



TEXTS ADOPTED

P8_TA(2019)0251

Discharge 2017: General budget of the EU - European External Action Service

1. European Parliament decision of 26 March 2019 on discharge in respect of the implementation of the general budget of the European Union for the financial year 2017, Section X – European External Action Service (2018/2176(DEC))

The European Parliament,

- having regard to the general budget of the European Union for the financial year 2017¹,
- having regard to the consolidated annual accounts of the European Union for the financial year 2017 (COM(2018)0521 – C8-0327/2018)²,
- having regard to the Court of Auditors' annual report on the implementation of the budget concerning the financial year 2017, together with the institutions' replies³,
- having regard to the statement of assurance⁴ as to the reliability of the accounts and the legality and regularity of the underlying transactions provided by the Court of Auditors for the financial year 2017, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to Article 314(10) and Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,
- having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002⁵, and in particular Articles 55, 99 and 164 to 167 thereof,
- having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU)

¹ OJ L 51, 28.2.2017.

² OJ C 348, 28.9.2018, p. 1.

³ OJ C 357, 4.10.2018, p. 1.

⁴ OJ C 357, 4.10.2018, p. 9.

⁵ OJ L 298, 26.10.2012, p. 1.

No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012¹, and in particular Articles 59, 118 and 260 to 263 thereof,

- having regard to Rule 94 of and Annex IV to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Foreign Affairs (A8-0109/2019),
1. Grants the High Representative of the Union for Foreign Affairs and Security Policy discharge in respect of the implementation of the budget of the European External Action Service for the financial year 2017;
 2. Sets out its observations in the resolution below;
 3. Instructs its President to forward this decision and the resolution forming an integral part of it to the European External Action Service, the European Council, the Council, the Commission, the Court of Auditors, the Court of Justice of the European Union, the European Ombudsman and the European Data Protection Supervisor, and to arrange for their publication in the *Official Journal of the European Union* (L series).

¹ OJ L 193, 30.7.2018, p. 1.

2. European Parliament resolution of 26 March 2019 with observations forming an integral part of the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2017, Section X – European External Action Service (2018/2176(DEC))

The European Parliament,

- having regard to its decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2017, Section X – European External Action Service,
 - having regard to Rule 94 of and Annex IV to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Foreign Affairs (A8-0109/2019),
1. Welcomes the fact that, according to the Court of Auditors (the “Court”), the overall level of error for the MFF Heading 5 (Administration), including the budget of the European External Action Service (EEAS) continues to be relatively low with an estimation at 0,5 % in 2017;
 2. Notes that the Court did not identify material levels of error in the EEAS annual activity report;
 3. Notes also that any specific issues for the EEAS were reported by the Court, contrary to previous years;
 4. Notes with appreciation that the previous recommendations made in relation to the improvement of the monitoring system for the timely updating of the personal situation and data of members of staff, with a potential impact on the calculation of family allowances, have been implemented in most respects; considers, however, that consistency checks in relation to the management of family allowances require ongoing attention;
 5. Welcomes the efforts of the EEAS to improve procurement procedures in delegations, including the deployment of the Public Procurement Management Tool, the establishment of a procurement plan for low and middle-value contract and the development of templates for tender documents and trainings; considers that the former weaknesses identified in public procurement and the management of security services still deserve a steady attention and monitoring;
 6. Asks the EEAS to keep the Parliament informed about the results achieved through the aforementioned efforts to improve procurement procedures in delegations, in particular through the PPMT (Public Procurement Management Tool) system and eProcurement and eTendering procedures;
 7. Observes that the causes of errors identified by ex-ante checks both on commitments and payments are of the same nature, namely the lack of supporting documents, as in previous years; notes that the EEAS ex-post control included for the first time the expenditures of the end of the year (November-December 2016);
 8. Notes with appreciation that in 2017, the common overhead costs relating to all

delegations' offices (rent, security, cleaning and other overheads), including European Development Fund (EDF) delegations, were financed entirely from the budget lines of the EEAS for the second consecutive year;

