2016 discharge: EU general budget, European Parliament

2017/2137(DEC) - 26/03/2018 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Derek VAUGHAN (S&D, UK) recommending the European Parliament to give discharge to its President in respect of the implementation of the budget of the European Parliament for the financial year 2016.

Parliaments budgetary and financial management: Members noted that Parliament's final appropriations for 2016 totalled EUR 1 838 613 983, or 19.39 % of heading V of the Multiannual Financial Framework (MFF) set aside for the 2016 administrative expenditure of the Union institutions as a whole, representing a 2.4 % increase over the 2015 budget.

It pointed out that four chapters accounted for 69.92 % of total commitments:

- Chapter 10 (Members of the institution),
- Chapter 12 (Officials and temporary staff),
- Chapter 20 (Buildings and associated costs),
- Chapter 42 (Expenditure relating to parliamentary assistance).

Members pointed out that 99.2 % of the appropriations entered in Parliaments budget, amounting to EUR 1 823 844 172, were committed, with a cancellation rate of 0.8 %. They noted with satisfaction that, as in previous years, a very high level of budget implementation was achieved.

Cancelled appropriations and transfers: the cancelled appropriations for the year 2016, amounting to EUR 14 769 811, were mainly related to remuneration and other entitlements, as well as, once more, to the expenditure related to buildings. Seven transfers were approved in 2016, which amounted to EUR 66 655 000 or 3.6 % of final appropriations. Members observed with concern that the majority of such transfers were, once more, related to the Parliaments buildings policy, and in particular to the Konrad Adenauer building project. They stressed that level of the mopping-up transfer continues to be very high and that effective budget management should be able to reduce such transfers to the bare minimum necessary. Members urged that Parliaments buildings policy be laid down with sufficient clarity, as part of the budgetary strategy.

2016 discharge: Members noted that the overall audit evidence indicates that the spending on administration is not affected by a material level of error. They noted that, on the basis of the 12 quantified errors, the estimated level of error present in heading 5 of the MFF on administration is 0.2 % (down from 0.6 % in 2015).

Members also noted the specific findings concerning Parliament contained in the annual report of the Court for 2016. They noted that for one payment to a political group, the Court found weaknesses in checks on the authorisation and settlement of expenditure made in 2015 but cleared in 2016. The Court found that payments were made without being covered by contracts resulting from a procurement procedure.

Parliaments Secretariat is encouraged to continue its additional efforts in assisting the political groups in improving their internal financial management. Political groups should improve the application of relevant rules for authorising and settling expenditure.

The report noted that, according to the Court, the costs of the geographic dispersion of Parliament amount to EUR 114 million per year. Members recalled that the estimate of the environmental impact of that dispersal is between 11 000 to 19 000 tonnes of CO2 emissions and called on the Council to find a solution for this waste of taxpayers money.

Members considered it appropriate to keep the small increase in budget line 422 Expenditure related to parliamentary assistance, taking into account the higher workload through Brexit, growing number of trilogues and increasing number of temporary and special committees, which has reached a historical record of 25 standing and temporary committees, and the coincidence of the end of legislature with the complex package of legislative MFF proposals.

UK referendum: Members noted that, following the referendum held on 23 June 2016 in the United Kingdom the Bureau discussed the consequences in its meeting of 4 July 2016. The position of the President is that, as long as the United Kingdom remains a full member of the Union, British Members and Parliament staff enjoy exactly the same rights and obligations as all other Members and staff of the house.

They acknowledged that the referendum result had a considerable impact on committee secretariats, research units and horizontal services of the political directorates-general.

Administration and management of the European Parliament: Members made a series of remarks on the following issues:

- enhanced social media strategy in light of the 2019 elections;
- review of the system for calculating the reimbursement of travel expenses for groups of visitors sponsored by Members;
- assessment of the Accredited Parliamentary Assistants tasks and mission and reimbursements;
- the potential risks for British staff and on how to ensure that British staff do not become victims of Brexit, and that their statutory, contractual and acquired rights be fully safeguarded;
- assessment of the current situation of the voluntary pension fund which is still unavailable;
- renewal of the car-fleet: Members called on the Bureau to not limit itself to electric cars as a more environmentally-friendly solution since there are concerns regarding their production (including the sufficient availability of the necessary resources) and the disposal of batteries at the end of their life-cycle;

Lastly, Members made a number of recommendations regarding green public procurement and reducing plastic waste on the different sites of the European Parliament.