RESOLUTION (EU) 2021/1553 OF THE EUROPEAN PARLIAMENT

of 29 April 2021

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 2019, Section VI – European Economic and Social Committee

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 2019, 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 report of the Committee on Budgetary Control (A9-0057/2021),

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 institutions by improving transparency and accountability, and implementing the concept of performance-based budgeting and good governance of human resources;

1. Welcomes the fact that, based on its audit work, the Court of Auditors (the 'Court') concluded that the payments as a whole for the year ended 31 December 2019, comprising the administrative and other expenditure of the European Economic and Social Committee (the 'Committee'), were free from material error and that the examined supervisory and control systems were effective;

2. Recalls that the Committee's budget is mostly administrative, with a large amount being used for expenditure concerning persons, buildings, furniture, equipment and miscellaneous running costs;

3. Regrets, as a general observation, that chapter 9 'Administration' of the annual report of the Court for 2019 (the 'Court's report') has a rather limited scope and conclusions, notwithstanding the fact that the Multiannual Financial Framework Heading 5 'Administration' is considered to be low risk; requests that the audit work for that chapter be more focused on issues of high relevance or even critical importance for the Committee;

4. Notes with satisfaction that, in the Court's report, the Court observed that no significant weaknesses had been identified in respect of the audited topics relating to human resources and procurement for the Committee;

5. Notes that in 2019 the Committee's budget amounted to EUR 138 502 768 (compared to EUR 135 630 905 in 2018 and EUR 133 807 338 in 2017) with an implementation rate of 98,1 % (compared to 98,7 % in 2018 and 96,5 % in 2017);

6. Notes that the Committee has been moderate in its budget estimates and has largely followed the Commission guidelines that indicate a nominal freeze for all non-salary related expenses; notes that from 2016 to 2020 the nominal increase in the Committee's budget was 9,2 %, an increase in real terms of 1,9 %;

7. Reiterates that the final appropriations for 'travel and subsistence allowances for members' amounted to EUR 20 383 977 (compared to EUR 20 247 625 in 2018 and EUR 19 819 612 in 2017) which is stable when compared to the preceding years and raises no particular concerns; requests nevertheless that the Committee increase the use of new technologies and working methods and applies video-conferencing to the greatest extent possible;

8. Is deeply concerned about the case handled by the European Anti-Fraud Office (OLAF) concerning inconsistent travel declarations by a member of the Committee which amounts to approximately EUR 91 000; notes that the amounts unduly paid out have been recovered; regrets that the former code of conduct did not provide for strong sentencing or the suspension of fraudulent members; urges the Committee to apply all means available under the revised code of conduct to take far-reaching measures against this kind of fraud; notes that improvements were proposed to the current framework for reimbursing members' travel and subsistence costs such as a general deadline of six weeks for submitting reimbursement claims in order to reduce the reimbursement time, thereby also reducing the need for carry-overs on these budget lines; calls, however, for a diligent and cautious approach rather than a swift handling of travel declarations cases; notes that it is unknown how many fraud cases remain under the radar; underlines that time pressure should not undermine a decent and thorough assessment of reimbursement requests; calls for an increase of the amount of samples of travel declarations examined as part of the Committee's internal audit procedure to achieve a higher discovery rate for travel declaration fraud;

9. Recalls the comment in the 2018 discharge resolution relating to avoiding budget overestimates; notes, however, that the carry-forward mainly relates to the budget lines 'buildings' and 'data processing' and that this is due to the historical backlog for these budget lines; notes that the amount carried forward for the budget lines 'members of the institution and delegates/travel and subsistence allowances for members' was necessary in order to handle the delayed reimbursement claims of members;

10. Welcomes the fact that the implementation rate of appropriations carried forward from 2018 to 2019 was 82,1 % as compared to 77,5 % for appropriations carried forward from 2017 to 2018;

11. Underlines the fact that the Committee is encouraging shared transport solutions and facilitating the use of low cost flights; welcomes the fact that the Committee requires its travel agency, the same as the one providing services to Parliament, not only to negotiate special rates with airlines, but also to systematically propose to Committee beneficiaries suitable cost-efficient alternatives for their travels;

