



2023/2129(DEC)

12.2.2024

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 2022 – Section III, Commission and executive agencies
(2023/2129(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 proposal for a decision:

1. Is satisfied with the Commission's overall implementation of the budgetary headings for environment, climate action, public health and food safety in 2022;
2. Is satisfied with the work carried out by 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, adequate funding and staffing must be guaranteed for the agencies and the Commission Directorates-General ('DG') working in the areas of environment, climate action, public health and food safety;
3. Highlights that the Commission is responsible for making sure that all EU countries properly apply EU law and thus calls on the Commission to ensure that there is sufficient staff capacity in DG Environment and other environmentally relevant services such as DG Sante and DG Clima, and of the environmental team within the Commission's Legal Service to ensure the full enforcement of environmental legislation;

Environment and Climate Action

4. Notes that in 2022, DG Environment's budget reached EUR 567 million in commitment appropriations and EUR 470 million in payment appropriations and that it had 511 members of staff; points out that the appropriations administered directly by DG Environment had implementation rates above 99% at year-end;
5. Notes the fact that the share of payments executed by DG Environment that exceeded legal deadlines increased in 2022 (3,93% compared to 1,51% in 2021);
6. Notes that in 2022, DG Climate Action managed EUR 33,80 million under the title "Climate action" of the Union budget whilst EUR 2 897,4 million was available for the innovation fund; notes also that the DG had 310 members of staff at the end of the year; considers that this number should grow, in view of the increasing volume of tasks related, inter alia, to the Union's path towards climate neutrality by 2050;
7. Notes that preliminary estimates (based on commitment appropriations) of the climate contribution of the main programmes show that 34,8% of the EU budget in 2022 was dedicated to climate action, in line with the Interinstitutional Agreement plans for at least 30 % of 2021-27 MFF to be used for this purpose;
8. Notes the changes made to the Commission's climate-tracking methodology in 2022 in response to the concerns expressed about the Court's finding in Special Report

09/2022¹, stating that the reported spending was not always relevant to climate action, that the amount reported as having been spent for that purpose had been overstated by at least EUR 72 billion, meaning that only around 13% of the 2014-2020 budget was spent on climate related purposes; is of the opinion that this fact serves as a warning; urges the Commission to distinguish between climate mitigation and climate adaptation in the tracking methodology by breaking monitoring and reporting category into climate adaptation and climate mitigation;

9. Underlines the importance of proper scrutiny of climate and biodiversity expenditure in the EU budget, and holds the Commission accountable for the implementation of a robust and reliable methodology, in line with the commitments undertaken in the MFF agreement and paragraph 16d of the IIA of 16 December 2020; calls on the Commission to avoid misleading approximation of the spending contribution to climate and biodiversity objectives, lack of explicit targets, as well as only partial coverage of potential negative or unclear climate and biodiversity impacts; Acknowledges that there are the interventions with common benefits but underlines the need to avoid double counting;
10. 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 and the biodiversity 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;
11. Regrets the Court's finding, in its Special Report 16/2021², that EU agricultural funding destined for climate action has not contributed to reducing greenhouse gas emissions; shares the Court's view that the new Common Agricultural Policy should have a greater focus on reducing agricultural emissions, and be more accountable and transparent about its contribution to climate mitigation;
12. Reiterates its strong concern that the reservation on 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, is repeated in DG Climate Action's 2022 AAR;

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

13. Highlights the role DG Health and Food Safety continued to play in securing a coordinated response to the COVID-19 pandemic across the Member States during 2022; recognises the work on the creation of a European Health Union, on making HERA fully operational, on actions under the Europe's Beating Cancer Plan and the Pharmaceutical Strategy for Europe, as well as on the implementation of the Farm to Fork Strategy;
14. Notes that, in 2022, DG Health and Food Safety managed a budget in its policy areas of EUR 644,20 million (down from EU 1 162,42 million in 2021, mainly due to a decreased spending on emergency support within the Union) and it had 791 members of staff; notes that the implementation rates of commitments and payments increased to

¹ Climate spending in the 2014-2020 EU budget – Not as high as reported, 30 May 2022.

