



TEXTS ADOPTED

P9_TA(2020)0270

Discharge 2018: General budget of the EU – European Economic and Social Committee

1. European Parliament decision of 20 October 2020 on discharge in respect of the implementation of the general budget of the European Union for the financial year 2018, Section VI – European Economic and Social Committee (2019/2060(DEC))

The European Parliament,

- having regard to the general budget of the European Union for the financial year 2018¹,
- having regard to the consolidated annual accounts of the European Union for the financial year 2018 (COM(2019)0316 – C9-0055/2019)²,
- having regard to the European Economic and Social Committee's annual report to the discharge authority on internal audits carried out in 2018,
- having regard to the Court of Auditors' annual report on the implementation of the budget concerning the financial year 2018, 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 2018, pursuant to Article 287 of the Treaty on the Functioning of the European Union,
- having regard to its decision of 13 May 2020⁵ postponing the discharge decision for the financial year 2018, and the accompanying resolution,
- 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 1605/2002⁶,

¹ OJ L 57, 28.2.2018.

² OJ C 327, 30.9.2018, p. 1.

³ OJ C 340, 08.10.2019, p. 1.

⁴ OJ C 340, 08.10.2019, p. 9.

⁵ Texts adopted, P9_TA(2020)0120.

⁶ OJ L 298, 26.10.2012, p. 1.

and in particular Articles 55, 99, 164, 165 and 166 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) 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, 260, 261 and 262 thereof,
 - having regard to Rule 100 of and Annex V to its Rules of Procedure,
 - having regard to the second report of the Committee on Budgetary Control (A9-0188/2020),
1. Refuses to grant the Secretary-General of the European Economic and Social Committee discharge in respect of the implementation of the budget of the European Economic and Social Committee for the financial year 2018;
 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 Economic and Social Committee, the European Council, the Council, the Commission and the Court of Auditors, 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 20 October 2020 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 2018 Section VI – European Economic and Social Committee (2019/2060(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 2018, Section VI – European Economic and Social Committee,
 - having regard to Rule 100 of and Annex V to its Rules of Procedure,
 - having regard to the second report of the Committee on Budgetary Control (A9-0188/2020),
- A. whereas in the context of the discharge procedure, the discharge authority wishes to stress the particular importance of further strengthening the democratic legitimacy of the Union bodies by improving transparency and accountability, and implementing the concept of performance-based budgeting and good governance of human resources;
- B. whereas based on the outcome and recommendations of the investigation by the European Anti-Fraud Office (OLAF) Parliament's Committee on Budgetary Control expects to be informed by the European Economic and Social Committee (the Committee) on the measures taken in order to rectify the wrongdoings;
1. Welcomes the improvements made to the carry-over situation related to the budget line 'Members of the institution and delegates' by setting a deadline of six weeks for submitting the reimbursement claims; appreciates that since 1 January 2019 a reduction of carry-overs has been achieved;
 2. Notes that due to a higher number of opinions and reports issued, which requested more members' involvement in the preparation, higher costs for travelling and other reimbursements occurred;
 3. Appreciates that the Committee plans to increase significantly its budget for IT in order to catch up, close the gap vis-a-vis the other Union bodies and further implement the Digital Strategy for the Committee adopted in June 2019; takes note of the efforts necessary to reinforce network capacities and end user equipment in order to allow 100 % of the staff to telework;
 4. Notes that the Committee's new structure, in place since 1 January 2020, attached the legal service directly to the secretary-general with the declared objectives of increasing the visibility and impact of the legal service and enabling it to provide legal support on a horizontal basis; takes note of the justification provided by the Committee but is concerned that the autonomy and full independence of the legal service might be affected; calls on the Committee to ensure that the legal service is officially and systematically involved in the most important matters of the Committee without leaving the decision on whether to consult it up to the different services; welcomes that the legal capacity was reinforced in the members' working conditions unit to allow for the treatment of specific issues in relation to the statute of members; notes the reflections on exempting specialised staff, including staff belonging to the legal service, from the

Committee's mobility policy and calls on the Committee to report on the conclusions of this process to the discharge authority;