12. Notes that the Committee launched a call for tender in October 2018 in order to analyse and propose improvements to the current system concerning cost reimbursements for Committee members, delegates and experts; asks the Committee to provide information on the results of that analysis, in particular on possible improvements to the current travelling and reimbursements system including various possible scenarios; notes the delays in the implementation due to the COVID-19 crisis;

13. Regrets that the Committee's bureau in 2020 adopted a decision allowing for the reimbursement of expenses for remote participation in cases where a member was prevented from travelling to Brussels as a result of COVID-19 related issues; calls on the Committee to withdraw this decision, which is not proportionate to the real cost of participation, represents a considerable loss for the Union budget and damages the reputation of the Committee; requests the Committee to present a report on the financial impact of this decision, including specific and detailed information on the decision and the reasons for such reimbursement; asks the Committee to look into new remuneration practices to ensure a fair and proportionate remuneration for members which is not based mostly on travel expenses and does not rely solely on the physical presence of members in Brussels;

14. Underlines the importance of the role of the Committee but expresses concerns with respect to the impact of its work;

15. Notes the importance of political dialogue between the Committee and Parliament to make sure that a valid contribution from the Committee can be made to the work of Parliament and, in that light, reiterates its request to pursue efforts to strengthen political cooperation between the Committee and Parliament;

Digitalisation, cybersecurity, security

16. Welcomes the fact that the Committee followed Parliament's recommendation made in recent resolutions to ask for an increased budget share for IT costs (up to 4,5 % of the total budget compared to 3 % in 2018); notes that in the long run the figure of 4,5 % should ideally increase to 6 %, which would allow for a smooth implementation of the digital strategy within the foreseen timeframe and also allow the Committee to catch up and close the gap vis-à-vis the other Union bodies; welcomes the fact that the total appropriations committed for IT projects, services and equipment represent an increase of 13,2 % compared to 2018 and that this positive trend has continued in 2020;

17. Is aware that in June 2019, the Committee's bureau adopted the digital strategy presenting a vision for the Committee's IT environment and identifying the major IT challenges; welcomes the results such as the members' portal module to support paperless meetings, the development of the new back-office application for processing amendments and paperless workflows and procedures, especially for financial management; welcomes the work in relation to the digital workplace project which covers the redesign of the end-user environment and its underlying digital infrastructure; notes that the tools for office automation, mail and unified communication were upgraded in 2019;

18. Welcomes that the Committee uses free and open source software whenever possible; notes that for 2019 39 open source software applications were included in the inventory of software packages;

19. Welcomes the fact that during 2019, the IT security officer remained active in raising cybersecurity user awareness for staff, including a briefing for the IT steering committee and sectoral briefings at the level of individual departments; notes that in 2019, two additional projects were launched concerning cybersecurity; encourages the Committee to continue its close cooperation with other committees, especially the Committee of Regions (CoR), to further develop synergies;

20. Welcomes the interinstitutional cyber cooperation in which the Committee received assistance from the Computer Emergency Response Team for the EU institutions, bodies and agencies such as on-the-job training for cloud security and cyber threat intelligence information for targeted attacks against Union bodies; notes that many of the digitalisation projects concern the digitalisation of human resources and financial processes, where the Committee uses the SYSPER and ABAC systems provided by the Commission; asks the Committee to consider the possibility of negotiating better conditions with the Commission to enhance the process of application sharing and make it financially attractive;

21. Encourages the Committee to follow the recommendations of the European Data Protection Supervisor to renegotiate the interinstitutional licensing agreement and implementation contract, signed between the Union institutions and Microsoft in 2018, with the objective of achieving digital sovereignty, avoiding vendor lock-in and lack of control, and ensuring the protection of personal data;

