



EUROPEAN PARLIAMENT

**REPLIES TO AND ACTION TAKEN
ON THE EUROPEAN PARLIAMENT DECISION
OF 17 APRIL 2014
ON DISCHARGE IN RESPECT OF
IMPLEMENTATION OF THE GENERAL BUDGET
OF THE EUROPEAN UNION
FOR THE FINANCIAL YEAR 2012**

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Parliament's management in 2012 and overall issues

*§18: "Recommends that authorising officers improve the design, coordination and performance of Parliament's procurement framework and procedures through appropriate checks and clearer guidance; notes that the implementation of the new Financial Regulation and its Rules of Application should be accompanied by the **design of new templates of contracts and invitations to tender, as well as the development of specific training courses on how to define and apply selection and award criteria;**"*

Appropriate **guidance**, in the form of a vademecum and guidelines, is provided through the Public Procurement Forum and by DG FINS (Finance) in individual cases. These documents were updated as from 2013 after the entry into force of the new Financial Regulation.

Upon the entry into force of the new Financial Regulation all **templates** of contracts, invitations and other tender documents were adapted in early 2013. Improvements of the templates are under discussion in the Public Procurement Forum.

In early 2014, DG FINS started a consultation with the Directorates-General on the future of **financial trainings**. Specific and more targeted training on the relevant stages in the procurement process and notably evaluation have been identified as a priority. The development of these trainings, in cooperation with the relevant services, is in process.

As for the extent of assistance and trainings, there have been around 300 requests for advice on financial management, of which around 200 related to procurement, that have been answered by the Central Financial Unit of DG Finance. 693 EP staff participated in a total of 65 financial and procurement training courses.

*§20: "Recalls the Court of Auditors' finding that in file procedures for the **recruitment of accredited parliamentary assistants (APAs)**, there were no documents on file proving that the *ex ante* checks of recruitment documents had been performed; takes note of the fact that the Court of Auditors considers that Parliament has fully implemented its recommendation to ensure that appropriate documentation is now established and the underlying documentation for those verifications is now being kept to justify the recruitment decisions of temporary and contract staff; **calls on the Secretary-General to inform its Committee on Budgetary Control by September 2014 on the effectiveness of the measures taken** including those based on the findings of the Internal Auditor, also in view of the recruitment of many new APAs after the elections;"*

The performance of the verification of the recruitment procedure has been enhanced since 1 of July 2013 with the restructuring of the Recruitment and Transfer Unit (RTU). Since then, there has been an ex-ante check of all accredited parliamentary assistants (APA) contracts.

From September 2013 onward, an ex-ante check has been done by the RTU file manager once the offer is generated by Streamline (the main HR system of the Parliament) and before it is sent to the APA. In particular, the ex-ante check performed by the RTU file managers covers the following points:

- Consistency between the offer generated by Streamline and to be sent to the APA and the initial recruitment request made by the relevant MEP(s);
- Duration of the proposed contract;
- Was the APA already recruited by the same MEP during the same parliamentary term? In which case, re-hiring the APA is only possible if the APA resigned (not possible in case of dismissal).

New term:

Given the large number of recruitments for the 8th parliamentary term, specific measures have been put in place:

- Ex-ante check of all APA engagement letters (offers)
- Ex-post check of APA contract with a specific focus on the 3-month period that new APA recruits can use to provide all necessary documents (original or certified).

To support these measures, a specific application has been implemented called APA-PEOPLE. The ex-ante verification step is a mandatory step in the APA recruitment workflow in the APA-PEOPLE application: an offer cannot be sent to the APA without its completion.

The Court of Auditors recognises the improvements made by the Parliament regarding the recruitment of APA and has made no observations on this field in its report for 2013.

§21: "Regrets that the Court of Auditors' examination of a sample of procurement procedures showed that errors persist in the design, coordination and performance of procurement procedures and that, therefore, the Court of Auditors' analysis of the progress made is that its previous recommendation is, in most respects, still being implemented; reiterates its call to secure real progress, without further delay, on all control mechanisms for public procurement in order to overcome the shortcomings identified by the Court of Auditors, as well as to guarantee the most competitive prices for the goods and services acquired;"

Parliament's administration agrees with the importance of reliable procurement procedures and took note that the Court of Auditors recognises the improvements made by the Parliament re. public procurement and has made no observations on this field in its report for 2013.

§26: " Notes and supports the views expressed by the Internal Auditor concerning the 'Audit of Accredited Parliamentary Assistants employed as other servants of the European Communities' that, overall, the control environment and control activities in DGs Personnel and Finance provide reasonable assurances that APAs are recruited in compliance with the statutory rules and that their financial entitlements are correctly charged to the Members' Parliamentary Assistance Allowance (PAA); asks both DGs to ensure that these guarantees become solid and unequivocal by any means necessary;"

In order to strengthen the control environment and control activities in DG PERS and DG FINS new IT tools were developed. DG PERS developed the tool APA-PEOPLE to enhance the recruitment procedure for APAs. DG FINS developed a new version of the IT application GAP to manage the Parliamentary Assistance Allowance (PAA). This new application will allow a better monitoring of the PAA with improved statistics and a better data consistency between Streamline (main HR application) and GAP, with a new interface being developed which will allow the exchange of data in both ways. See also reply to §20.

§29: "Recalls once more that, after five years of implementation of the new Statute of Assistants, it is necessary to carry out a full evaluation of this Statute including possible adaptations of the rules as soon as possible;"

An evaluation of the Statute of Accredited Parliamentary Assistants will be prepared by the end of the current year.

§33: " Notes that by the end of 2012, the Internal Auditor considered that 73 actions have yet to be implemented, including two critical actions, 35 significant risk actions and 36 moderate risk actions; notes with satisfaction that during 2012, 80 actions have been fully implemented and therefore closed, including two critical actions; encourages all its Directorates-General concerned to continue their efforts to improve their respective management and control procedures; calls on the Internal Auditor to set stricter timetables on actions to be implemented; calls on the Internal Auditor to keep the Committee on Budgetary Control informed on all outstanding actions of the original review of the Internal Control Framework; reiterates its call on the departmental and central management to implement the remaining "open actions" before the end of the current legislative term;"

The due-dates for implementation are set by agreement with the audited services when finalising the action plan for each report. As with the content of the actions, the timetables are the result of an extensive consultation process between Internal Audit and the services concerned. The agreed due-dates allow for a realistic period of time to complete the action, after taking account of its complexity, the exposure to risk and the resources available. By agreeing to the action plan, management also confirms its commitment to implementing the constituent actions by the set due-dates. Management is, therefore, both responsible for implementation by the due-date and accountable for any delay in doing so.

Internal Audit follows up the implementation of each action in the semester immediately after the due-date matures to ensure the fastest possible monitoring of whether the services have done what they agreed to do. The follow-up of all open actions for each semester is the subject of a biannual evaluation exercise by the Auditor: in January and again in September. Each such evaluation covers the status of the remaining actions from the original review of the internal control framework. In the context of the discharge procedure, when presenting his annual report to the Committee on Budgetary Control, the Internal Auditor will continue to keep the Committee informed of the status of all outstanding actions, including those from the review of the Internal Control Framework.

