



Plenary sitting

A8-0100/2018

26.3.2018

REPORT

on discharge in respect of the implementation of the general budget of the European Union for the financial year 2016, Section VIII – European Ombudsman
(2017/2143(DEC))

Committee on Budgetary Control

Rapporteur: Ingeborg Gräßle

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1. PROPOSAL FOR A EUROPEAN PARLIAMENT DECISION

on discharge in respect of the implementation of the general budget of the European Union for the financial year 2016, Section VIII – European Ombudsman (2017/2143(DEC))

The European Parliament,

- having regard to the general budget of the European Union for the financial year 2016¹,
 - having regard to the consolidated annual accounts of the European Union for the financial year 2016 (COM(2017)0365 – C8-0254/2017)²,
 - having regard to the Court of Auditors' annual report on the implementation of the budget concerning the financial year 2016, together with the institutions' replies³,
 - having regard to the statement of assurance⁴ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2016, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
 - having regard to Article 314(10) and Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,
 - having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002⁵, and in particular Articles 55, 99, 164, 165 and 166 thereof,
 - having regard to Rule 94 of and Annex IV to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0100/2018),
1. Grants the European Ombudsman discharge in respect of the implementation of the budget for the financial year 2016;
 2. Sets out its observations in the resolution below;
 3. Instructs its President to forward this decision and the resolution forming an integral part of it to the European Ombudsman, the European Council, the Council, the Commission, the Court of Justice of the European Union, the Court of Auditors, the European Data Protection Supervisor and the European External Action Service, and to arrange for their publication in the *Official Journal of the European Union* (L series).

¹ OJ L 48, 24.2.2016.

² OJ C 323, 28.9.2017, p. 1.

³ OJ C 322, 28.9.2017, p. 1.

⁴ OJ C 322, 28.9.2017, p. 10.

⁵ OJ L 298, 26.10.2012, p. 1.

2. MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

with observations forming an integral part of the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2016, Section VIII – European Ombudsman (2017/2143(DEC))

The European Parliament,

- having regard to its decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2016, Section VIII – European Ombudsman,
 - having regard to Rule 94 of and Annex IV to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0100/2018),
1. Notes that in its 2016 annual report, the Court of Auditors (the ‘Court’) observed that no significant weaknesses had been identified with respect to the audited topics related to human resources and procurement for the European Ombudsman (the “Ombudsman”);
 2. Notes that on the basis of its audit work, the Court concluded that the payments as a whole for the year ended on 31 December 2016 for administrative expenditure of the institutions and bodies were free from material error;
 3. Welcomes that the Ombudsman submitted its annual activity report to the Court in March; notes that the Court submitted its report to Parliament in October and that the discharge is to be voted on in plenary by Parliament by May; notes that by the time discharge is closed, if not postponed, at least 17 months have passed since the closing of the annual accounts; points out that auditing in the private sector follows a much shorter timeline; stresses that the discharge procedure needs to be streamlined and sped up; requests that the Ombudsman follow the good example given by the private sector and proposes to set a deadline for the submission of the annual activity reports on 31 March of the following year, a deadline for the submission of the Court’s reports on the 1st of July and subsequently vote on the discharge by Parliament in the plenary session of November, thereby closing the discharge procedure within the year following the accounting year in question;
 4. Welcomes the overall prudent and sound financial management of the Ombudsman in the 2016 budget period; expresses support for the successful paradigm shift towards performance-based budgeting in the Commission’s budget planning introduced by Vice-President Kristalina Georgieva in September 2015 as part of the “EU Budget Focused on Results” initiative; encourages the Ombudsman to apply that method to its own budget-planning procedure;
 5. Stresses that the Ombudsman's budget is purely administrative and amounted in 2016 to EUR 10 658 951 (EUR 10 346 105 in 2015);
 6. Notes that of the total appropriations, 95,40% were committed (92,32% in 2015) and 85,89% paid (86,19% in 2015), with a utilisation rate of 95,40% (92,32% in 2015);

welcomes the increase in the utilisation rate;

7. Stresses the pivotal role of the Ombudsman in promoting good governance and ensuring the participation of civil society in the Union; notes that the Ombudsman closed five strategic inquiries and opened four new ones in 2016 on issues related, inter alia, to transparency and conflicts of interest; encourages the Ombudsman to pursue its strategic work with the aim of promoting good governance of the Union institutions;
8. Welcomes the decision to reduce communication and translation costs linked to the production of publications without undermining their quality; notes that the length of the documents was reduced, and is therefore interested to know if the information now excluded from the publications is nevertheless accessible on demand;
9. Welcomes the fact that the organisation chart of the Ombudsman has been clarified and is available in its website; asks the Ombudsman to ensure that an updated version of its organisation chart is always available on its website;
10. Notes the results achieved in the complaints handling in 2016 and notes the fact that the Union institutions complied with the Ombudsman's decisions at a rate of 84% (83% in 2015); notes that this has been the second highest rate of compliance with the Ombudsman's decisions and recommendations so far; recommends that the Ombudsman keep on working and analysing possible solutions to reach at least the 88 % that was achieved in 2014; notes that the rate of follow-up to critical remarks was of 63% in 2016 (41% in 2015); welcomes the Ombudsman's report 'Putting it Right', which provides an analysis of how institutions complied with its recommendations and presents a breakdown per institution;
11. Welcomes the introduction of the new fast track procedure for access to document cases as a clear sign that the Ombudsman does its utmost to reach a high level of transparency of Union documents; is of the opinion that there is still room for improvement by almost every other Union institution;
12. Underlines the importance of making Union citizens aware of the possibility to turn to the Ombudsman in case of maladministration; welcomes the Ombudsman's efforts to step up its communication activities and cooperation among ombudsmen to increase public awareness about its work; notes that the Ombudsman has addressed the Parliament's Committee on Budgetary Control repeatedly and encourages further cooperation in its strategic work concerning its inquiries and initiatives;
13. Reiterates its concern at the "internal revolving door" between the Ombudsman and other institutions, particularly the Commission's directorates which might be under the its scrutiny;
14. Notes that some of the targets set by the Ombudsman to assess its performance through key performance indicators were not reached¹; asks the Ombudsman to identify the