22. Highlights all the initiatives related to security such as a special training programme to face criminal and terrorist threats, the cooperation with Parliament regarding specific security training courses, the investigations into security incidents and the relaunch of the security screening of external contractors' staff together with the other Union bodies; notes all the work related to (building) security with the main objective being to increase the level of security and the service provided for members, staff and visitors;

23. Welcomes the fact that a series of measures have been implemented by the Committee to ensure adequate building security standards such as the installation of new equipment for access control; notes that the related security standards have reached the same level as the standards of Parliament and the Commission;

Buildings

24. Notes that extra offices for 200 staff members have to be found once the B68 and TRE74 buildings have been exchanged for the VMA building; notes that the bureaus of the Committee and the CoR gave a mandate to their secretaries-general in February 2020 to undertake negotiations with the European External Action Service for the purpose of concluding an agreement allowing the Committee and the CoR to take over the rental contract of the Belliard 100 building as of early 2021; welcomes the fact that the staff committee and staff in general have been informed about these developments;

25. Notes the fact that the VMA building is fully compliant with all regulatory requirements on asbestos applications and that an asbestos safe certificate was delivered in September 2019; expresses concerns over the health of workers and the presence of asbestos in the VMA building, although the asbestos-safe certificate says that it does not represent any risks for the users of the building; welcomes the fact that all relevant information about asbestos in the Committees' buildings, such as asbestos policy, asbestos safe certificates and asbestos inventories, has been published on the intranet; notes that work to renovate the VMA building is planned to start in 2021;

26. Welcomes the fact that the joint VMA working group defined the guiding principles for the future allocation of space as well as objective parameters allowing for the equal treatment of all services and entities; notes that the staff representatives were involved and that the staff has been kept informed regularly through different channels and will be consulted and involved in the upcoming phase of the detailed design for floor arrangements and the assignment of individual workspaces for the services concerned;

Environmental dimension

27. Asks the Committee to develop a global sustainability plan; congratulates the Committee on the ongoing efforts in the framework of the environmental management system as regards the lowering of the carbon footprint and reducing plastic, food and paper waste; agrees that lowering the carbon footprint is among the most important objectives for the coming years; calls on the Committee to pay due attention to the energy mix of its sources of electricity and encourages the procurement of electricity generated by wind, solar, bio and hydroplants; encourages the Committee to participate in projects in areas which are related with other Union bodies and to draw up a comprehensive plan for the Committee for the implementation of the principles and recommendations presented in the European Green Deal, with the general objective of becoming climate neutral by 2030;

Interinstitutional cooperation

28. Is aware of the new service level agreement launched in 2019 between Parliament and the Committee which allows the Committee to benefit from the services of Parliament's interpreters (for which payment will be made) each time the Committee uses Parliament's premises for its meetings and occasionally also for meetings in the Committee's premises; acknowledges that the agreement contributes to the optimisation of the use of Parliament's interpreters; acknowledges the existing cooperation agreements between Parliament, the Committee and the CoR; invites the Committee to identify further potential synergies and savings and other areas in which back-office functions could be shared; is aware of the requests expressed by both the Committee and CoR in the frame of the discharge procedure for the ongoing cooperation agreement to be respected so that the Committee and CoR are compensated for the posts transferred to Parliament;

29. Recalls that the cooperation agreement between Parliament and the Committee of 5 February 2014 provides for compensation for the loss of translation capacity by providing additional amounts for both the Committee and the CoR; notes that an amount of EUR 2 million has been provided for the externalisation of translation with the possibility that a potential surplus can be used for further political work and an additional amount of EUR 1,1 million for increased political work; notes that the transfers took place in 2015 and 2016 with a reduction already being made during the conciliation process in 2017; notes that yearly savings resulting from the transfer of 36 posts can be estimated at EUR 3,42 million; asks Parliament, the Committee and the CoR to jointly report to Parliament's Committee on Budgetary Control on the ongoing revision of the agreement; acknowledges that the agreement allows for more flexibility to the advantage of Parliament, the Committee and the CoR; notes that reallocation of unspent funds to other policy areas is part of this flexibility;