§38: " Notes the subsequent decision by the Secretary-General on 23 March 2013 which provided that Tuesday and Wednesday afternoons of Committee weeks became reserved for meetings of committees and of trilogues exclusively; notes positively that as a result of the measures already implemented, the share of the external interpretation costs in the total Parliament budget decreased from 3,5 % in 2011 to 2,6 % in 2012; believes that the principle of sound financial management needs to apply to interpretation as well and that with a view to ensuring the best value for money for Union taxpayers, critical analysis should continually be undertaken to assess where and how efficiency can be improved and costs controlled or limited; calls on the Secretary-General to make the **annual report on the application of the Code of Conduct for Multilingualism** public to Members of the responsible committee;"

The annual report on the application of the Code of Conduct for Multilingualism is a report to the Bureau. As such, any publication of the report to Committee members should follow the normal procedure for access of this kind of documents.

§39: "Notes the Secretary-General's reply indicating that the cost of the **LUX prize** was reduced, as proposed by the Committee on Budgetary Control and voted in plenary in the 2010 discharge report; notes that a series of concrete measures have been taken in order to minimise the LUX Prize expenditure, in particular cutting costs related to promotional activities at international festivals and within Parliament premises; takes note that the expenditure of LUX Prize in 2012 was EUR 434 421, which represents a reduction of 24 % as compared to 2011 (EUR 573722); **calls for further efficiencies to be found;**"

The LUX prize promotes cultural and linguistic diversity and provides a unique opportunity to debate European issues through the narrative and emotional richness of cinema. In the spirit of the recommendations presented in the 2010 discharge and pursuant to the communication strategy and subsequent action plan approved in 2011, Parliament's administration is continuously striving to ensure the cost-efficiency of the LUX Prize by optimizing supplies (better use of internal capacities - design, print), products (update of successful ones, e-versions, etc.) and the communication mix (better use of internal capacities, namely on social media).

Catering policy

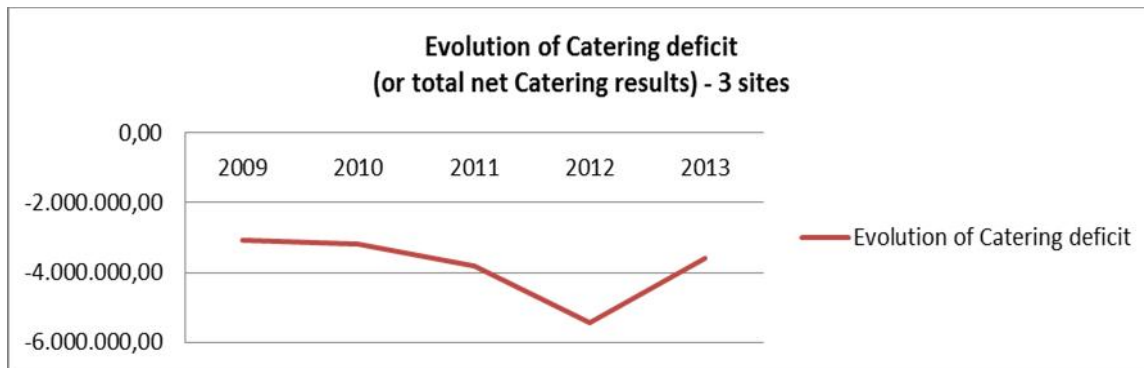
§41: " Notes that in light of the ever growing amount of customers and the evolution of the institution, the Bureau adopted at its meeting on 10 June 2013 a comprehensive strategy that sets out the main orientations for the catering policy at Parliament until 2019; recalls that overall catering activities increased by around 150 % from 2002 to 2011, from 1,472 million customers in 2002 compared to 3,711 million customers in 2011; notes that Parliament's catering services continue to be marked by an operational deficit that should not be compensated exclusively by price increases; notes that price policies in Parliament should remain in line with the other institutions and that Parliament is better positioned to achieve better conditions from contractors and economies of scale in those operations, taking into account the number of customers served;"

The financial situation of Parliament's catering services until 2012 was characterised by a growing operational deficit and corresponding adaptations of the budgetary means. As set out in the note to the Bureau of 29 May 2013 (GEDA D(2013)24462), this situation was due to multiple factors, including the extraordinary development of demand and the multiplication of catering services within the limits of the existing infrastructure. In particular, the massive increase of customers by around 150% during the period 2002-2011 put considerable strain on the services, the providers and the infrastructure.

The price reform implemented at the beginning of 2013 meant that prices charged for Parliament's catering services, as compared to the other EU institutions remain at a similar level, especially when taking into account the quality and variety of the services delivered.

Changes to the prices for catering services went hand in hand with steps to reform Parliament's catering services structurally. Thus, measures to improve the efficiency and productivity of the catering services were successively implemented in 2013 as a matter of priority. They will need to continue and be further adjusted over the coming years. So far these measures have been implemented without the loss of any permanent jobs, thus taking duly into account the social dimension of these changes.

As a result of the aforementioned measures and the price revision of the beginning of 2013, which had an estimated impact of 5-7% on the result, the overall deficit of Parliament's catering services at the three places of work has been diminished from EUR 5 434 214 in 2012 to EUR 3 599 120 in 2013. This means a reduction by EUR 1 835 094 or 33.77% as compared to the previous year. Compared to the evolution of previous years, this constitutes a notable change towards a more balanced financial situation.



It should be recalled that the financial resources available to Parliament's catering activities are composed of Parliament's budget on one side and, on the other, of assigned revenues, which result, for example, from rebates, which the catering providers are contractually obliged to transmit to the institution. These rebates constitute important revenues which allow the catering services to remain within the budgetary limits set by the institution.

Consequently, it should be noted that the revision of prices is not the only element for the improvement of the financial situation in the catering sector, but that various different factor and actions come into play and must be carried out in parallel in order to provide the requested results. In this context, the guidelines for the modernisation the catering services was sent to CONT by the Secretary General on 25 October 2013, in the framework of the replies to the resolution on the discharge to the Parliament for 2011.

Services, allowances and administration for MEPs

*§46: "Recalls that the Code of Conduct for Parliament's Members with respect to financial interests and conflicts of interest, adopted by the plenary on 1 December 2011, requires Members to fully disclose any remunerated activities outside Parliament, the remuneration they receive and any other function they perform which may give rise to conflicts of interest and that the code expressly prohibits Members from accepting any sum of money or other gift in exchange for influencing Parliament decisions; notes that it lays down clear rules on accepting gifts and on former Members engaging in lobbying; asks that the **administration scrutinises at least 15 % of these declarations on a regular and annual basis;**"*

The entry into force on 1 July 2013 of the Implementing Measures for the Code of Conduct led to substantial changes in the daily procedures within the administration, following the Secretary-General's designation of the Members' Administration Unit as the competent service under Articles 2, 3, 4 and 9 of the Implementing Measures, i.e. the administration of notification, handover, retention, storage and display of gifts and the register of gifts, as well as performing, on behalf of the President, general plausibility checks for clarification purposes of Members' Declarations of Financial Interests (DFIs). At the entry into force of the Implementing Measures, the administration studied all DFIs available on 1 July 2013. The study was thus not limited to DFIs registered on or after 1 July 2013, but included all DFIs "in force" and was published on the Europarl website on this date. A general plausibility check is based on the four criteria mentioned in Article 9 of the Implementing Measures (manifestly erroneous, flippant, illegible, or incomprehensible) and is - beside the 1 July 2013 study - made on all new and all updated DFIs as they are received and registered by the administration.