9. Notes that carry-overs of appropriations have increased in 2017 and amounted to EUR 85 911 000 (compared to EUR 77 450 000 in 2016); recalls that carry-over operations to the following year may on an exceptional basis be realised under strict conditions;
10. Notes that the total budget of the EEAS for 2017 amounted to EUR 660 million with an increase of 3,75 % compared to 2016;
11. Notes that a contribution of EUR 54,9 million was also received from the EDF and the trust funds. Additional carry-overs and appropriations released from decommitments brought the total amount to EUR 59,7 million (including also assigned revenues of the financial year); notes that at the end of 2017 execution in commitments was EUR 52,6 million (88,1 %) and in payments EUR 46,5 million (78,0 %); notes that the EDF credits which have not been committed are carried over to the following year as external assigned revenue and there is no loss of appropriations;
12. Observes that the headquarters' budget amounted to EUR 236,7 million out of which EUR 153,8 million (or 64,6 %) concerned the payment of salaries and other entitlements of statutory and external staff, EUR 32,2 million (or 14 %) were for buildings and associated costs, and EUR 33 million (i.e. 14 %) were related to IT computer systems, equipment and furniture;
13. Requires the EEAS' buildings policy to be annexed to the annual activity report, particularly in view of the fact that it is important for its costs to be properly rationalised and not to be excessive; urges the EEAS to provide the discharge authority with the list of building contracts concluded in 2017, including details of the contracts, the country where they were concluded and their duration, as in its annual activity report for 2011; requests the EEAS to provide the same information on building contracts in its annual activity report for 2018;
14. Notes that the delegations' budget of EUR 423,3 million was divided between EUR 116,1 million (i.e. 27,4 %) for the remuneration of statutory staff, EUR 165,6 million (39,1 %) for buildings and associated costs, EUR 68,5 million (or 16,2 %) for external staff and outside services, EUR 27,9 million (6,6 %) for other expenditure related to staff and EUR 45 million (10,6 %) for other administrative expenditure; notes also that EUR 196,4 million (compared to EUR 185,6 million in 2016 and EUR 204,7 million in 2015) was received from the Commission for the administrative costs of the Commission's staff posted in the Union's delegations and was split between the Commission's Heading V with EUR 49,6 million, the administrative lines of operational programmes with EUR 91,8 million, and the EDF and trust funds with EUR 55 million (45,4 million in 2016); notes that in 2017, trust funds contributed for the first time to these administrative costs;
15. Acknowledges that the number of budget lines used to finance the operations related to Commission staff in the delegations (34 different lines originating in various Headings of the Commission budget, plus the EDFs) increases the complexity of budget

management; recalls that this topic was treated in its resolution of 18 April 2018¹ on the 2016 discharge and takes note of the complexity in the simplification of reducing the budget lines; encourages therefore the EEAS to keep on working with the Commission to simplify the budget lines when possible in order to reduce the complexity of budget management;

16. Notes that in 2017 the Heads of Delegation provided a Statement of Assurance; observes that all Heads of Delegation, except the Head of Delegation to Syria, has provided a declaration without reservation; acknowledges that the Delegation to Syria is currently evacuated and that the delegation has indicated an action plan to alleviate the problems of having to function in a war zone; notes that the reservation is seen as non-material in terms of amounts for the whole of the EEAS budget;
17. Observes that the final EEAS budget of EUR 660 million for 2017 was executed to 99,7 % (as in 2016) for commitments and 86,7 % (87,5 % in 2016) for payments as of the end of the year;
18. Notes that the value of all transfers made within the EEAS administrative budget amounted to EUR 14,4 million, of which the largest amount concerned an advance contract regarding Afghan security; notes also that the transfers reduced the EEAS headquarters' budget by EUR 5,1 million and increased the delegation budget by a corresponding amount;
19. Notes that 1,3 % of the budget increase in 2017 was dedicated to security investments in the context of the implementation of the security package, which included the reinforcement of the network of regional security officers and armoured vehicles acquisitions in line with the EEAS's duty of care and field security, the cybersecurity strategy and continuous training in security of staff in response to potential threats and crisis situations in delegations and headquarters; welcomes the improvements achieved so far, but encourages the EEAS, in particular, to address the different remaining challenges such as the need to update IT security tools; calls on the EEAS, moreover, to work together with Member States with a view to developing a common approach and to improve the interconnection of security systems with other institutions and Member States;
20. Welcomes the setting-up of an annual review mechanism dedicated to the analysis of EEAS resources and their effective employment in anticipation of upcoming staff redeployment necessitated by new operational or political priorities or other additional challenges;
21. Notes that the 2017 annual self-assessment of the internal control system provided reasonable assurance to EEAS management regarding the level of compliance with the majority of internal controls; notes however that the three following internal control standards 'Staff allocation and mobility', 'Business continuity' and 'Document management' remain the weakest components of the EEAS internal control system; notes with concern that 'business continuity' has continued to be problematic for several years, both in terms of compliance and effectiveness, and is of particular importance within delegations;