30. Agrees with the need to further enhance political cooperation with respect to annual and multi-annual programming, the joint declaration of Parliament, the Council and the Commission on legislative priorities and the monitoring of the annual work programme; encourages the Committee to work on concrete proposals for improved communication at the level of the Committee and the Parliament rapporteurs in order to develop a more systematic approach to political cooperation;

31. Observes that the total cost of outsourced translation for the Committee and the CoR was EUR 6 043 592 in 2019 with the Committee's share amounting to EUR 3 550 762 and that the total cost of translation in-house would have been EUR 8 781 075 with the Committee's share amounting to EUR 5 159 101;

32. Encourages the Committee to join the Union Transparency Registry on the basis of a service level agreement in order to increase the transparency of lobbying meetings; acknowledges the interinstitutional cooperation through service level agreements between the Committee and other Union institutions and bodies such as with the Commission to further optimise processes in HR, finance, IT and other administrative areas; is interested in being informed if cost benefit analysis takes place before entering into any agreement;

33. Welcomes the good cooperation between the Committee and the CoR in the administrative area, leading to considerable synergies and economies of scale; notes that the current administrative agreement has been extended until the end of June 2021; notes that two points have not been implemented so far, namely a more balanced distribution of posts within the joint services which currently favour the CoR, and an equal distribution of spaces (the share of office space was 53 % for the Committee and 47 % for the CoR); welcomes the fact that the negotiations for the renewal of the administrative agreement have the objective of increasing efficiency further and generating potential savings;

34. Asks the Committee that it be kept informed of any improvements made on the efficiency of administrative processes, which seem to be necessary by virtue of an ever-increasing workload and a rapidly changing world; reiterates the necessity of on-going reforms to ensure that the Committee is well equipped to respond to future challenges;

Communication

35. Recognises that in 2019 the Committee made a particular effort to support Parliament in promoting the European elections by participating in the interinstitutional campaign, including a social media campaign of several months' duration (with nearly 17 000 engagements such as likes, comments and retweets and an overall reach of 18,4 million persons); agrees that the outreach of the Committee's political work goes beyond quantitative indicators and that the Committee achieves this not only via its treaty-based consultative function but also through local outreach activities that aim to raise civil society's awareness of the work of the Committee and its role in the Union decision-making process;

36. Remarks that at the end of 2019 the Committee's main Twitter account had 43 300 followers, while the main Facebook account had 32 600 followers; notes that the Committee's fastest growing social media presence is on LinkedIn, which saw an increase during 2019 of 54 % in the number of followers to 14 500 at the end of 2019; notes that with this combination of channels, the Committee reaches a well-balanced group of followers;

37. Welcomes the Committee's efforts to build a more diverse and inclusive work environment and culture by taking actions in favour of people with disabilities, such as making the intranet and website digitally accessible to persons with visual impairment; asks for follow-up action with respect to obtaining the relevant certification of equal access to its website for people with disabilities;

38. Notes that a complex approach is needed in order to make the websites of Union institutions and bodies accessible to persons with various kinds of disabilities, including the availability of national sign languages; suggests that disability-related organisations be involved in this process;

Internal management, internal control, finance

39. Welcomes the Committee's efforts in relation to crisis management and business continuity by setting up a website with all the information necessary for business continuity operations including up-to-date crisis management and business continuity management documents and an updated description of the various intervention teams, their composition and their role; underlines that the first full-scale exercise by the members' repatriation team was held in September 2019, based on four scenarios, and that the conclusions of the exercise are subject to systematic follow-up;

40. Notes with concern that the Committee's total annual budget has increased from EUR 108 000 000 in 2006 to more than EUR 138 000 000 in 2019 while the overall number of opinions and reports produced by the Committee has decreased significantly (from 215 in 2018 to 127 in 2019); understands that the reduction in opinions delivered may be connected to the electoral cycle, but is concerned about the raise of the cost per opinion (EUR 1,1 million in 2019 compared to EUR 630 000 in 2018), and expresses concerns about the outsourcing to external companies of reporting work; notes with concern that out of the 127 opinions and reports, only 55 were own-initiative opinions;