§48: "Calls for all annexes to written parliamentary questions (Rule 117 of Parliament's Rules of Procedure) to be posted, together with the questions concerned, on Parliament's website;"

The competent technical services have launched a feasibility study in order to make possible the posting on Parliament's website of the annexes to the replies provided by the institutions to the questions for written answer. Pending the development of a suitable technical solution, the service responsible for parliamentary questions will forward any requested annex to the interested Members.

§49: " Believes that Parliament is the only European public institution that pays an allowance intended to meet the costs of office administration into private and personal bank accounts without requiring any receipts to be kept or the auditing of the expenditure; suspects that Members would be deeply critical of any other body that similarly failed to supervise the use of public money; calls on the Secretary-General to propose light touch arrangements to ensure that the General Expenditure Allowance is used for the purpose intended and cannot provide a supplementary private income for Members;"

During the last legislature the Administration improved the guidance proposed to the Members, for example with the recent publication of a collection of "Frequently Asked Questions". Furthermore, at the end of the 7th legislature, a vademecum for the end of mandate was issued by the Quaestors addressing, inter alia, the issue of General Expenditure. These documents complete the already existing "List of expenses which may be defrayed from the General Expenditure Allowance" adopted by the Bureau on 13 December 2010. In addition, specific advice is given individually to Members who requested it. It is planned to continue these actions, gradually enriching the existing documents, such as the "Frequently Asked Questions". Any further decisions concerning the method of payment and control of the General expenditure allowance is up to the competent political organ.

§50: "Requests an evaluation of the daily subsistence allowance for Members concerning its amount and use; requests that the Bureau revise this implementing measure accordingly to ensure that this allowance is used in as cost-efficient a manner as possible;"

The subsistence allowances are paid by means of a flat rate sum when Members attend meetings inside the EU. Outside the EU, subsistence costs are reimbursed at a rate of half the daily allowance plus the hotels costs, upon submission of the relevant supporting documents. As provided for in the Member's Statute, this method of payment avoids disproportionate administrative costs.

To that extent, the daily allowance covers all the costs incurred in the official meeting venue. The nature and composition of these costs is extremely large and variable. The amounts incurred vary hugely in function of the city of the venue and of the season concerned. For these reasons the Parliament services cannot make an accurate estimation of the evolution of the needs and the large range of potential costs composing this allowance.

It should be recalled that the Bureau, following the Parliament resolution of 26 October 2011, paragraph 75, regarding the draft budget for 2012, decided to freeze the allowance indexation in 2012, 2013 and 2014 which has allowed the Parliament to achieve 4,2 MEUR savings while inflation increased by 9,5%.

§51: "Calls for detailed information on how the President, as a politically neutral figure, has kept his duties in office separate from his preparations to head the Socialists and Democrats' list in the European elections, in particular with regard to the staff in his cabinet and in Parliament's information offices and to travel expenses; is of the opinion that in connection with many of those activities, no distinction has been made between the two roles; calls for clear segregation of office holders' functions, following the Commission's approach, so that Union taxpayers do not have to pay for the election campaigns of European list leaders;"

The President has kept his duties in office scrupulously separated from his role as a frontrunner for the PES in the European elections.

Like his predecessors before him, during his time in office the President occasionally participated in individual party political meetings and events if and when they coincided with official visits to Member States carried out by him in fulfilment of his institutional duties. The President's participation in such events did not incur any extra travel cost to the budget of the institution and was organised without the involvement of the information offices.

As of 1 December 2013 the campaign manager of the SPD and as of 1 January 2014 the head of Martin Schulz' office in the SPD were employed to prepare the election campaign at national level in Germany. On 22 February 2014 a PES campaign manager took up his duties to coordinate the party's European-wide campaign. All staff and other costs of this campaign team were covered in total by SPD and PES party funds as were all the President's expenses that occurred during his presence at campaigning events.

Security policy

§63: "Notes that DG PRES has been reorganised, resulting in the creation of a new DG EPRS (Parliamentary Research Service) and that Parliament's security services have been internalised, resulting in the creation of DG Security; expresses satisfaction that the internalisation of security is projected to produce savings of more than EUR 11 million over the period 2013-2016; notes, however, that five members of the President's Cabinet are earmarked for posts as directors-general or directors in Parliament's administration; criticises this political hijacking of management positions and the undermining of the Staff Regulations; points out that the Union criticises political patronage around the world, and calls for that principle to be observed with regard to Parliament's administration, too; would like to be informed by the Secretary-General on an annual basis on the exact amount saved, which might be a good example leading to the internalisation of other services now provided by third parties;"

1. Action Plan on security services adopted by the Bureau

The Bureau decision of June 2012 on the internalisation of the security services at the European Parliament (EP) working places, in Brussels and Strasbourg, was motivated by the following reasons:

- The general security service is a strategic function, since security agents are the first contact point for Members and visitors of the EP.
- The internalisation of security agents aims to professionalise the security agents' tasks, and provide Members and visitors of the EP with higher security quality.
- The policy of hiring its own staff will place the EP in conformity with national parliaments and other international institutions, which hire their own staff or rely on national police forces.
- Invest on its own staff instead of paying an external company in order to build a strong security culture and realise budgetary savings.

In its decision, the Bureau agreed on an Action Plan spread over 4 years, 2013-2016, which detailed the recruitment progress over the period and indicated the expected savings per year and per site (Brussels and Strasbourg).

In accordance with the Action Plan schedule, the internalisation process started in October 2013 with the recruitment of 80 security and prevention agents in Brussels. Its implementation required a close monitoring in order to follow, not only recruitments, but also corresponding expenditures in terms of salaries and external costs.

Immediately after the selection procedure took place, a recruitment calendar for security and prevention guards as well as a 10-day training plan, was set up. As of today, both the recruitment calendar and the training plan are fully respected.

2. Budget execution: savings made

As regard to budgetary aspects, an analysis has been conducted to compare the current situation with the one foreseen by the Action Plan. To that end, the study was based on the

same assumptions as the ones set out in the Action Plan i.e. average salary cost including prime, number of agents recruited, trainings, uniforms and constant perimeter of buildings. The Action Plan as adopted by the Bureau foresees savings of EUR 142 000 in 2013. Its implementation confirms the expected savings and even exceeds it for 2013 as the savings generated by this 1st internalisation phase amount to EUR195 000 while also including the securisation of the MTY 30 building which was not planned at the time the Bureau approved the Action Plan.

