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DRAFT REPORT

on discharge in respect of the implementation of the general budget of the
European Union for the financial year 2016, Section VI – European Economic
and Social Committee
(217/2141(DEC))

Committee on Budgetary Control

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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 VI – European Economic and Social Committee
(217/2141(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 – C8-0252/2017)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 (A8-0000/2018),
1. Grants 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 2016 / Postpones its decision on granting 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 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 Economic and Social Committee, the European Council, the

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.

Council, the Commission, the Court of Justice of the European Union, the Court of Auditors, the European Ombudsman, 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).

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 VI – European Economic and Social Committee (217/2141(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 VI – European Economic and Social Committee,
 - 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 (A8-0000/2018),
1. Takes note that on the basis of its audit work, the Court of Auditors concluded that the payments as a whole for the year ended on 31 December 2016 for administrative and other expenditure of the institutions and bodies were free from material error;
 2. Notes that in its 2016 annual report, the Court of Auditors observed that no significant weaknesses had been identified in respect of the audited topics relating to human resources and procurement for the European Economic and Social Committee (the “Committee”);
 3. Notes that in 2016 the Committee budget amounted to EUR 130 586 475 (EUR 129 100 000 in 2015), with a utilisation rate of 97,55%; notes the increase of the utilisation rate in 2016 when compared to 2015;
 4. Stresses that the Committee’s budget is purely administrative, with a large amount being used on expenditure concerning persons working within the institution and the remaining amount relating to buildings, furniture, equipment and miscellaneous running costs; notes that the Committee confirmed the importance of applying performance based budget principles in its daily operations and informed of the update of the key activity performance indicators (KAPIs) in 2017; asks the Committee to continue applying those principles and duly and regularly inform Parliament of the reformed KAPIs;
 5. Takes note of the launching of reflections about the modernisation of the Committee; asks to be informed of the initiative and its developments;
 6. Is concerned with the high amount of expenditure related to travel expenses and allowances of the Committee members; notes that the final appropriations for travel and subsistence allowances for members were EUR 19 561 194; calls on the Committee to provide a detailed breakdown of members’ expenditure, particularly those concerning item 1004, in its next annual activity report, and asks for the adoption of appropriate measures in order to make savings and reduce environmental pollution; urges the Committee members to increase the use of videoconference and telepresence facilities, which may contribute to economic savings, such as on travel expenses;

7. Observes that the Committee declares that there is scope for further developing the cooperation agreement between the Committee and the European Parliament; trusts that further development of synergies will bring positive results to both parties; takes note of the progress of the cooperation between the Committee and the European Parliament, namely the contacts between the Committee president and its Bureau and Parliament's Conference of Committee Chairs; calls on the Committee to further strengthen its contacts with the chairs and the rapporteurs of Parliament's Committee on Budgetary Control in order to ensure better follow-up to the contribution it gives to the Union legislative process;
8. Is of the opinion that a joint assessment of the budgetary savings resulting from the cooperation between the Committee and Parliament is of interest to both institutions and to the Union citizens; suggests that the Committee propose that exercise to Parliament as part of the strategy to strengthen contacts between the two institutions; is aware that the Committee is building up a capacity in terms of policy assessment for accompanying its role in the legislative process as a consultative body; asks the Committee to submit to the discharge authority a detailed analysis of the functioning of those activities in its next annual activity report;
9. Welcomes the administrative cooperation agreement between the Committee and the Committee of the Regions, which entered into force in 2016 and provides for shared translation and logistics directorates; considers this a good basis for potential economic savings in both committees; trusts that this agreement will also prompt cooperation in other areas; requests a detailed plan and description of the committees' activities in those areas; believes that this agreement will ensure also further efficiency in both committees' performance and economic savings;
10. Notes that the agreement to transfer some Committee posts to Parliament has been concluded and that the established staff plan is complying with the interinstitutional agreement to reduce staff by 5% over the period of five years;
11. Notes a general increase of the absence rate due to sickness in the Committee; stresses the importance to put in place measures for improving wellbeing at work and asks for a closer monitoring of absences; welcomes the initiatives taken by the Committee to foster respect for human dignity in the work place;
12. Notes with interest that the proportion of women holding middle management position in the Committee is above 40%; encourages the Committee to make additional efforts in order to achieve the same results insofar as senior management positions are concerned and to do the necessary to improve the still considerable geographic imbalance;
13. Notes that the Committee media coverage increased by around 30% in 2016; observes the setup of the social media network and looks forward to hearing its achievements;
14. Notes an increase in the unused rate of interpretation services requested from 3,5% in 2015 to 4% in 2016 and asks for a closer monitoring of the effective provision of those services;
15. Notes the continued increase of the outsourcing rate of translation (from 9,74% in 2015 to 16,61% in 2016) provided for in the cooperation agreement between the Committee

and the Committee of the Regions; takes note of the 2016 internal audit on translation outsourcing and of its practical implementation and restrictions, and looks forward to being informed of the internal auditor's recommendations in the next Committee annual activity report;

16. Acknowledges the Committee's commitment to EMAS and its environmental results, which show a decrease in consumption of gas, water, electricity, paper, cleaning products and in production of waste; encourages the Committee to continue to improve its performance in this regard;
17. Welcomes the administrative arrangements agreed between the Committee and OLAF in order to facilitate exchange of information;
18. Takes note of the complementary decisions taken by the Committee on internal whistleblowing rules and stresses the importance of improving this initiative;
19. Regrets the case linked to harassment in the Committee which cost it EUR 55 772; calls on the Committee to improve its policy in this regard in order to further prevent any form of psychological and sexual harassment.