41. Notes that for 2019, the Committee's most consulted opinion (on Blockchain and distributed ledger technology) did not reach more than 2 500 page views, while the other top five opinions reached just between 1 000 and 2 000 views; encourages the Committee to increase its efforts to achieve a broader dissemination of its opinions;

42. Notes that the annual activity report for 2019 only gives a general overview of the Committee's activities and does not offer a deeper qualitative and quantitative evaluation of its work; calls on the Committee to introduce other key performance indicators in its annual activity report, such as the rate of implementation in Union legislation of the recommendations in its opinions, in order to enable an impact assessment of the Committee's work;

43. Asks the Committee to rationalise its internal bodies and refocus the remits of its structures, as stated in the follow-up to the 2018 discharge, including providing clarifications of savings made in connection with this process; notes the steps taken by the bureau in setting up a six-member ad hoc group to provide a comprehensive review on how to streamline the Committee's working structures and bodies, including the question of the remits of the sections and the Consultative Commission on Industrial Change (CCMI); asks the bureau to extend the streamlining to all other existing bodies and to report back to Parliament on the findings;

44. Recognises that the Committee has developed a large set of key performance indicators for all its administrative areas, of which some measure the level of performance (e.g. payment lead times), while others measure the level of activity (e.g. production volume); asks the Committee to provide in the next annual activity report, in addition to that very detailed information, a consolidated version of the major objectives and the results achieved;

45. Notes that in 2019 an exercise to assess compliance with the internal control standards took place and that this showed improvements compared to 2018; notes, however, that not all standards were fully implemented and that follow-up actions were identified; notes that two follow-up actions were postponed to 2020, namely a formal assessment of sensitive functions and the implementation of a multiannual internal communication strategy; reminds the Committee of the recommendation made in the Court's report to implement a policy for dealing with sensitive functions; acknowledges the Committee's replies explaining the steps proposed and the fact that preparatory activities started in the first semester of 2020; notes that the Committee communicated that the new policy should be operational by 2021; requests the Committee to provide Parliament with a detailed description of that new policy, including a definition of sensitive functions, and of the state of play of its implementation;

46. Notes that the Committee implemented a third follow-up action to the aforementioned exercise consisting of the harmonisation of processes and procedures across directorates and units; calls on the Committee to set up a centralised registry of processes and procedures to ensure that written documentation is harmonised; reiterates that this approach will help to enhance the respect for existing processes and procedures, and supports that all the main activities of the Committee are subject to a process or procedure;

47. Notes that in 2019 two audits were finalised by the internal audit service (IAS), one on compliance with institutional deadlines and the other on interpretation; notes that, regarding the first audit, the Committee is in the process of implementing the administrative measures set out in the action plan, such as highlighting institutional deadlines in documents used by the Committee in order to better organise its work and compiling statistics on the Committee's compliance with deadlines in a consistent manner; welcomes the continued efforts of the Committee to better contribute to the Union legislative process; notes the importance of the audit on interpretation given that it is an instrumental component of Union decision-making, and is impacted upon both by significant budget cuts and by higher costs of interpretation, as witnessed by the fact that, today, the Committee can afford only around 75 % of the interpretation it could afford in 2014; notes that the purpose of that operational audit was to examine procedures, in particular as to whether any cost savings can be made without compromising the quantity and the quality of interpretation provided; observes that an analysis of selected cases showed that the procedures for provision of interpretation were well established, and that interpretation was provided as requested; notes that the overall satisfaction among end-users is high; notes that an agreed action plan is currently being implemented and includes ongoing identification of areas with potential for saving of costs;

48. Observes that an audit of ethics and well-being at work was proposed in the 2019 work programme but was deferred until the 2020 work programme; notes that the audit started in 2019, but that the approach was altered following the Court's special report on ethics published on 19 July 2019; notes that it is the intention of the IAS to follow the approach chosen by the Court when assessing the ethical framework established within the Committee; advises the IAS to include in the audit the implementation of the currently reformed ethical framework;

49. Welcomes the fact that 11 500 (79 %) of the invoices received by the Committee in 2019 were in electronic format, which is compliant with the provisions of Directive 2014/55/EU [1]; congratulates the Committee on the fact that in 2019 it had the highest take-up of e-invoices, in both absolute and relative terms, of all Union bodies;

[1] Directive 2014/55/EU of the European Parliament and of the Council of 16 April 2014 on electronic invoicing in public procurement (OJ L 133, 6.5.2014, p. 1).

