



2021/2106(DEC)

17.1.2022

OPINION

of the Committee on the Environment, Public Health and Food Safety

for the Committee on Budgetary Control

on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020 – Section III, Commission and executive agencies
(2021/2106(DEC))

Rapporteur for opinion: Pascal Canfin

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SUGGESTIONS

The Committee on the Environment, Public Health and Food Safety calls on the Committee on Budgetary Control, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Is satisfied with the Commission's overall implementation of the budgetary headings for environment, climate action, public health and food safety in 2020;
2. Is satisfied with the work carried out by most of the five decentralised agencies which are under its remit, which carry out technical, scientific or managerial tasks that help the Union institutions elaborate and implement policies in the area of environment, climate action, public health and food safety, as well as with the way in which those agencies' budgets are implemented; stresses that, given the scale of current and upcoming challenges, sufficient and stable funding must be guaranteed for the agencies and the Commission Directorates-General ('DG') working in the areas of environment, climate action, public health, food safety and animal health and welfare;
3. Notes that the Court of Auditors (the 'Court'), in its annual report on the implementation of the budget concerning the financial year 2020, continued to find a material level of error in the spending area 'rural development, market measures, fisheries, the environment and climate action', also noting that expenditure in those areas is subject to complex eligibility conditions and drawing attention to the type of errors that may occur, such as ineligible beneficiaries, activities or declared costs;

Environment and Climate Action

4. Notes that in 2020, DG Environment's budget reached EUR 518,30 million and had 476 members of staff; reiterates its call that the staffing level needs to be increased imminently in order to meet the objectives of the European Green Deal and its subsequent strategies; points out that the implementation rates of commitment and payment appropriations were both above 99 % at year-end;
5. Welcomes the fact that the share of payments executed by DG Environment that exceeded legal deadlines continued to be low in 2020 (3,26 % compared to 3,23 % in 2019);
6. Notes that DG Environment's 2020 annual activity report (AAR) shows an average residual error rate of 0,74 %, which is below the materiality threshold of 2 %;
7. Notes that in 2020, DG Climate Action managed EUR 1 379,3 million under the title "Climate action" of the Union budget, and had around 250 members of staff;
8. Welcomes the fact that 99 % of all DG Climate Action's payments in 2020 were made on time;
9. Notes that DG Climate Action and DG Budget monitor the 20 % climate mainstreaming target in the multiannual financial framework for the years 2014-2020, and that DG Climate Action supports other DGs in integrating climate in their activities; notes the

fact that, according to the Commission, 21 % of the 2020 Union budget was spent on climate-related activities; highlights that this is an overestimation according to the Court, especially concerning the contribution of certain common agricultural policy schemes to tackle climate change; points out that the Court has flagged up the risk that some expenditure in agriculture and cohesion policies could speed up climate change;

10. Notes the Court's finding in Review No 01/2020: "Tracking climate spending in the EU budget" that the Commission's climate tracking methodology needs to be reconsidered to render it more reliable and that there are indications that it will be challenging to reliably step up climate-related spending to 25 % of the Union budget;
11. Notes with concern the Court's findings in Special Report 18/2020: "The EU's Emissions Trading System: free allocation of allowances needed better targeting" that free allowances are not well targeted, tended to slow decarbonisation and that the Commission needs to update its procedure for targeting free allowances to reflect the Paris Agreement;
12. Calls on the Commission to provide Parliament with an annual report setting out in detail the contribution of each budget item to the climate mainstreaming (at least 30 %) and the biodiversity (7,5 % as of 2024 and 10% in 2026 and in 2027) targets, in order to facilitate their monitoring; calls further on the Commission to report whether any budget item fails to respect the "do no significant harm" criterion as referred to in the Taxonomy Regulation;
13. Reiterates its strong concern that the reservation on reputational, legal, financial and institutional grounds related to significant security risks identified in the maintenance and the operation of the Union Registry system of the EU Emissions Trading System, as reported in AARs since 2010 and as confirmed by the latest risk assessment exercise, is repeated in DG Climate Action's 2020 AAR; notes that the most recent evaluation in 2019 continued to reveal residual risk levels which, combined with the rapid rise in the carbon price, has led to threats outpacing the implementation rate of the security measures that DG Climate Action and DG Informatics can sustain given their operating constraints and resource allocations; awaits the study on potential alternative and security-sustainable operating models for the Union Registry, expected in 2021, which will provide options to be considered to prevent future cyber-attacks;