¹ OJ L 248, 3.10.2018, p. 128.

22. Welcomes the continued reduction in the number of delegations exceeding the maximum space of 35m² per person from 83 in 2016 to 73 in 2017 in line with the recommendation of the Court in 2016; welcomes the launch of the real-estate management tool IMMOGEST and the acquisition of internal and external expertise to support building management, in particular in regard to delegations; calls on the EEAS to continue implementing, when possible, reasonable and efficient for the Union budget, the recommendations of the Court in its special report on the EEAS's management of its buildings around the world¹ and to keep the Parliament informed about the improvements;
23. Welcomes the fact that the EEAS has established 7 new co-location projects with 6 different Member States and observes the increasing interest in co-location schemes with 14 new co-signed agreements, not only with Member States but also with FRONTEX or EASO; notes that co-location arrangements have contributed to a reduction in the average space of buildings in order to bring it closer to the prescribed 35m²/person; is of the opinion that co-locations are cost-effective and welcomes that they contribute to the joint representation of the Union and its Member States towards third countries; invites the EEAS as part of the monitoring of costs to expand such memoranda of understanding to other Union entities such as the CSDP missions; invites the EEAS to put in place an effective management of recovery of costs in the case of co-locations;
24. Acknowledges the EEAS' preference to purchase rather than rent buildings for its delegations; asks the EEAS to be kept informed about a comprehensive analysis of all Union delegations to determine in which countries it would be more cost-effective for the delegations to buy office or residence buildings instead of renting them; notes that the share of owned buildings represented 18 % in 2017;
25. Recalls the importance of providing a result-oriented support to delegations in all areas and asks the EEAS to report on the experience of the Regional Centre Europe and its assessment of possibilities of extending this framework to other geographical areas; welcomes the increased efforts undertaken to support delegations, in particular through the new Horizontal Coordination Division, which help to reinforce the general level of assurance for tasks carried out by delegations, especially those relating to high value public procurement;
26. Considers it essential to remind Heads of Delegation regularly, during the pre-posting phase, *ad hoc* seminars or annual conference of Ambassadors, of their essential role in the consolidation of the EEAS chain of assurance and their overall responsibility and accountability for the managing of administrative expenses and project portfolios in addition to their political functions; considers that an experience in a Union institution should be considered as an asset when selecting Heads of Delegation;
27. Welcomes the new approach to inspections introduced in 2017, which offers a promising approach to the provision of support to the management of delegations as well as to the promotion of greater coherence and the simplification of the work of delegations;

¹ Court of Auditors: Special Report No 7/2016: The European External Action Service's management of its buildings around the world.