50. Underlines that, during 2019, the public procurement department updated the written instructions and templates and continued to provide guidance and advice to all financial actors concerned; welcomes that the use of templates, together with expert guidance, has produced a significant qualitative improvement in procurement procedures and reduced the errors detected in *ex ante* controls; acknowledges that to improve the efficiency and effectiveness of controls, the Committee's verification department works closely with the public procurement department;

Human resources

51. Notes that the establishment plan indicates 668 posts in 2019, the same as in 2018; notes that there is no change in the work force and that the total number of staff employed (officials, temporary agents, contract agents, seconded national experts and medical adviser) was 702 on 31 December 2019 (compared to 705 in 2018);

52. Is aware that the Committee continues to implement its action plan 2017-2020 for equal opportunities and diversity; notes that the Committee's managerial staff achieved gender balance in 2018 and this remains relatively stable; regrets that the new political leadership of the Committee does not reflect this trend with only one out of seven section presidents and none of the three group presidents being women, especially in view of the fact that, for its 2020-2025 term of office, the Committee has the highest number of new and female members since 2010; welcomes the awareness raising events organised in relation to diversity, such as the 'united in diversity' conference on communication in a multicultural environment with the aim of fostering respectful relations at work while taking diversity into account; welcomes in particular the specific activities and measures linked to disability; encourages the Committee, however, to also put in place concrete measures such as gender equality training in order to avoid unconscious bias for members in selection panels;

53. Observes the slight improvement in geographical balance compared to 2018 with 19 % of the Committee's managers currently being from Member States who joined the Union after 2004 (compared to 16 % in 2017 and 18,5 % in 2018); notes with concern the overrepresentation of certain nationalities among the Committee's staff; urges the Committee to develop specific measures to address this imbalance; calls on the Committee to continue to take steps to achieve a geographical balance of its staff in order to ensure a proper representation of nationals from all Member States, as addressed in rule 4 of the rules of procedure for members of the bureau, including at management level;

54. Asks the Committee to report to the discharge authority on the concrete achievements of the action plan for equal opportunities and diversity, in particular on the results of the measures taken as regards strengthening diversity and making the Committee a more inclusive workplace for persons with disabilities;

55. Appreciates that the establishment of a register on specialised posts, i.e. posts not covered by the mobility scheme, was completed, following an in-depth analysis in 2019, and that such a list did not exist previously; notes that the final list of all exempted specialised posts was notified to all staff and includes both the head of the legal service and all lawyers of the Committee;

56. Recognises the measures put in place related to well-being such as the relaunch of a mentoring scheme for newcomers, which is part of a preventative approach in the management of psychosocial risks; notes the exchanges of best practice with a view to continuously improving that scheme; notes the extensive updating of the rules on teleworking that offer more flexibility for workers; encourages the Committee to complete the implementation of flexible working arrangements with a protection of the staff members' right to disconnect;

57. Notes with satisfaction the actions related to long-term sick leave, in particular those aimed at facilitating return to work;

58. Expresses serious concerns about the public disquiet caused by certain recruitment procedures used by the Committee; calls on the Committee to set out clear internal guidelines regarding the publication of vacancies and a clear explanation of the interest of the service in case of temporary moves of members of staff; stresses the importance of strictly ensuring that each phase is conducted in a fully transparent manner, without exception, as established in the Committee's rules of procedure and in the Staff Regulations, throughout the entire recruitment procedure (publication, selection, appointment and establishment) in order to avoid any reputational risk not only for the Committee but for all the entities of the Union;

