



EUROPEAN PARLIAMENT

2009 - 2014

Committee on Budgets

2012/2308(INI)

27.9.2013

OPINION

of the Committee on Budgets

for the Committee on Constitutional Affairs

on the location of the seats of the European Union's Institutions
(2012/2308(INI))

Rapporteur: Alexander Alvaro

PA_NonLeg

SUGGESTIONS

The Committee on Budgets calls on the Committee on Constitutional Affairs, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

- having regard to its votes in favour of ending Parliament's dispersion in three places of work, e.g. when adopting its resolutions of 23 October 2012 on the Council position on the draft general budget of the European Union for the financial year 2013 – all sections¹ and of 6 February 2013 on the guidelines for the 2014 budget procedure – sections other than the Commission² and its decision of 10 May 2012 on discharge in respect of the implementation of the general budget of the European Union for the financial year 2010, Section I – European Parliament³,
- A. whereas Protocol No 6 to the Treaties states that Parliament has its seat in Strasbourg, while its committees meet in Brussels and that the General Secretariat remains in Luxembourg;
- B. whereas, since the beginning of the current legislature, both individual committees and the plenary have made several specific requests to Parliament's administration to provide comprehensive, detailed and reliable estimates of the additional costs relating to each of the three places of work;
- C. whereas Parliament's estimates for 2014 put the overall budget at EUR 1 783 976 098, with costs directly related to the geographic dispersion at between EUR 169 million and EUR 204 million per year, and whereas this has been confirmed by the 2012 report of the Joint Bureau and Committee on Budgets Working Group as a EUR 148 million estimate, complemented by the EUR 28.3 million annual amortisation costs for the Strasbourg buildings, which need to be taken into account following the purchase of those buildings; whereas Parliament has no other up-to-date figures for the costs incurred by each of its places of work – except for a hypothetical study by the Secretary-General on the cost of merging the Parliament's places of work, given as a response by the Secretary-General on 30 August 2013 to the requests made in paragraph 10 of Parliament's resolution of 6 February 2013 on the guidelines for the 2014 budget procedure and outlining the additional costs of the Strasbourg seat, estimated at EUR 103 million, which would bring the total up to EUR 156 million, when complemented with the same amortisation and unused floor estimates as the 2012 Joint Working Group report; whereas, the figures provided in the Secretary-General's report to the Bureau of September 2002 are the last overall cost estimates available and this report was confirmed by the Joint Bureau and Committee on Budgets Working Group report on Parliament's budget for 2012, when complementing the estimates with the annual amortisation cost for buildings purchases;
- D. whereas the time spent in 2011 on the monthly travel to the four-day plenary part-session was 69 562 days for officials and other agents and 31 316 days for accredited parliamentary assistants, costing € 16 652 490 for officials and other agents and € 5 944 724 for accredited parliamentary assistants;

¹ Texts adopted, P7_TA(2012)0359.

² Texts adopted, P7_TA(2013)0048.

³ Texts adopted, P7_TA(2012)0155.

- E. whereas these figures do not show the costs incurred by staff from the other EU institutions attending part-sessions, nor do they include travel by political group staff or extra costs indirectly incurred by staff, such as loss of working time, related overtime payments and the potential differences in MEPs' travel costs (which totalled EUR 72 103 309 in 2012);
- F. whereas a reply given to the Committee on Budgetary Control in preparation for the EP discharge for 2011 does not provide estimates on the potential savings, but only a partial estimate of the additional costs of the Strasbourg seat; whereas this EUR 55 million estimate does not include many of the budget lines that were included in previous and subsequent estimates, namely the cost of data processing, equipment and movable property, travel expenses of political groups and any potential savings connected to time lost travelling (totalling EUR 68 million); whereas the figures in this estimate are lower on several budget lines than in both previous and subsequent estimates, without any justification being provided (totalling EUR 25 million);
- G. whereas none of these estimates include the additional costs of Parliament's geographic dispersion for the other EU institutions, in particular the Commission and Council, the EU Member States' representations, journalists and civil society representatives;
- H. whereas Parliament's economic impact on the city and region of Strasbourg is low in comparison with other European bodies with permanent staff there, contributing some 223 jobs compared to the almost 3000 permanent employees of the Council of Europe and a further 4000 employees working for Eurocorps, the European Court for Human Rights, Arte and diplomats, which translates into gains of some EUR 17 million from the presence of Parliament's seat in Strasbourg and some EUR 400 million from the other bodies¹ that contribute regularly and permanently to the local economy;
- I. whereas Article 341 TFEU and Protocol No 6 to the Treaties establish that the seat of the institutions of the Union shall be determined by common accord of the governments of the Member States, that Parliament shall have its seat in Strasbourg where the 12 periods of monthly plenary sessions, including the budget session, shall be held, that the periods of additional plenary sessions shall be held in Brussels, that its committees shall meet in Brussels and that its General Secretariat and its departments shall remain in Luxembourg;
- J. whereas $\frac{3}{4}$ of Members believe that Parliament should identify significant structural savings and that these could be found by reassessing the geographical dispersion of its places of work, illustrated by a breakdown of the costs of Brussels, Luxembourg and Strasbourg, set out in a transparent and credible format, in accordance with standards expected of a major public body;
- K. whereas the historical reasons for European bodies such as the European Court of Human Rights and the Council of Europe being permanently based in Strasbourg are well-known and, while the European Assembly /Parliament for convenience initially used the Council of Europe's Chamber, the choice of Brussels as the seat of the European Commission and of NATO reflects the EU's aspiration towards a continent progressively united in