28. Recognises the difficult feature of the management and resource allocation of human resources in the context of the ‘three sources’ of recruitment of the EEAS and the management of the posts in delegations; notes, moreover, that the EEAS reduced its staff by 5 % over the period 2013-2017 in compliance with the inter-institutional agreement, representing a reduction of 16 posts for 2017 in headquarters and an overall reduction of 84 posts over the last five years; is concerned that increasing average work load and understaffing issues could have detrimental effects on the health and quality of life of members of staff as well as on the long-term organisational development of the institution;
29. Notes with appreciation that gender balance almost reached parity in the overall number of posts occupied with 49,6 % being women; regrets however that the number of women in management positions remained insufficient, both for Heads of Division and Heads of Delegation, with 57 out of 219 positions (26 %) or solely 18 % of senior management posts (9 out of 50 posts) being held by women; highlights a similar imbalance among Administrators, of whom 33 % were women, and among seconded national experts (SNE), of whom 23 % were women;
30. Invites the EEAS, in cooperation with Member States diplomatic services, to continue improving as far as possible the gender balance among senior and middle management; notes that only 18,28 % of applicants for management posts in the last rotation exercise were women; observes that for the other posts published by the EEAS, the percentage of women among applicants also decreased from 39 % in 2016 to 31,7 % in 2017;
31. Is of the opinion that progress is necessary in this regard and therefore invites the EEAS to both identify and reflect on the reasons for this imbalance, and subsequently possibly refine its conditions and recruitment policies in order to attract all genders equally for management positions; encourages the EEAS to cooperate with national universities offering courses dedicated to a diplomatic career in order to promote the European diplomatic service at an early stage;
32. Calls for the creation of an institute dedicated to the education of future European diplomats and suggests to study the possibility by the pertaining authorities of using the facilities of the European Parliament in Strasbourg to house this diplomatic institute;
33. Welcomes the creation of the task forces on ‘Career Development Gender and Equal Opportunities’ as well as the adoption of a ‘Learning and Development Framework’ (LEAD) and the creation of the network ‘Women and the EEAS’ and the ‘Women Managers Mentoring Programme’ as important steps in improving equal opportunities at the EEAS; notes the roadmap for implementation that was adopted after the publication of the final reports of the two task forces and asks to be kept informed about progress in implementation;
34. Notes that with 32,83 % of EEAS AD staff coming from Member States by the end of 2017, the EEAS is in line with the staffing formula as set out by the Council Decision establishing the EEAS, namely a ratio of one third of staff coming from Member States and the rest from Union institutions;
35. Notes that the share of Member States’ diplomats represented 32,83 % overall AD staff of the EEAS (i.e. 307 persons) in comparison to 33,8 % in 2014; stresses that the number of Member States’ diplomats posted as Heads of Delegation decreased from

46 % to 43,8 % of the total; notes the slight increase in the share of women among Heads of Delegation to 21,9 %; notes that only 10 out of 60 Heads of Delegation coming from Member States had already worked in a Brussels-based position;

36. Reiterates that the geographical balance should be closely monitored, in particular in cases of underrepresentation, to ensure a proportionate representation of each Member State among the population of the staff; notes that in eight cases where the share of staff was below the share of their country's population in the overall population of the Union, five came from Member States that acceded to the Union in 2004;
37. Observes that the number of SNE from Member States increased slightly in 2017 to reach 449 (with 387 posted in headquarters and 62 in delegations); notes that 55 % of this category of staff located in Brussels (or 214) were paid by their national administrations; acknowledges the need for SNE in various specific areas dealing with defence and security issues as well as strategic communication; calls however on the EEAS, in the context of its SNE strategy or through the newly created annual review mechanism, to provide a more detailed projection of its upcoming needs and related required skills for the purpose of predictability, better managing of potential conflict of interest, the avoiding of a steady increase of those contracts and the reinforcement of in house-expertise; is of the opinion that the number of SNE should not exceed a certain proportion of the overall staff of the EEAS in order to preserve a strong and sustainable *esprit de corps* and asks the EEAS to set such a threshold;
38. Welcomes the implementation of paid traineeships in delegations as a positive follow-up of the 2016 EEAS discharge resolution; notes that the EEAS will continue offering traineeships under different schemes such as those relating to compulsory traineeships for students or trainee civil servants as part of their compulsory training; notes that the average financial external support amounted to EUR 885 for trainees in different schemes, which is considerably less than the monthly allowance of EUR 1 200 under the scheme of the EEAS; calls on the EEAS to guarantee an appropriate allowance to all EEAS trainees, in order to provide sufficient reimbursement for trainees' efforts and to avoid the reinforcement of discrimination on economic grounds;
39. Notes the inter-service consultation with the Commission and consultations with Trade Unions to modernise and improve the Framework Rules and related social security schemes for Local Agents; calls on the EEAS to ensure adequate post-retirement medical insurance, in particular in case of invalidity, through the revision process; strongly urges the EEAS to ensure identified reform measures enter into force in 2018 and to improve the involvement of its local staff and their expertise;
40. Notes with concern that 171 mediation cases were registered in 2017 (representing a 16 % increase since 2016) of which 60 % were in delegations and that 32 of these cases remained open at the end of the year; notes also with concern that in the Staff Satisfaction Survey, only 10,2 % of staff disagreed and 6,21 % of staff slightly disagreed with the proposition 'I have not experienced harassment in the EEAS'; acknowledges, however, that the continuous increase in reported cases seems to reflect an increased willingness to speak, rather than an increase of conflicts at work; underlines the importance of fostering a culture of zero tolerance toward harassment and of duly following up on reported cases;
41. Welcomes the extension of the network of confidential counsellors to 13 trained