Public health, food safety, animal health and welfare, and plant health

14. Highlights the role DG Health and Food Safety has played in securing a coordinated response to the COVID-19 pandemic across the Member States; in authorising and procuring the vaccines against COVID-19 and delivering other essential medical countermeasures; and in supporting Member States in deploying public health measures; is concerned about the continued lack of transparency into the advanced purchase agreements of vaccines; expects that the Commission will promote the highest standards of transparency in negotiations with pharmaceutical companies; calls on the Commission to encourage pharmaceutical companies to set a higher standard of transparency to the public with regards to the costs, prices, liabilities and indemnities stipulated in the advanced purchase agreements (APA); reiterates that future negotiations between the Member States, the Commission and the pharmaceutical

companies should have improved transparency standards, especially in view of reports of increasing costs of vaccines;

15. Notes that, in 2020, DG Health and Food Safety 's expenditure in the field of health increased sevenfold compared to previous years, mainly to manage large parts of the Commission's health response to the COVID-19 pandemic: EUR 2,5 billion from the Emergency Support Instrument (ESI) were paid for the six APAs for the COVID-19 vaccines; regrets that, despite its strong links to the Union budget, the activation of the ESI was done without full respect and observance of the European Parliament's prerogatives as budgetary authority and final supervisor of the Union budget; regrets that, despite several attempts to get a clear overview, the competent committees (Budgets, Budgetary Control and Environment, Public Health and Food Safety) are still not given access to relevant data on the Union funds spent under the ESI to finance the APA contracts;
16. Regrets that the new European Health Emergency Preparedness and Response Authority is ultimately just an agency of the Commission; calls on the Commission to be as transparent as possible in its management of this new authority and to allow the European Parliament full exercise of its budgetary control powers;
17. Urges the Commission to apply a high degree of transparency to all joint procurement activities and related purchase agreements in the field of health; insists that its relevant DGs should put in place a solid and transparent Union public procurement framework, when funds from the Union budget are fully or partially involved, that would allow for comprehensive scrutiny by the European Parliament, especially concerning major health crisis-related spending areas;
18. Notes that, in 2020, DG Health and Food Safety's budget in its policy areas amounted to EUR 3 699,67 million and it had 770 members of staff; points out that the implementation rates of commitments and payments reached 88,59 % and 83,44 %, respectively;
19. Notes that, in 2020, DG Health and Food Safety presented an average residual error rate of 0,8 %, which is below the materiality threshold of 2 %;
20. Welcomes the fact that 100 % of payments in amount related to grant management were made on time by DG Health and Food Safety in 2020;
21. Notes with concern that, in its Special Report 15/2020 "Protection of wild pollinators in the EU —Commission initiatives have not borne fruit", the Court found that Union measures did not ensure the protection of wild pollinators, including by not establishing a legal framework for the protection and restoration of the species by the EU Pollinators Initiative, and that Union pesticides legislation was a major cause of wild pollinator loss; underlines that the new expected Union pollinators strategy must allocate specific financial resources for its successful implementation and assign clear roles to an adequate number of officials implementing the actions across different Union policy instruments and representing all relevant DGs; calls on the Commission to swiftly follow up on the recommendations of the Court to assess whether actions should be added to address threats currently not considered in the EU Pollinators Initiative in the follow-up actions and measures for the Union biodiversity strategy to 2030,

accompanied by appropriate governance and monitoring mechanisms;