Moreover, and in order to complete the information provided to the budgetary authority, it is important to note that the internalisation process was preceded by 3 years of preparatory work aiming to rationalise security services and fine-tune rules and instructions in order to get an improved service. This exercise resulted in savings of EUR10 million over the last 3 years, out of which EUR4 million from the sole and final 2013 year. Those EUR4 million were freed in October 2013 for other needs of the institution.

In 2014, the internalisation of security in Brussels continued, while it started in June in Strasbourg. The process will end in 2015 for both premises. It is obviously too early to draw firm conclusions on the year 2014, however, based on the reality of the past months and on a detailed assessment exercise for the rest of the year, the study shows that the expected saving will follow the path of the Action Plan i.e. EUR1.7 million.

Information and communication

§66: "Notes that DG COMM has a large budget under line 3242, "Publication, information and participation in public meetings"; sees more and more outsourcing with additional costs for the taxpayer; asks for a detailed list on outsourcing measures and cost thereof in DG COMM;"

The main cost elements allocated to budget line 3242 are related to publications and events organized in the EP headquarters and in the Information Offices, public opinion monitoring and the presence of the European Parliament on the internet. Outsourcing is essential to the daily work of DG COMM for the production of communication materials and other services when those are not available internally.

Throughout 2012, outsourcing was necessary due to the preparatory works and the implementation of the institutional and information campaign towards the 2014 elections. Specific contracts were signed with communication agencies to provide assistance in the strategic planning and overall methodology of the institutional information campaign and to reinforce the EP's legislative and values campaigns (namely human rights, cultural diversity, gender equality etc.). Preliminary studies were also launched to assess the EU citizens' perceptions and expectations about the EP in order to target the 2014 election campaign activities. Other efforts were made to highlight the political nature of the Parliament, to increase the promotion of the debate on traditional and new media and to boost the EP presence on the internet.

Apart from regular communication activities DG COMM takes over the organisation of ad-hoc large scale events when approved by political authorities (in 2012 this was the case of the Nobel prize award celebrations). It is worth pointing out that internal resources are called upon whenever the time schedule allows it and human resources are available.

A detailed list of the contracts for the aforementioned activities is below:

EXTERNAL SUPPLIERS UNDER BUDGET LINE 3242			
Supplier	Type of contract (1)	Type of activity	Commit. amount (in euro)
SAATCHI & SAATCHI	FWC	Communication activities in view of European Elections and EP legislative and value campaigns	2.725.125
OGILVY GROUP	FWC	Communication activities in view of European Elections and EP legislative and value campaigns	2.912.244
TIPIK COMMUNICATION AGENCY	FWC	Various events	771.295
CREASET	FWC	Various events	690.403
TNS OPINION	FWC	Eurobarometer	1.844.846
CRONOS INTERNATIONAL	FWC	Europarl Website	4.371.315
SYNTAXIA - WEB	FWC	Website consultancy	148.865
TOTAL			13.464.093

(1) FWC = Framework contract.

§67: "Is concerned about possible undetected conflicts of interest in connection with the award of grants from Parliament's budget; points to Article 58 of the Financial Regulation and to the Administration's obligation to verify declarations issued by grantees and contractors; calls for information as to what risk analyses are carried out by Parliament's Administration in respect of those declarations in order to verify the veracity thereof;"

A multi-annual grants programme 2012-2014 was launched two years ago, aimed at raising awareness on the role of the European Parliament, disseminating information about its activities and increasing knowledge and understanding of the three pillars around which the European Parliament operates, for example politics, policies and values, notably in the perspective of the 2014 European Elections.

Organisations that wish to apply for funding have to firstly submit a request for partnership. The purpose is to assess if the organisation meets the selection criteria and has the sufficient financial and operational capacity to implement a project. The organisation is also requested to sign a declaration that there is no conflict of interest. A declaration of honour is a tool that provides assurance where no other means of proof are available or may be economically sought.

The implementation of the grants is monitored closely in order to ensure that the objectives are achieved and no conflicts of interest would occur. The standard templates for partnership and grant agreements include clauses to ensure the protection of the best interest of the institution should these situations arise.

§69: "Notes that since January 2012, a new set of rules came into force governing the reception of visitors' groups, including the method of paying subsidies; notes that the Bureau decided to maintain the option to make cash payments to visitor groups; is concerned about the significant reputational and security risk entailed in making cash payments to visitor groups; asks for a new decision of the bureau to abolish cash payments which constitutes a violation of Directive 2005/60/EC of the European Parliament and of the Council¹; takes note that out of approximately 2 000 visitor groups annually, only 365 in 2012 received more than EUR 15 000 but that the majority of these visitors' groups opt for cash payment method, although Parliament's administration encourages payment by bank transfer or a mix of both methods instead;"

The rules governing the reception of visitors' groups, including the method of paying subsidies, were revised by the Bureau in November 2011. On this occasion, the Secretary-General made a proposal to the Bureau based on the principle that the travel expenses would be paid by bank transfer only. However, following the exchange of views, the Bureau decided to endorse the revised rules with the following addition: 'All subsidies payable in respect of travel expenses shall be paid by bank transfer or in cash.' The rules came into force on 1 January 2012. The payment of subsidies by bank transfer is consistently encouraged by Parliament services, in the light of the advantages that this method presents. However, the decision on whether or not to allow payment of subsidies in cash remains under the sole responsibility of the Bureau. Taking into account the entry into office of a new Bureau as from July, the Secretary General will explore with the Vice-President responsible the opportunity to change the present rules.

§72: " Notes that in the 2012 budget adopted by Parliament in plenary, EUR 8,5 million was earmarked for the EuroparlTV under the budget line 3246; recognises that whereas the budget for the EuroparlTV has been substantially reduced from EUR 9 million in 2008 to EUR 5 million in 2014, the performance of this service has been improved with a number of new activities and projects, inter alia, a larger proportion of ready to use audio-visual products with a longer lifespan, and a series of exclusive co-productions with national TV channels in several Member States, resulting in increasing audiences numbers; welcomes the ever increasing number of Parliament's followers on social media, in particular on Facebook with its current more than 1,2 millions 'friends', for which exclusive EuroparlTV productions are developed; looks forward to receiving the independent evaluation study of Parliament's online multimedia production commissioned in accordance with the decision of the Bureau of 3 December 2012;"

§73: "Considers EuroparlTV not to be a core activity of Parliament and requests that a cost-benefit analysis be carried out before any new EuroparlTV activities are developed;"

Following the Bureau decision of 3 December 2012, an independent evaluation study has been commissioned to an external consultancy company.

The main aim of the evaluation study is to look into how the European Parliament's future web video service should develop and, subsequently, determine best practises to be implemented for its future production.

The study is expected to be finalised by the end of 2014 and will form the basis for future activities of EuroparlTV.

¹ Directive 2005/60/EC of the European Parliament and of the Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing (OJ L 309, 25.11.2005, p. 15).