5. Confirms that the Committee received an asbestos-safe certificate for the VMA building without risk for normal use of the building; notes, however, that a limited amount of asbestos was present which was confirmed by further analysis; recognises that few materials containing asbestos fibres are located outside the office area of the VMA building and that it is planned to remove all those materials during the execution period of the renovation works;
6. Supports the request of the Committee to strengthen all efforts in respecting the content of the cooperation agreement between Parliament and the Committee; recalls, however, that under the 2014 agreement the Committee transferred a total of 36 translators to Parliament and only obtained the access to the European Parliamentary Research Service in exchange; notes that consequently the Committee had to hire contract staff and outsource its translation service; notes with concern that, to compensate the reduction of the translation staff, the Parliament has provided additional funds to the Committee for the outsourcing of the translation and that the Committee can reallocate these funds to other policy areas if they are not fully used for outsourced translation, which has happened in the previous years; is of the opinion that this stipulation is not in line with the principles of prudent and sound financial management and should be reviewed in the future;

State of play

7. Recalls that in its report of January 2020, OLAF concludes that the then president of Group I of the Committee was responsible for acts of harassment towards two members of staff, of inappropriate behaviour (serious misconduct) towards a Committee member and a staff member, and of misconduct towards other staff members working in the Group I Secretariat;
8. Recalls that OLAF concludes that the then president of Group I committed breaches of the obligations deriving from the Committee's rules of procedure and its code of conduct; recalls that OLAF recommends that the Committee initiates the appropriate procedures with respect to the member concerned, as provided for in rule 8, part four, of the Committee's rules of procedure, and takes all necessary steps to prevent any further cases of harassment by the member concerned at the workplace;
9. Deplores that several members of staff have suffered acts of psychological harassment by the then president of Group I for an unjustifiably long period of time; regrets that the anti-harassment measures in place in the Committee failed to tackle and to remedy this case sooner because of the senior position of the member concerned; regrets that the measures taken to protect the victims until the end of the investigation by OLAF were arguably improvised and insufficient, especially in light of the judgement in Case F-50/15¹, *FS v European Economic and Social Committee (EESC)*, which should have served as a lesson for the Committee; notes with concern that shortcomings in the internal proceedings resulted in the inaction by the Committee's administration which translated into a breach of the duty of care and of the obligation to report to OLAF; calls

¹ Judgment of the Civil Service Tribunal (Third Chamber) of 12 May 2016, *FS v European Economic and Social Committee (EESC)*, F-50/15, ECLI:EU:F:2016:119.

on the Committee to take notice of this in the framework of the undertaken revision of the relevant decisions;

10. Notes that the Committee's president received the OLAF report and recommendations on 17 January 2020; notes that the case was referred to the Committee's advisory committee on the conduct of members on 23 January 2020; further notes that the advisory committee presented its conclusions on 28 April 2020, that the member concerned was invited to present his observations and that the Committee's president invited the Committee's enlarged presidency to comment;
11. Notes that the Committee's bureau by majority took the decisions to ask the member concerned to resign from his duties as president of Group I and to withdraw his application for the position of president of the Committee; notes that the bureau discharged the member concerned from all activities involving the management or administration of staff; notes that the bureau tasked the secretary-general with taking the necessary steps to ensure that, should proceedings be initiated by the public prosecutor against the member concerned, the Committee shall join those proceedings as a civil party; notes that the bureau tasked the secretary-general with communicating this decision to OLAF and Parliament; notes that this decision may, as appropriate, also be communicated to other institutions or bodies of the Member States;
12. Notes with concern that the decision of the Committee's bureau regarding the then president of Group I could not be fully enforced via the Committee's internal proceedings; notes that the member concerned decided to withdraw his candidacy for the position of the president of the Committee almost four months after the bureau's decision and then only on his own initiative; notes with concern that despite OLAF's findings and the bureau's decision the member concerned is able to impose his will and remain the president of Group I until the end of his term; calls on the Committee to carry on the revision of the Committee's rules of procedure and code of conduct to avoid such situation in the future;
13. Notes that OLAF submitted the case to the Belgian authorities and that the Belgian prosecutor is launching legal proceedings against the member concerned as psychological harassment can be prosecuted under Belgian law; notes that the plenary of the Committee decided to waive the immunity of the concerned member in its meeting of July 2020 in order to allow the Belgian prosecutor to continue the legal proceedings;
14. Points out that the Committee's wrongdoings in this case have resulted in a material loss of public funds with respect to legal services, sick leave, victim protection, reduced productivity, meetings of the bureau and other bodies, etc.; considers it thus a case of concern regarding accountability, budgetary control and good governance of human resources in the Union institutions, bodies, offices and agencies; in that sense recalls that the Court of Auditors states in its Special Report 13/2019, The ethical frameworks of the audited EU institutions: scope for improvement, that ethical conduct in public affairs contributes to sounder financial management and increased public trust, and that any unethical behaviour by staff and members of the Union institutions and bodies attracts high levels of public interest and reduces trust in Union institutions;
15. Is astonished that the Committee's website features a statement by the member concerned in his capacity as president of Group I that is in reality a personal self-