¹ Economic impact of the presence of the European institutions in Strasbourg, CityConsult Médiascopie EDR Group, January 2011.

prosperity and security;

- L. whereas locating the EU co-legislators in a single place does not undermine the tradition of polycentrism, which forms an integral part of the European project, but would mean significant efficiency and transparency gains for EU citizens;
 - M. whereas during the European Year of Citizens it is appropriate to show not only that their voices are being heard but that their directly elected representatives are taking action on their behalf in order to end the monthly travel between Parliament's places of work;
 - N. whereas the EU institutions must do everything they can to further European political integration and bridge the perceived distance between them and citizens by tackling this major structural issue affecting them and should therefore promote European understanding, transparency, accountability and coherence by having the EU's decision-making bodies in one place;
 - O. whereas, in many Member States, the seat of the national parliament is laid down either in the Constitution or by law, and whereas the European Parliament is a co-legislator of European law and may, under Article 48 TEU, submit amendments to the Treaties;
 - P. whereas 6 % of the EU budget is intended for administrative purposes and whereas the European Union, with a relatively small operating budget for 500 million inhabitants, must set an example in these times of crisis by streamlining its own budget as much as possible without prejudice to the proper functioning of the European Parliament, bearing in mind that efficiency gains of having a single seat cannot be ignored;
1. Asks its Administration to carry out an objective analysis of the costs generated by each place of work, including Parliament's seat; stresses that this analysis should relate to the structural costs for both the current period and that of the forthcoming multiannual financial framework (buildings, maintenance and repair, security, insurance, energy, travel, logistics, etc.);
 2. Calls on its relevant services to make an assessment of the agreement between the Luxembourg authorities and the European Parliament, especially with regard to the provisions relating to the number of staff to be present in Luxembourg, taking into account Parliament's needs; considers that this assessment should include an analysis and comparisons regarding the most cost-efficient location for Parliament's services, as Parliament might benefit from having some of these outsourced from its main location;
 3. Considers that, while the location of the seats of the EU institutions is enshrined in the Treaties, Article 48 TEU provides for proposals to be made to amend the Treaties;
 4. Reiterates its call, as stated in its resolution of 23 October 2012 on the Council position on the draft general budget of the European Union for the financial year 2013, for the Member States to revise the issue of Parliament's seat and working places in the next revision of the Treaty by amending Protocol No 6.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	26.9.2013
Result of final vote	+: 18 -: 15 0: 0
Members present for the final vote	Marta Andreasen, Zuzana Brzobohatá, Isabelle Durant, James Elles, Eider Gardiazábal Rubial, Ingeborg Gräßle, Jutta Haug, Monika Hohlmeier, Sidonia Elżbieta Jędrzejewska, Anne E. Jensen, Ivailo Kalfin, Jan Kozłowski, Alain Lamassoure, Giovanni La Via, George Lyon, Claudio Morganti, Jan Mulder, Andrej Plenković, Dominique Riquet, Oleg Valjalo, Jacek Włosowicz
Substitute(s) present for the final vote	Alexander Alvaro, Lidia Joanna Geringer de Oedenberg, Jürgen Klute, Peter Šťastný, Theodor Dumitru Stolojan, Catherine Trautmann
Substitute(s) under Rule 187(2) present for the final vote	Jean-Pierre Audy, Elisabeth Jeggle, Astrid Lulling, Hans-Peter Mayer, Maurice Ponga, Sabine Verheyen