59. Notes that in 2019 the Committee hosted 54 long-term trainees who received a monthly maintenance grant from the Committee, 15 short-term trainees who received no grant from the Committee, and one trainee who received a grant awarded by an outside public body; recommends that the Committee pays an adequate grant to short-term trainees also, unless they receive payments from other sources;

Transparency

60. Welcomes the fact that the Committee started to promote respect in the workplace with the aim of ensuring that all staff are familiar with the current ethical framework; notes that a wide-ranging awareness-raising campaign started in 2019 called respect@work, which takes on board a number of proposals from the Report of the European Ombudsman on dignity at work in the EU institutions and agencies (SI/2/2018/AMF); welcomes the fact that the network of confidential counsellors was reinforced; notes that, following a decision of the European Ombudsman, the Committee adopted its guidelines on managing conflicts of interests of staff in the performance of their duties and provided relevant information to all staff; notes that the guidelines are intended to serve as a practical handbook for staff in cases where they need to perform overlapping duties, such as management duties in parallel with staff representation activities; invites the Committee to make further progress with measures to respond to the Ombudsman's report;

61. Requests the Committee to report on any achievements related to the European Ombudsman's recommendation such as the guidelines on external activities; notes that in 2019 the Ombudsman published her report on the publication of information in relation to former senior staff so as to enforce the one year ban on lobbying and advocacy (SI/2/2017/NF) and that the Committee examined the possibility of revising its decision on external activities; invites the Committee to take this opportunity to reinforce its system to avoid any potential case of conflict of interest;

62. Expresses its concern with respect to the investigations carried out by the European Anti-Fraud Office (OLAF) in 2019; notes that two cases were closed concerning members and misappropriation of Union funds; notes with satisfaction that the amounts have been recovered by the Committee; notes that two cases were opened (one in relation to a member and one in relation to a staff member), of which the first case is ongoing and the second case was closed in 2020 with no infraction found; notes that in 2020 two cases were opened, of which one, a case from 2018, was closed within the same year with fraudulent action by a member confirmed and one is ongoing; notes that another case against a member has been opened and is ongoing; notes that to the best of the Committee's knowledge there are currently two open OLAF investigations, both concerning members and not related to harassment;

63. Notes that the Committee's current approach to confirming the presence of members at meetings is in line with the best practices of other Union entities such as Parliament and the CoR; notes that the system requires a single signature and a declaration of attendance at a meeting; notes that article 4(a) of the financial statute for members stipulates that 'in order to benefit from reimbursement of expenses or payment of allowances, the beneficiary must a) sign the attendance list at meetings, whenever such a list is kept, b) complete the standard expenses declaration form for each day of the meeting, and c) submit the appropriate supporting documents';

64. Urges the Committee to keep the discharge authority informed about the procedures and processes the Committee has rolled out or intends to roll out in order to avoid cases of harassment or similar issues concerning staff in the future in order to ensure that regrettable developments which have caused suffering to victims in the past and which have damaged the reputation of the Committee and the Union at large will not be repeated;

65. Reiterates its request for clear and strong protection and support measures for the victims of harassment; urges the Committee to introduce specific rules and procedures on harassment; is of the view that the fact that the Staff Regulation cannot be imposed on a member of the Committee cannot be regarded as an excuse for inaction;

Refusal of discharge in 2018, conflict of interest, harassment, whistleblowing

66. Recalls that several members of staff suffered acts of psychological harassment by the then president of Group I over a long period of time; regrets that the anti-harassment measures in place in the Committee failed to tackle and remedy this case sooner because of the senior position of the member concerned; regrets the fact that the measures taken to protect the victims up until the end of the investigation by OLAF seem to have been improvised and insufficient, especially in light of the judgement of the Civil Service Tribunal of 12 May 2016 ([2]) which should have served as a lesson for the Committee; notes with concern that shortcomings in the internal proceedings, including an unclear division of reporting responsibilities at the senior management level, 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; condemns the length of time that the Committee took to take the necessary measures to adapt the Committee's rules of procedure and code of conduct in order to avoid such situation in the future;