22. Is of the opinion, on the basis of the data available and the implementation report, that discharge can be granted to the Commission in respect of expenditure in the areas of environmental and climate policy, public health and food safety for the financial year 2020.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	13.1.2022
Result of final vote	+: 62 -: 10 0: 6
Members present for the final vote	Bartosz Arłukowicz, Margrete Auken, Simona Baldassarre, Marek Paweł Balt, Traian Băsescu, Aurélie Beigneux, Monika Beňová, Sergio Berlato, Alexander Bernhuber, Malin Björk, Simona Bonafè, Delara Burkhardt, Pascal Canfin, Sara Cerdas, Mohammed Chahim, Tudor Ciuhodaru, Nathalie Colin-Oesterlé, Esther de Lange, Christian Doleschal, Bas Eickhout, Cyrus Engerer, Eleonora Evi, Agnès Evren, Pietro Fiocchi, Andreas Glück, Catherine Griset, Jytte Guteland, Teuvo Hakkarainen, Anja Hazekamp, Martin Hojsík, Pär Holmgren, Jan Huitema, Yannick Jadot, Adam Jarubas, Petros Kokkalis, Athanasios Konstantinou, Ewa Kopacz, Joanna Kopcińska, Peter Liese, Sylvia Limmer, Javi López, César Luena, Fulvio Martusciello, Liudas Mažylis, Joëlle Mélin, Tilly Metz, Giuseppe Milazzo, Silvia Modig, Dolors Montserrat, Alessandra Moretti, Dan-Ștefan Motreanu, Ville Niinistö, Ljudmila Novak, Grace O’Sullivan, Jutta Paulus, Stanislav Polčák, Jessica Polfjärd, Luisa Regimenti, Frédérique Ries, María Soraya Rodríguez Ramos, Sándor Rónai, Rob Rooken, Silvia Sardone, Christine Schneider, Günther Sidl, Ivan Vilibor Sinčić, Linea Sjøgaard-Lidell, Maria Spyrali, Nicolae Ștefănuță, Nils Torvalds, Edina Tóth, Véronique Trillet-Lenoir, Petar Vitanov, Alexandr Vondra, Mick Wallace, Pernille Weiss, Emma Wiesner, Tiemo Wölken, Anna Zalewska
Substitutes present for the final vote	Danilo Oscar Lancini, Demetris Papadakis

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

62	+
NI	Edina Tóth
PPE	Bartosz Arłukowicz, Traian Băsescu, Alexander Bernhuber, Nathalie Colin-Oesterlé, Christian Doleschal, Agnès Evren, Adam Jarubas, Ewa Kopacz, Esther de Lange, Peter Liese, Fulvio Martusciello, Liudas Mažylis, Dolores Montserrat, Dan-Ștefan Motreanu, Ljudmila Novak, Stanislav Polčák, Jessica Polfjård, Luisa Regimenti, Christine Schneider, Pernille Weiss
Renew	Pascal Canfin, Andreas Glück, Martin Hojsík, Jan Huitema, Frédérique Ries, Maria Soraya Rodríguez Ramos, Nicolae Ștefănuță, Linea Søgaard-Lidell, Nils Torvalds, Emma Wiesner
S&D	Marek Paweł Balt, Monika Beňová, Simona Bonafè, Delara Burkhardt, Sara Cerdas, Mohammed Chahim, Tudor Ciuhodaru, Cyrus Engerer, Jytte Guteland, Javi López, César Luena, Alessandra Moretti, Demetris Papadakis, Sándor Rónai, Günther Sidl, Petar Vitanov, Tiemo Wölken
The Left	Malin Björk, Anja Hazekamp, Petros Kokkalis, Silvia Modig, Mick Wallace
Verts/ALE	Margrete Auken, Bas Eickhout, Eleonora Evi, Pär Holmgren, Yannick Jadot, Tilly Metz, Ville Niinistö, Grace O'Sullivan, Jutta Paulus

10	-
ECR	Rob Rooker
ID	Simona Baldassarre, Aurélia Beigneux, Catherine Griset, Teuvo Hakkarainen, Danilo Oscar Lancini, Sylvia Limmer, Joëlle Mélin, Silvia Sardone
NI	Ivan Vilibor Sinčić

6	0
ECR	Sergio Berlato, Pietro Fiocchi, Joanna Kopcińska, Giuseppe Milazzo, Alexandr Vondra, Anna Zalewska

Key to symbols:

+ : in favour

- : against

0 : abstention