defence testimony and with the aggravating factor that cases are either already pending or expected before the Union judicial authorities and the Belgian authorities; deeply regrets that the disagreement between the presidency of the Committee and the presidency of Group I has been made public in this fashion at a great cost for the reputation and credibility of the Union institutions, bodies, offices and agencies;

16. Welcomes that the Committee initiated an in-depth assessment and reflection with respect to the overall existing framework supporting its zero-tolerance policy towards any behaviour which is likely to undermine human dignity; notes that this process aims to identify potential gaps and searches for further improvements in the interest of its staff and members;
17. Asks the Committee to keep the discharge authority informed about any currently ongoing OLAF investigations and the opening of new OLAF investigations concerning the Committee's members or staff with respect to harassment or any other concern;
18. Notes that the provisions of the Staff Regulation are not applicable to the Committee's members, as they are not employees, but appointed as members of the Committee; observes that this circumstance has not prevent other Union institutions, bodies, offices and agencies from having specific, adequate and useful rules applicable to their members; in this sense recalls for example that Article 8, part 4, of the code of conduct of the Committee of the Regions prohibits the infringing member from being elected as office holder of the Committee and, if the member already holds such posts, entails dismissal from them; welcomes that the Committee is ready to consider further improvements to its system after a reflection that has now lasted more than two years; considers this to be an unreasonably long period; regrets that after the aforementioned period the Committee can only suggest awareness raising and training measures for members despite the clear need for further measures as set out in the report of the European Ombudsman on dignity at work in the EU institutions and agencies (SI/2/2018/AMF) and Parliament's recommendations;
19. Asks the Committee to inform the discharge authority on the procedures and processes the Committee has rolled out or intends to roll out on how cases of harassment or similar issues concerning staff will be avoided in the future so as to ensure that comparable regrettable developments which have caused negative publicity and damaged the reputation of the Committee will not be repeated;
20. Welcomes the increase of the number of confidential counsellors in order to improve the informal procedure and the possibility for staff to share their concerns on any perceived situation of harassment;
21. Warmly welcomes the Committee's reflections, which will result in a detailed action plan to strengthen the zero-tolerance policy towards harassment at the Committee to ensure that such behaviour can never be tolerated; welcomes and supports the current revision package concerning harassment, whistleblowing and disciplinary procedures that will further improve the mechanisms allowing staff to make formal harassment complaints and improve the robustness of the relevant legal structures; recalls, however, that this process has been reported by the Committee to Parliament for years and that only now concrete measures seem to be taken; welcomes the setting-up of a working group that includes representatives from the administration and the staff committee with the aim of collecting the widest possible input for improvements; is disappointed that

the Committee has achieved minimal progress over the last years despite the precise recommendations of Parliament urging the Committee to introduce rules and procedures concerning members involved in harassment cases;

22. Welcomes the continuation of various awareness-raising initiatives in order to inform staff accordingly on the follow-up to the 'Respect@work campaign'; welcomes the organisation of training activities meant to ensure that staff is aware of relevant ethical and organisational values and the associated rules and procedures.