Human resources

§74: *"Points to the difficulties in recruiting officials or agents from certain Member States such as Germany, the UK, Austria or the Netherlands, for which the proportion of staff in Parliament's Secretariat is significantly lower than the 'demographic weight' of the given country within the Union and observes the relatively high numbers of staff of holding the nationality of Belgium (13,6 %) or Luxemburg (2,2 %) as a result of the working places of Parliament; asks the Bureau to review recruitment procedures and requirements to ascertain what part they may play in creating difficulties to recruit staff from these Member States;"*

Article 27 of the Staff Regulations states that EU staff shall be recruited "*on the broadest possible geographical basis from among nationals of Members States of the Union. No posts shall be reserved for nationals of any specific Member State.*" In that respect, equality of treatment between candidates has been the main principle governing selection/recruitment procedures.

In general terms, an imbalance between nationalities among officials had been identified in all institutions. Such an imbalance is commonly explained by a lack of attractiveness of the EU institutions due to several elements: working conditions, location, euro scepticism in specific countries, career possibilities for some profiles, multilingual requirements, etc.

In this respect, as from 1 January 2014, Article 27 of the Staff Regulations has been modified to add a second paragraph which enables "*each institution to adopt appropriate measures following the observation of a significant imbalance between nationalities among officials (...)*" that "*shall never result in recruitment criteria other than those based on merit*".

At the level of the EU institutions, the deficit countries are well known by the European Personnel Selection Office (EPSO), who is managing very high numbers of applicants in various procedures and who therefore already adapted its communication strategy towards these deficit countries.

At the level of the European Parliament selection procedures, the numbers of applicants are less significant. Very often, due to the specific profile sought (e.g. selection procedure of the head of EP Information office in Slovenia or selection procedure of a press officer in Barcelona), applicants are de facto limited to one citizenship.

The Parliament will review its recruitment procedures and requirements in the framework of Article 27 of the Staff Regulations.

§75: "Calls for information on the employment arrangements for local ushers in Strasbourg and the employment arrangements for ushers in Brussels during Strasbourg weeks; calls for a report by Parliament's administration on whether, in the case of local ushers in Strasbourg, Union labour and social security law is complied with and on the precautions taken against bogus self-employment; calls for a cost comparison, with a view to establishing the best option for the taxpayer;"

Since the first of January 2013, the Ushers unit of DG INLO has been split into two separate units:

- the Conference ushers, working in the meeting rooms and in the hemicycle;
- the Mail ushers, distributing the mail in the buildings.

Of the 64 Conference ushers, usually 60 go on mission to Strasbourg for the sessions. Between 1 and 4 ushers stay in Brussels to assist at meetings, update the posting of posters, prepare material for external meetings and organise material used during normal work (flags, nameplates, rules of procedures...).

With regard to the Mail ushers, the situation is as follows: 32 ushers work in Brussels, 25 in Luxembourg, 2 are permanently based in Strasbourg. Each session, 9 ushers coming from Brussels or from Luxembourg go on mission to Strasbourg, to deliver different services: assistance to the visitor's tribunes of the hemicycle, to the plenary session (DG PRES), and accompanying of the visitors groups.

Furthermore, Parliament concluded on the fourth of August 2010 a framework service provider contract (PE-PERS-2010-001) with an external contractor. The contract was valid until 31 August 2014. The contractor, Adecco France, puts interim staff² at the disposal of the Parliament for various tasks:

- distribution of mail (30 agents). This task cannot be performed by the staff based in Brussels or Luxembourg, given the continuity of the distribution of mail on both working places;
- staffing the cloakrooms for visitor groups (13 agents);
- helping at the visitors/journalists tribunes, under the control of staff members (8 agents);
- other tasks (2 agents).

² This staff has a temporary employment contract with Adecco France: therefore they are not to be considered as self-employed.

The cost for employing this interim staff is EUR 33.16 per hour per agent. The table below shows the overall costs per session in Strasbourg

Task	Number of agents	Total working hours / session	Total amount
Mail distribution	13	24.5	EUR 10 561.46
	17	28	EUR 15 784.16
Cloakrooms	12	28	EUR 11 141.76
	1	18	EUR 596.88
Tribunes	8	24.5	EUR 6 499.36
Other tasks	2	28	EUR 1 856.96
TOTAL	53	151	EUR 46 440.58

The contract, signed with the selected tenderer, specifies in article II.21 that all national legal obligations with regard to the social, financial and labour rights applicable on the interim staff must be fully respected. The first paragraph of the technical specifications of the call for tender, being an integral part of the contract, stipulates that the employees need to have clean criminal records. Furthermore, employees can only be recruited when they have the requested level of training and the necessary professional skills.

However, a judgement of the French Highest Court of Appeal stated that the tasks entrusted by the Parliament to Adecco's staff during the plenary sessions, being largely foreseeable, are inherently not compatible with interim work under the French labour code.

To replace the existing service provider scheme, the Parliament has decided to internalise these tasks as from September 2014. As it is not possible to fully perform the tasks by sending to Strasbourg current staff members working in Brussels or Luxembourg for the reasons specified above, Parliament has, after a screening of needs and a number of rationalisation measures, decided to recruit contract staff³ on a part-time basis.

The internalisation will lead to an average monthly cost of EUR 23 385 regarding the basic salary for the 41 contract agents, according to the envisaged forecasts. In addition to the basic salary, family allowances will also be paid and their amount will depend largely on the personal situation of these new agents. Therefore the exact cost of this operation of internalisation will only be known once the recruitments have been finalised.

³ Regarding the tasks described in paragraph 4, a number of 41 contract agents is currently envisaged.

<i>numbers of contractual agents</i>	<i>Total working time per month</i>	<i>average salary (monthly)⁴</i>	<i>Total amount (monthly)</i>
39	20%	538	20.997
2	50%	1.194	2.389
41			23.385

§76: "Takes good note of the Civil Servants Tribunal Decision of 12 December 2013 on Case F-129/12 and deeply regrets the fact that Parliament was condemned for being unable to provide assistance in cases of harassment and irregular lay-offs; therefore instructs the competent services to take all necessary measures in order to avoid similar situations in the future;"

To avoid situations where the Parliament does not provide assistance in cases of harassment and irregular lay-offs, several measures have been set up:

1. Pre-dismissal interview:

Since January 2014, the APA subject to a dismissal procedure is systematically invited to an interview (register letter with A.R.). The APA is free to be accompanied by a member of staff of the European Parliament or a member of the staff committee. The interview is meant to inform the APA of the intentions of the MEP and to take note of any comments the APA may have. The interview is conducted by the "authority empowered to conclude contracts" (AECE) and a staff member of the Legal Service.

2. Conciliation procedure

(Bureau decision of 14 April 2014 updating the "implementing measures for Title VII of the conditions of employment of other servants of the European Union"):

During the pre-dismissal interview, both parties can request the conciliation procedure. This procedure is aimed at allowing the contract to continue between the APA and the MEP. The dismissal procedure is put on hold for the duration of the conciliation procedure. The whole procedure and its outcome are overviewed by the "authority empowered to conclude contracts" (AECE).

The role of conciliator is played by the Quaestor designated by the President of Parliament. The conciliator shall moderate the discussion in a constructive manner, fostering dialogue between the parties and raising any matter which he or she regards as relevant. The APA, the MEP, or the conciliator can close the conciliation procedure at any moment.