92,43,% and 90,90%, respectively;

15. Notes that, in 2022, DG Health and Food Safety presented an average residual error rate of 0,7%, which is below the materiality threshold of 2%;

Health Emergency Preparedness and Response Authority (HERA)

16. Notes that HERA, following its establishment as an internal Commission service on 1 October 2021, increased its operations throughout 2022 and that its mission is to support the Commission's priorities for public health, preparedness and crisis management in the sectors of health, research and innovation and industry; notes with concern the overlap of responsibilities and duplication of efforts between mandates of DG HERA with DG SANTE and the ECDC; calls on the Commission to ensure the added value of HERA as an integral part of the Commission and to prevent duplication of work and resources;
17. Notes that in 2022, HERA had payments of EUR 438 million and increased its staff from 30 to 80 members; notes that HERA's financial management is fully delegated to other entities; notes that a) DG INTPA paid EUR 430 million on behalf of HERA under the Emergency Support Instrument through a cross-subdelegation, and that b) 100% of HERA EU4Health 2022 budget was implemented by the Health and Digital Executive Agency (HaDEA) for a total amount of EUR 275 million in commitment appropriation; c) HERA co-delegated EUR 580.5 million in commitment appropriations to DG ECHO under the Union Civil Protection Mechanism for the development of stockpiles of medical countermeasures to respond to large-scale Chemical Biological Radiological Nuclear (CBRN) emergencies; d) Projects for approximately EUR 125 million, contributing to HERA objectives were earmarked for HERA by DG RTD under the Horizon Europe 2022 programme; remarks that HERA has entrusted partner DGs with the implementation of internal control processes to ensure the adequate management of the risks related to the legality and regularity of the underlying transactions they are responsible for, taking into account the multiannual character of programmes and the nature of the payments concerned. Notes that the partner DGs bear the responsibility for the delegated appropriations and report on them in their own AAR;
18. Regrets that the Commission's decision on financing HERA heavily relied on the EU4Health Programme, cutting its budget by more than half with an EU4Health contribution of 2,795 billion EUR to HERA between 2021 and 2027); notes with concern that such reduction affected EU4Health's capability of ambitious financing of other activities as foreseen by the Regulation (EU) 2021/522, including putting at risks actions under Europe's Beating Cancer Plan and the necessary support for creation of the European Health Data Space; deplores that by assigning such significant amounts to HERA, the Commission breached the agreed funding ceilings for minimum and maximum spending set in the EU4Health Regulation;
19. Notes with strong concern the close collaboration of Commission officials and industry within the activities of HERA; calls for strong transparency and conflict of interest rules to be put in place to ensure public trust in and commercial independence of HERA. is concerned that by the end of 2022, HERA did not developed and implemented a Procedure for reporting exceptions and non-compliance events, and an Anti-Fraud

Strategy;

20. Highlights that the Commission's "lessons learned" report on the COVID-19 pandemic did not examine the performance of the vaccine procurement process, beyond its overall outcome. Urges the Commission to apply a high degree of transparency to all current and future contracts under the joint procurement and related purchase agreements in the field of health; insists that its relevant DGs should put in place a solid and transparent EU public procurement framework, when funds from the EU budget are fully or partially involved, that would allow for comprehensive scrutiny by the Parliament, especially concerning major health crisis-related spending areas; in line with the overriding public interest stated in Regulation 1049/2001 and the need for ensure public trust; calls on the Commission to make fully available all concluded vaccine and therapeutics (advanced) purchase agreements for COVID-19;
21. Is of the opinion, on the basis of the data available and the implementation report, that discharge can be granted to the Commission, despite certain caveats described above in respect of expenditure in the areas of environmental and climate policy, public health and food safety for the financial year 2022, provided that sufficient guarantees are given that the shortfalls described will be remedied in the coming period;
22. Recalls the Commission's commitment to carry out a thorough review of the implementation of HERA's operations by 2025 and to consider changing its structure and governance, including in order to transform it into a genuine agency with an autonomous budget.

**ANNEX: ENTITIES OR PERSONS
FROM WHOM THE RAPPORTEUR HAS RECEIVED INPUT**

The Chair in his capacity as rapporteur declares under his exclusive responsibility that he did not receive input from any entity or person to be mentioned in this Annex pursuant to Article 8 of Annex I to the Rules of Procedure.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