¹ The impact of compliance; the visibility through visits to the website and use of the interactive guide to contact a member of the ENO; and the proportion of cases in which the admissibility decision is taken in one month - did not reach the target objective established by the Ombudsman.

measures taken to enhance its results;

15. Welcomes the gender balance at management level and within administrators; encourages the Ombudsman to maintain this trend;
16. Notes the persisting geographical imbalance at management level; notes that two of the three managers from the Ombudsman's Member State occupied managerial positions in the Office for many years before the election of the present Ombudsman and are officials, whereas the third joined as a head of Cabinet at the beginning of the present's Ombudsman's term of office; acknowledges that it is therefore difficult to change the situation in the short-term, but encourages the Ombudsman to strive for geographical balance in management positions in the long-term;
17. Observes the Ombudsman's plan to comply with the interinstitutional agreement to reduce staff by 5% over the period of five years; notes that, according to the follow-up report to the 2015 discharge, the initial 2016 estimates to create five new posts were amended and the final version resulted in the net decrease of one member of staff;
18. Acknowledges that the Ombudsman is experiencing a significant increase in complaints and is aware of its request to Parliament, made in its annual activity report for 2016, for a moderate budget increase to hire extra multi-lingual staff; is concerned that, as a result of the staff reduction, the remaining resources available in each service will not allow for absorption of the increasing workload; calls on the budgetary authorities to be mindful of the long-term impact of staff cuts, in particular regarding the Ombudsman's ability to improve gender and geographical balance, as well as the need for building on the capacity of experienced officials to take over management posts, when planning the future allocation of financial resources for personnel;
19. Notes the Ombudsman's commitment to improving transparency in Union decision-making; notes that in 2016 transparency-related inquiries again accounted for the greatest proportion of cases;
20. Notes that there is still one ongoing complaint made to the European Data Protection Supervisor (EDPS) concerning the Ombudsman in 2016; notes that the Ombudsman's Office is, in close cooperation with the EDPS, reviewing the Office's procedure for handling personal data of third parties in complaints and inquiries; asks the Ombudsman's Office to keep Parliament's Committee on Budgetary Control informed about the outcome of the review;
21. Welcomes the inclusion of human resources and professional training charts in the Ombudsman's annual activity report for 2016;
22. Expresses the need to establish an independent disclosure, advice and referral body with sufficient budgetary resources, in order to help whistleblowers use the right channels to disclose their information on possible irregularities affecting the financial interests of the Union, while protecting their confidentiality and offering needed support and advice;
23. Notes that the Ombudsman has provided timely follow-up to the 2015 discharge i.e., before 30 June 2018, in its report to Parliament's Committee on Budgetary Control, in

compliance with Article 166 of the Financial Regulation; regrets, however, the lack of data from 2016 in different sections of the Ombudsman's annual activity report for 2016;

24. Regrets the decision of the United Kingdom to withdraw from the European Union; observes that at this point no predictions can be made about the financial, administrative, human and other consequences related to this withdrawal; asks the Ombudsman and the Court to perform impact assessments and inform Parliament of the results by the end of the year 2018.

INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE

Date adopted	20.3.2018
Result of final vote	+: 19 -: 3 0: 0
Members present for the final vote	Nedzhmi Ali, Inés Ayala Sender, Zigmantas Balčytis, Dennis de Jong, Tamás Deutsch, Martina Dlabajová, Raffaele Fitto, Ingeborg Gräßle, Cătălin Sorin Ivan, Jean-François Jalkh, Arndt Kohn, Notis Marias, José Ignacio Salafranca Sánchez-Neyra, Petri Sarvamaa, Claudia Schmidt, Bart Staes, Indrek Tarand, Marco Valli, Derek Vaughan, Tomáš Zdechovský, Joachim Zeller
Substitutes present for the final vote	Julia Pitera

FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

19	+
ALDE	Nedzhmi Ali, Martina Dlabajová
EFDD	Marco Valli
GUE/NGL	Dennis de Jong
PPE	Tamás Deutsch, Ingeborg Gräßle, Julia Pitera, José Ignacio Salafranca Sánchez-Neyra, Petri Sarvamaa, Claudia Schmidt, Tomáš Zdechovský, Joachim Zeller
S&D	Inés Ayala Sender, Zigmantas Balčytis, Cătălin Sorin Ivan, Arndt Kohn, Derek Vaughan
VERTS/ALE	Bart Staes, Indrek Tarand

3	-
ECR	Raffaele Fitto, Notis Marias
ENF	Jean-François Jalkh

0	0

Key to symbols:

+ : in favour

- : against

0 : abstention