3. Procedure concerning harassment complaints (Bureau decision of 14 April 2014 titled "Internal rules for the advisory committee dealing with harassment complaints between accredited parliamentary assistant and members of the European Parliament and its prevention at the workplace"):

⁴ Based on an average cost for GFI determined at EUR 2 560 per month (full time)
Figures given by DG PERS

An "Advisory Committee dealing with harassment complaints between Accredited Parliamentary Assistants and Members of the European Parliament and its prevention at the workplace" is constituted. The Committee is composed of three Quaestors, one APA representative and one representative of the administration and shall work with complete autonomy, independence and confidentiality. The Committee must first assess any complaints coming from parliamentary assistants and forward a confidential report to the College of Quaestors. Second, the Committee may propose to the college of Quaestors prevention, information or training measures.

§77: " Asks for a report on the increase in AD and AST posts in Parliament's administration between 2005 and the current financial year; asks for a breakdown by grade and nationality;"

Please refer to Annex 1 for the increase in AD and AST posts included in the establishment plan between 2005 and 2014. According to the Staff Regulations, no posts are reserved for any specific nationality (see also paragraph 74), so that the breakdown of staff per nationality in the same annex shows staff actually employed at the end of each year rather than posts in the establishment plan.

§78: "Asks for a report on the increase in posts for Directors and Directors-General in Parliament's administration since 2005; asks for a breakdown by nationality;"

The following table show the evolution of the number of Directors-General and Directors in employment at the end of each year, per nationality. Posts are not assigned to nationalities, see paragraph 77.

The proportion of AD14 to AD 16 establishment posts in the total number of posts corresponds to 4.6%, lower than the average of the other institutions (Commission: 4.4%, Council: 5.5%, Court of Justice: 5.3%, Court of Auditors: 8.1%).

It has to be underlined, that the recruitment of Directors-General and Directors has been undertaken systematically in the lowest of the corresponding grades (AD14 for Directors instead of AD 15, which corresponds to the highest grade of Heads of Units and AD 15 for Director Generals, which corresponds to the higher grade of Director), which led to a situation where **no new posts with higher grades** had to be created and that Parliament could give itself the **necessary, modern management structure** it needs in order to respond to the ever growing challenges. The whole operation of restructuring and modernisation of the management structure could be achieved in a **budgetary neutral manner**.

Number of staff in higher management positions in employment (at year-end) per year, nationality and category									
Year	2013	2012	2011	2010	2009	2008	2007	2006	2005
Director-Generals									
BE	2	2	2	2	1	1	1	1	1
DE	1	1			1	2	2	2	2
ES	2	2	2	2	1	1	1		1
FR		1	1	2	2	2	2	4	3
GB	2	1	1	1			1	1	1
GR	2	2	2	2	2	2			
IT	3	3	3	2	2	2	2	1	1
PL			1	1	1				
TOTAL	12	12	12	12	10	11	9	9	9
Directors									
AT	1	1	1	1	1	1	1	1	1
BE	3	3	2	2	3	2	2	2	2
DE	7	8	7	5	4	2	2	2	2
DK	2	2	2	1	3	2	1	1	2
ES	4	4	4	3	4	4	4	5	4
FI	1	1			1	1	1		
FR	7	8	6	5	3	4	4	3	4
GB	3	3	2	2	2	2	2	2	2
GR	1	1	1	1	1	1	2	2	2
HU	1	1	1						
IT	5	4	4	4	4	3	2	3	2
NL	2	2	2	3	2				
PL	2	2	2	1	1	1	1	1	
PT	3	3	3	3	2				
SI	2	2	2	2	1	1	1	1	1
TOTAL	44	45	39	33	32	24	23	23	22

§79: "Asks for a report on **how many political group staff have become officials since 2009** (a) under a conventional selection procedure and (b) on the basis of the 'passarelle' clause;"

Among the 121 political staff group who have become officials since 2009:

- (a) 26 have passed a conventional procedure (EPSO, internal competition or selection procedure based on Article 29.2 of the Staff Regulation);
- (b) 95 have passed a competition based on Article 29.3 ("Passerelle").

§80: *"Points out that over 1 500 members of Parliament's staff have children enrolled at the European Schools; maintains that **Parliament has to play a leading role within the organisational structure of the schools;**"*

The analysis of the governance of the European Schools' system shows that the European Commission (EC) is part of the Board of Governors, which appears to be the highest decision-making body in the system.

The EC represents *de facto* all the European Institutions. It is also part of the most important Preparatory Committees, such as the Joint Teaching Committee and the Budgetary Committee. Finally, the EC is represented in the Board of each individual European School.

If the European Parliament (EP) would like to increase its role within the organisational structure of the European Schools system, it could, by analogy, play a similar role as the EC's one.

Nevertheless, this would require amending the entire legal basis of the European Schools, which implies a legislative process that is not under the responsibility of Parliament's administration.

The budget of the European Schools being part of the budget prepared by the EC, the EP already plays a crucial role as budgetary authority.

IT-related questions

§90: *"Is deeply worried that personal and confidential individual mail-boxes of selected Members, parliamentary assistants and officials have been compromised after the Parliament has been subject to a man-in-the-middle attack where a hacker has captured the communication between private smartphones and the public Wi-Fi of the Parliament; insists that an **independent third party ICT security audit be carried out on all parliamentary ICT and telecommunications systems** in accordance with the specifications referred to in paragraph 99 with a view to completing a clear roadmap towards a more robust ICT security policy in 2015;"*

Parliament's administration will engage an independent third party to carry out the ICT security audit as requested, with results to be expected in mid-2015.

After the above-mentioned incident, an internal investigation was carried out by DG ITEC with the support of the CERT-EU (Computer Emergency Response Team for the EU institutions) and immediate counter-measures were taken to secure both the compromised users' accounts and Parliament's public Wi-Fi network.

The incident was immediately reported to Parliaments' authorities (i.e. the President, the Conference of Presidents, the Bureau and the Vice-President responsible for ICT), which enabled the adoption of immediate additional measures by the Bureau in December 2013 to reinforce ICT security: 1) Visitors are by now allowed to connect only to the EP-external network – to be renamed EP-Visitors - with limited access to internet only; 2) Members, assistants and EP-staff have access to the EP-internal network – renamed EP-Secure -, which identifies the device as certified and belonging to a Member, an assistant or an EP official and

3) in line with the practice followed also by the other institutions it was decided to install the Mobile Device Management (MDM) software on mobile devices used by Members, assistants and EP staff to allow access to the EP services in a secure manner.

Through the Inter-institutional Committee on IT (CII) which is currently chaired by Parliament, DG ITEC advocates a reinforced co-operation on IT security amongst EU institutions. This initiative has already produced its first results, notably the adoption of an inter-institutional work program on ICT security and the institutions' extended involvement in the CERT-EU.