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| Date adopted | 24.1.2024 |
| Result of final vote | <div style="display: flex; justify-content: flex-end; align-items: center;"> <div style="text-align: right; padding-right: 10px;">+:</div> <div>67</div> </div> <div style="display: flex; justify-content: flex-end; align-items: center;"> <div style="text-align: right; padding-right: 10px;">-:</div> <div>12</div> </div> <div style="display: flex; justify-content: flex-end; align-items: center;"> <div style="text-align: right; padding-right: 10px;">0:</div> <div>6</div> </div> |
| Members present for the final vote | <p>Catherine Amalric, Maria Arena, Hildegard Bentele, Michael Bloss, Delara Burkhardt, Pascal Canfin, Sara Cerdas, Mohammed Chahim, Maria Angela Danzi, Esther de Lange, Christian Doleschal, Bas Eickhout, Helène Fritzon, Malte Gallée, Anja Hazekamp, Martin Hojsík, Jan Huitema, Karin Karlsbro, Petros Kokkalis, Peter Liese, Javi López, César Luena, Marian-Jean Marinescu, Lydie Massard, Liudas Mažylis, Marina Measure, Silvia Modig, Dolors Montserrat, Alessandra Moretti, Ville Niinistö, Ljudmila Novak, Nikos Papandreou, Francesca Peppucci, Stanislav Polčák, Jessica Polfjård, Erik Poulsen, Frédérique Ries, María Soraya Rodríguez Ramos, Günther Sidl, Maria Spyraiki, Edina Tóth, Achille Variati, Petar Vitanov, Mick Wallace, Emma Wiesner, Michal Wiezik</p> |
| Substitutes present for the final vote | <p>Christophe Clergeau, Margarita de la Pisa Carrión, Martin Häusling, Ska Keller, Sara Matthieu, Manuela Ripa</p> |
| Substitutes under Rule 209(7) present for the final vote | <p>Mazaly Aguilar, Katarina Barley, Sergio Berlato, Daniel Buda, Asger Christensen, Nathalie Colin-Oesterlé, Ana Collado Jiménez, Marie Dauchy, Matthias Ecke, Pietro Fiocchi, Gianna Gancia, Paola Ghidoni, Catherine Griset, Teuvo Hakkarainen, Peter Jahr, Billy Kelleher, Danilo Oscar Lancini, Elżbieta Katarzyna Łukacijewska, Thierry Mariani, Nora Mebarek, Dace Melbārde, Nicola Procaccini, Maria Veronica Rossi, Silvia Sardone, Ivan Vilibor Sinčić, Sara Skytvedal, Michaela Šojdrová, Idoia Villanueva Ruiz, Alexandr Vondra, Veronika Vrecionová, Thomas Waitz, Jörgen Warborn, Stefania Zambelli</p> |

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

| 67 | + |
|-----------|--|
| NI | Maria Angela Danzi, Edina Tóth |
| PPE | Hildegard Bentele, Daniel Buda, Ana Collado Jiménez, Christian Doleschal, Peter Jahr, Esther de Lange, Peter Liese, Elżbieta Katarzyna Łukacijewska, Marian-Jean Marinescu, Liudas Mažylis, Dace Melbārde, Dolors Montserrat, Ljudmila Novak, Francesca Peppucci, Stanislav Polčák, Jessica Polfjård, Sara Skyttedal, Michaela Šojdrová, Maria Spyraiki, Jörgen Warborn, Stefania Zambelli |
| Renew | Catherine Amalric, Pascal Canfin, Asger Christensen, Martin Hojsík, Jan Huitema, Karin Karlsbro, Billy Kelleher, Erik Poulsen, Frédérique Ries, María Soraya Rodríguez Ramos, Emma Wiesner, Michal Wiezik |
| S&D | Maria Arena, Katarina Barley, Delara Burkhardt, Sara Cerdas, Mohammed Chahim, Christophe Clergeau, Matthias Ecke, Hélène Fritzon, Javi López, César Luena, Nora Mebarek, Alessandra Moretti, Nikos Papandreou, Günther Sidl, Achille Variati, Petar Vitanov |
| The Left | Anja Hazekamp, Petros Kokkalis, Marina Mesure, Silvia Modig, Idoia Villanueva Ruiz, Mick Wallace |
| Verts/ALE | Michael Bloss, Bas Eickhout, Malte Gallée, Martin Häusling, Ska Keller, Lydie Massard, Sara Matthieu, Ville Niinistö, Manuela Ripa, Thomas Waitz |

| 12 | - |
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| ECR | Mazaly Aguilar, Sergio Berlato, Pietro Fiocchi, Teuvo Hakkarainen, Margarita de la Pisa Carrión, Nicola Procaccini, Alexandr Vondra, Veronika Vrecionová |
| ID | Marie Dauchy, Catherine Griset, Thierry Mariani |
| NI | Ivan Vilibor Sinčić |

| 6 | 0 |
|-----|--|
| ID | Gianna Gancia, Paola Ghidoni, Danilo Oscar Lancini, Maria Veronica Rossi, Silvia Sardone |
| PPE | Nathalie Colin-Oesterlé |

Key to symbols:

+ : in favour

- : against

0 : abstention