volunteer counsellors in 2017; is concerned that only five out of thirteen counsellors were posted in 140 delegations; calls on the EEAS to continue increasing the presence of confidential counsellors in delegations and to continue raising awareness about harassment and psycho-social risks and about ways to mitigate and react to them;

42. Observes that the EEAS has updated its administrative arrangement with OLAF and reinforced its cooperation on fraud related issues with Directorates General acting in external affairs, such as the FPI, DG NEAR and DG DEVCO in 2017; notes that there are three ongoing investigations by OLAF related to potential conflict of interest in the EEAS and asks to be kept informed about the progress of these investigations;
43. Welcomes the publication of data related to the costs of missions by the Vice-President of the Commission and High Representative of the Union for Foreign Affairs and Security Policy, which is now fully available on her page on the Commission website and updated every two months, in line with the updated Code of Conduct which was adopted on 31 January 2018;
44. Notes that EUR 1,1 million was allocated to the EEAS in 2017 for developing its 'Strategic Communication Plus' Action in order to combat disinformation and to communicate the positive impact of Union policies; underlines also the importance of communicating the work of the EEAS work to citizens and asks the EEAS to provide more information on its activities in this regard in its next annual activity report;
45. Considers the EEAS to be a vital actor in international cooperation regarding peace, security and human development; therefore stresses the importance of using wisely the scarce resources available and of constantly improving the consistency and coherence of the Union's external and internal action, as well as the need to strive for common positions and coordinated responses for the Union to be efficient in this role; underlines the importance of public diplomacy and strategic communications as an integral aspect of the Union's external relations, not only as an instrument to communicate its values and interests and to enhance the Union's visibility, but also as a tool of countering foreign influence in the Western Balkans and our neighbourhoods and strategic propaganda against the Union and its Member States; stresses the continuing and growing need for exposing disinformation and for mobilizing context-specific analysis in order to counter anti-Union propaganda; firmly believes that the Union should step up its efforts to develop effective public diplomacy strategies; calls on the EEAS to continue its efforts to modernise its approaches and to invest in new skills and capabilities; deems the work of the EEAS Strategic Communication Task Force necessary and valuable and calls for providing it with the appropriate financial and personnel resources;
46. Notes that the EEAS has carried out an assessment of the impact of the United Kingdom's decision to withdraw from the European Union on human resources (i.e. 122 British national employees) and the operational adjustment required at headquarters and delegations; welcomes the intention of the EEAS to follow a case-by-case approach to decide on the extension of contracts for British contract and temporary agents; calls on the EEAS to swiftly develop a coherent strategy to provide certainty for the persons concerned;
47. Notes that the initial assessment of the level of administrative expenditure of EUR 6,7 million for staff and infrastructure expenditure over a period of nine months related to

the opening of a delegation in London in view of the fact that the United Kingdom will become a third country;

48. Asks the EEAS to provide a follow-up report to the 2017 discharge in compliance with Article 262 of the Financial Regulation in preparation for the discharge procedure for the financial year 2018.