience gained from the harassment case, and include a fast and victim-protecting complaints procedure from the outset, as well as a clear and binding system of sanctions. The Committee should do more to raise awareness of the ethical framework and whistleblowing procedures.

Opposing the Committee's rejection of the use of the Transparency Register on the grounds that the Committee is a consultative body, Members urged the Committee to join the Transparency Register in order to promote transparency in its interactions with external interest representatives. The Committee is urged to speed up its decision-making process on the revision of the current lobbying and advocacy framework in order to also strengthen its system for dealing with potential conflicts of interest.

Digital transformation, cyber security, data protection

Parliament noted that the budget for IT in 2020 amounted to EUR 7 500 000, compared to EUR 4 900 000 in 2019, an increase of 53%, largely due to unused appropriations transferred from other budget lines in order to continue clearing the IT backlog. It recalled that budget transfers cannot replace the necessary structural funding of an IT service.

Inter-institutional cooperation

Members welcomed the increasing bilateral cooperation between the Parliament and the Committee. The Committee's political cooperation with the Parliament, the Council and the Commission should be more systematic, given the Committee's role as representative of the social partners and civil society organisations. Members also highlighted the adoption of the new administrative cooperation agreement between the Committee and the Committee of the Regions (CoR), which entered into force on 1 November 2021, and which strengthens the governance of the cooperation and the control mechanisms to ensure the effective management of the joint services.

2020 discharge: General budget of the EU - European Economic and Social Committee

2021/2111(DEC) - 10/10/2022 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted a second report by Isabel GARCÍA MUÑOZ (S&D, ES) on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section VI – European Economic and Social Committee.

The committee called on the European Parliament to grant the Secretary-General of the European Economic and Social Committee discharge in respect of the implementation of the Agency’s budget for the financial year 2020. It made, however, a number of recommendations that needed to be taken into account when the discharge is granted.

Budgetary and financial management

Members reiterated its observations with regard to the ‘IT co-financing allowance for members’ that provides a yearly IT allowance of EUR 3 000 to each member (EUR 5 000 in 2020 under the one time increase related to the measures introduced as a result of the COVID-19 pandemic). They asked the European Economic and Social Committee to reconsider the amount of the IT allowance as well as its nature, with the aim of switching from a flat-rate allowance to a payment based on actual and justified costs.

The committee also reiterated its call to enhance the interinstitutional cooperation and consequently the impact of the Committee’s work and for its legal service to be provided with sufficient resources and the requisite mandate to perform its tasks successfully.

Human resources, equality and staff well-being

The report noted that the Committee’s establishment plan has suffered a reduction of 7.98 % compared to 2013 figures (exceeding the 5 % target established by the Commission), which has an evident **negative impact** on the workload/resources ratio and therefore on the well-being of staff.

Moreover, in order to benefit from the lessons learnt in the COVID-19 pandemic, a recovery action plan for the Committee was set-up in 2021 aiming to help staff members to move forward towards a post-pandemic way of working. In this regard, Members noted that a new decision on teleworking and flexitime was adopted in April 2022 to establish modern, flexible and output-driven working conditions for staff.

On gender equality, Members noted the ongoing consideration on new measures to promote women’s access to management posts, such as intermediate management responsibilities below head of unit level and the practical implementation of gender budgeting.

Ethical framework and transparency

The report noted the entry into force in January 2021 of the strengthened code of conduct for members which provides greater clarity and imposes more severe sanctions in the event of any breach of the rules. Members objected to the rejection by the Committee of the use of the Transparency Register on the grounds that the Committee is a consultative body and urged it to join the Register to improve the transparency of its interactions with external interest representatives.

Inter-institutional cooperation

While taking note of the ongoing negotiations with the Commission and the Council aiming to strengthen institutional and administrative relations, Members called for the cooperation agreement between the Committee and the Parliament to be made binding, in particular calling for close and timely cooperation between the respective rapporteurs of the two institutions, for the Committee's opinions to be shared with the relevant committees of the Parliament during the report drafting phase and for the Committee's rapporteurs to be systematically invited to the presentation of those reports.