*§91: "Considers that guest users should have access to a Wi-Fi network that cannot grant access to the intranet or internal IT services of the Parliament such as the webmail, thus separating the functionalities of the private Wi-Fi network and the guest Wi-Fi network; is of the opinion that an **independent security audit should be carried out on the whole of Parliament's IT and telecommunication infrastructure** that reassures that Parliament operates within the highest available security standards against hacking and telephone tapping activities;"*

While a separate private and guest Wi-Fi network with different functions already existed at the time of the incident referred to in paragraph 90, further security measures were adopted by the Bureau in December 2013. The immediate measures included:

- ensuring that MEPs, assistants and staff access their Parliament email accounts with mobile devices only through the secure private Wi-Fi network (access through public Wi-Fi network is not possible any more);
- requiring the use of an electronic certificate delivered by the EP on mobile devices used by MEPs, assistants and EP staff to access the secure private Wi-Fi network;
- ensuring that visitors can only connect to the Wi-Fi network designed for them and which only provides general access to the internet and no access to EP ICT systems.

Further measures to be implemented include the increased use of the usage of one-time password (OTP) tokens and the introduction of Mobile Device Management software for mobile devices.

As for the independent security audit, please see paragraph 90.

*§93: "Insists in the same spirit that Parliament cooperation collaborates further with the Commission's Directorate-General for Informatics to **identify not only new, disruptive ICT tools from non-incumbent vendors, but also suitable replacements for old ICT tools and infrastructures that go in the direction of open, interoperable and non-vendor dependent solutions** with a view to social, ethical and economical responsibility;"*

Parliament's administration is pleased to report that the existing co-operation with DG DIGIT of the Commission and with the relevant services of other institutions has been further

reinforced since April 2012 when the presidency of the Inter-institutional Committee for IT (CII) was passed on to DG ITEC's Director-General. Common inter-institutional projects include a private interinstitutional cloud (infrastructure and services) and the harmonisation of EU institutions' documents format (XML).

Parliament's administration also reconfirms its commitment to the implementation of open source based IT solutions.

As regards office automation tools (operating system, email, word processing, spread sheets, collaborative tools etc.) the Commission's triple-track approach, supported and shared by Parliament, combines:

- a guaranteed business continuity;
- the introduction of positive disruption through alternative technologies, solutions and or delivery models, as requested in paragraph 93;
- preparations for full service mode product-independent solutions.

§94: "Takes note of the process of internalisation of staff in the Directorate-General for Innovation and Technological Support and the promised reduction of costs and the increased level of expertise corporate identity among the staff in the IT area; recalls that the increased level of expertise concerning permanent innovations was also the reason given to externalise this sector several years ago; questions the argument of reduced costs; is aware of the constraints and challenges with regard to the recruitment of the best professionals available on the market; calls on the Secretary-General to cooperate with the European Personnel Selection Office to find ways how to accelerate the recruitment procedure and to attract the best experts in the area of IT technologies and security;"

At the moment of writing, DG ITEC has filled all 30 posts for internalisation which had been included in the recruitment programme 2013 and more than 30% of the 30 posts foreseen for 2014. Furthermore, DG ITEC is currently, in cooperation with DG PERS preparing the profiles for a differentiated EPSO competition which should by thus correspond exactly to Parliaments' requirements. The cooperation with EPSO in this field is progressing and the Secretary General is confident, that the recruitment process can be completed with the experts Parliament needs in the field of IT technologies and security.

§96: "Notes that the existing ICT infrastructure of Parliament is only partially open-source based and therefore limits Parliaments' use of hardware and software applications; calls for a gradual transition to an open-based ICT infrastructure leading to more cost efficiency and interoperability while allowing for the highest level of security; calls in this respect also for sufficient technical and administrative support that ensures an adequate maintenance;"

Parliament's administration reconfirms its commitment for the implementation of open-source based IT solutions.

§97: Proposes that new information and communication technologies be used to a greater extent in the translation and interpretation services;"

Both, the translation and interpretation services already use information and communication technologies to a large extent and have as a result over the past years improved their efficiency and achieve substantial savings and productivity gains. New tools and projects are under development in close cooperation with other institutions and the usage of information and communication technologies will indeed continue to grow. The following paragraphs give further detail of the respective situation in both areas.

TRANSLATION :

Pre-translation savings

The use of pre-treated texts has grown steadily since the creation of a specific service (Pre-Trad Unit) in 2007, when it began providing pre-treatment services during sessions.

Pre-translation packages are made available, by using the Euramis system, for the vast majority of incoming translation requests, which have resulted in significant savings. The pre-translation savings amounted to almost EUR 0.5 million in 2011 and EUR 2.5 million in 2012. It can be noticed that by today a text composed by 13 pages can in average be reduced to 8 pages net for translation by thus reducing costs for translation considerably.

The outsourcing of multilingual pre-translated documents started in May 2012: this contributed to increased savings in external translation costs with re-use rates increasing from 7.9% in the first quarter 2012, to 32.35% by the end of 2012. For amendment (AM) documents, the re-use rate amounted to 50%.

Inter-institutional cooperation

The Interinstitutional Committee for Translation and Interpretation ensures close cooperation between participating institutions in the development and use of IT tools for translation such as Euramis, IATE, DocFinder and Quest. These tools help to ensure high-quality translations, while increasing efficiency.

In collaboration with the European Commission, the Machine Translation Service (MT-service) was launched in July 2013. The Commission's MT-service is currently being integrated to Parliament's existing workflow applications. This integration will be achieved in 2014.

e-Parliament

In the framework of the e-Parliament programme, the administration is further developing the translation editor Cat4Trad and is preparing the replacement of the current translator's Workbench.

INTERPRETATION:

Accreditation & testing

In order to further reduce the costs of interpreter testing (accreditation tests and language adding tests), whilst at the same time ensuring the availability of high quality professionals for the institution, an on-line pre-selection test tool for auxiliary interpreters is being developed. The tool will allow candidates to take pre-selection tests at home; only the successful candidates from this first testing round will be invited to take full accreditation tests. This will result in savings of time and resources. The gain in efficiency is estimated at 170 man-days per year and a financial saving of some EUR 160.000 (as it removes the necessity for candidates to be tested in sites organised and surveyed by an external contractor).

Training

New IT tools for better management and organisation of virtual training offered to interpretation students have been implemented. The development of a virtual one-to-one coaching tool aims at providing an online function through which interpretation students can access an online coach. This tool will create additional savings on travel and replacement costs necessary for one-to-one coaching. A saving of travel and replacement expenses for a minimum of 150 one-to-one coaching sessions is estimated per year.

Inter-institutional cooperation

The Parliament and the European Commission are working on improvements to the applications and systems which have been used in the field of freelance (Auxiliary Conference Interpreters or ACI) recruitment and payment for a number of years. The work currently in progress particularly concerns the Data Exchange mechanism related to ACI payments and the inter-institutional web-calendar related to recruitments.

§98: "Urges the Secretary-General to additionally secure that ICT support staff are available to members and staff at the work location, to enable both ICT support staff and parliamentary staff and members with the security and comfort of interacting face-to-face; reminds the Secretary-General that remote-access ICT support can be uncomfortable and less appropriate for the establishment of trust relationships between IT maintenance staff and those in need of IT maintenance; points also to the unsuitability of relying entirely on remote solutions until the above-mentioned security audit is adequately carried out;"

Parliament's administration shares this view and is pleased to report that its services are already organised in a way to deliver a more "personalised" service to MEPs.

This approach will be further reinforced through the implementation of the recent Bureau decision on strengthening management of operational capacities in DG ITEC, which enabled the creation of a specific and dedicated Directorate for Development and Support and a re-organisation of the User Support Unit and especially of the existing Member's Service Desk in order to fully achieve this objective.

§99: *"Demands that the Secretary-General ensures that by 1 December 2014, at least the following auditing actions will have been undertaken:*

- black box penetration testing*
- white box penetration testing*
- review of crypto protocols*
- review of applications*
- review of the Access Control Lists to the applications*
- review of the Access Control Lists to the physical infrastructures*
- review of compilation chain for applications*
- review of source code for applications;*

Expects the results of the audit to be presented to the Committee on Budgetary Control and the Committee on Budgets together with an estimation of expenditures, staff resources and time necessary to remedy any security deficiencies found in the audit;"

As mentioned in paragraph 90, Parliament's administration will engage an independent third party to carry out an ICT security audit, as requested. In light of the measures either on-going or planned, as detailed at that paragraph, the deadline of Summer 2015 is foreseen, which will allow for tangible results of the audit.

§100: *"Takes the view that the availability of data must not be constrained by the use of platform- or system-specific architecture and that the data format must be based on widely used and freely accessible standards and be supported and maintained by organisations which are independent of manufacturers; stresses that full documentation relating to format and all extensions must be made freely available;"*

At interinstitutional level, a project on the use of the XML format for data specifications of all EU institutions is on-going with a view to process data on platforms of different nature. A first tangible result is the publication of the results of the 2014 European elections in the open data format XML.

Within the Parliament, the Universal Video Access Program will give citizens a platform-independent access to watch live or recorded video streams. With the proof of concept phase being close to completion, the solution could go into production during 2015.

MEPs' travel allowance

§102: "Suggests that, where appropriate, for Members' air travel within Europe, the use of economy class tickets should be encouraged;"

The Quaestors, as instructed by the Bureau, laid down in notice 53/2012 point II specific recommendations to encourage the use of economy class tickets:

"Economy-class air travel

7. For short journeys, the Bureau asks Members to use economy class. Parliament shall cover the cost of cancelling or exchanging tickets subject to the conditions set out in paragraph 6.

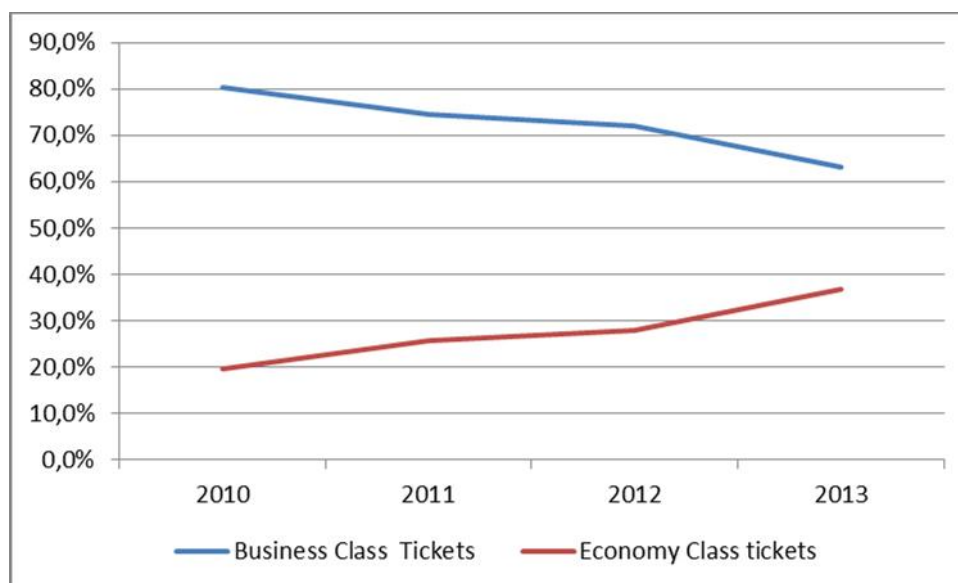
Travel agency

8. The travel agency with which Parliament has a contract will, in every case, suggest in writing a number of fare options, including at least:

- the maximum refundable fare (D business-class),
- a lower business-class fare,
- the economy-class fare that offers flexibility comparable to that available in D class,
- the 'low cost' fare (inclusive of any additional charges for reserved seating, cancellation insurance etc.) if the point(s) of arrival/departure is/are in the vicinity of an airport served by a low cost airline.

9. Members are free to select the tariff class and the airline but their expenses shall be reimbursed within the limits and subject to the conditions set out in this note."

The data provided by the travel agency on the use of business vs economy class tickets from 2010 to 2013, shown in the chart below, clearly confirms an increase in the share of economic class tickets used by Members.



Public procurement

§108: "Regrets that due to a reduction in administrative burden for low value contracts, aimed at increasing SME participation in tenders for these contracts, the administration does not dispose of the number of SMEs that secured low value contracts; therefore the Secretariat- General is not able to show whether or not the reduction in administrative burden actually led to an increased SME participation and thus the effectiveness of the measures taken; requests to monitor the number of SMEs that secured low value contracts;"

As acknowledged in both the replies to the questionnaire in preparation of the 2012 discharge (question 64) and in the paragraph 108 of the accompanying resolution, producing statistical information on SME status of tenderers, especially in low value contracts, is not feasible. Indeed, assessing whether a company is an SME under EU criteria entails completing an exhaustive 10-page questionnaire drawn up by the Commission. The study entitled 'Evaluation of the SME definition', commissioned by the Commission, shows that the application of the regime is considered burdensome and that many enterprises face difficulties in assessing their SME status⁵. Moreover, even if some SMEs were still willing to produce this information, such requests cannot be made under the present Financial Regulation and are therefore of no benefit.

Therefore, without a change in the present Financial Regulation, the Secretariat-General is not in a position to monitor the number of SME's securing low-value contracts.

§109: " Is of the opinion that for contracts below the threshold of EUR 60 000, full transparency should be given on the award criteria and a conflicts of interest check should be provided for;"

The **award criteria** for all contracts are compulsorily published beforehand in the specifications forming part of the tender documents. On the basis of article 124 of the Rules of Application of the Financial Regulation, low-value contracts are appropriately advertised on the internet site of the Parliament and the tender documents can be made available.

As for **conflicts of interest checks**, the Financial Regulation provides a two tier system: (i) under article 107 of the Financial Regulation (exclusion from award, based on examination by the authorising department, supported by a declaration of the candidate) and (ii) under article 148, paragraph 8, of the Rules of Application of the Financial Regulation which provides that a candidate cannot be selected if the performance of the contract can be negatively affected by such a conflict. These procedures apply to all contracts.

To ensure transparency and a comprehensive examination of the aforementioned aspects, the Public Procurement Forum has recommended authorizing departments to establish an evaluation committee even for low-value contracts. It also issued appropriate guidance for the detection and handling of conflicts of interest.

⁵ See for the study and EU definition http://ec.europa.eu/enterprise/policies/sme/facts-figuresanalysis/sme-definition/index_en.htm