67. Recalls that OLAF identified the victims of harassment in its 2018 investigation; regrets that the victims were forced to initiate the process through their own means because of the lack of action by the Committee's administration; notes that the follow-up of the formal requests initiated by the victims under Article 24 of the Staff Regulations started in January 2020; notes with concern that the formal recognition of the status of victim only occurred on 2 October 2020, although the Committee claims to have implicitly recognised their status months before;

68. Points out that the Committee's failings in this case have resulted in a material loss of public funds with respect to legal costs, sick leave, victim protection, reduced productivity, meetings of the bureau and other bodies, etc.; considers it therefore to be a matter of concern regarding accountability, budgetary control and good governance of human resources in the Union institutions, bodies, offices and agencies; in this sense reiterates what the Court stated in its Special Report 13/2019, The ethical frameworks of the audited EU institutions: scope for improvement, namely 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 and bodies;

69. Recalls that Parliament refused to grant the Committee's secretary-general discharge in respect of the financial year 2018, among other reasons on the ground of a flagrant breach of the duty of care and the lack of action by the administration, along with the financial consequences; reminds the Committee that being refused discharge is a serious matter, requiring immediate action; deeply regrets the lack of decisive action, in particular prevention and reparative measures, by the then director of HR and finance, now secretary-general, until the refusal of the 2018 discharge;

70. Notes that during the 2018 and part of the 2019 discharge procedures, the secretary-general was unable to provide sufficient, transparent and reliable information to Parliament's Committee on Budgetary Control as evidenced by the number of times that the information provided was refuted by whistleblowers, the Committee's trade unions, by the defence team of the victims or by the perpetrator himself; calls on the Committee to take notice of the damages caused to the victims and whistleblowers, both in material and moral terms, resulting from insufficient support and lack of rightful rehabilitation and compensation; is deeply concerned that the victims had to file a complaint because of the inaction of the Committee's administration in the rehabilitation procedure; reminds the Committee of its obligation to protect victims and whistleblowers;

71. Acknowledges that the Committee is striving to further strengthen its capacity to tackle unethical behaviours; notes that a detailed action plan was to be endorsed at the latest by the end of 2020; agrees that the Committee must continue to raise staff and management awareness through more targeted internal communication on the structures already available to help address any kind of difficult situation in the workplace; asks the Committee to make training sessions on ethics and integrity mandatory for its members; requests the Committee to provide Parliament with a complete overview of all actions undertaken;

([2]) 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.

72. Calls on the Committee to swiftly reach a settlement agreement with the victims of harassment and misconduct; considers that the new leadership should take an active role in negotiating a settlement with the victims, with the aim of reaching a fair and satisfactory agreement supported by all sides as well as to avoid any conflicts of interests; expects the settlement with the victims to be based on principle of transparency and decency and to include a public apology, fair conditions in the settlement, the full rehabilitation of the victims in their working environment and guaranteed protection against adverse consequences from the case; strongly opposes the applying of any pressure on victims to sign non-disclosure clauses and to prevent them from confidentially providing any information regarding the settlement to Parliament's Committee on Budgetary Control; calls on the Committee to report in detail on the protective and compensatory measures offered; asks the Committee to report on the current situation of the victims identified;

73. Notes the decisions taken by the general assembly of the Committee with a large majority on 28 January 2021 and welcomes the adoption of a new code of conduct, which repeals and replaces the code adopted in March 2019, and the establishment of a framework dedicated to ethics and integrity; observes that the code of conduct now contains a sanctions regime that is in proportion to the severity of the unethical behaviour; welcomes in particular the introduction of financial sanctions and the possibility of expelling a member from the Committee; urges the Committee to enforce sanctions when necessary, as well as the improved provisions on the declaration of financial interests and on conflict of interest; urges that Parliament, the Council and the Commission be informed of the names of Committee members who are found to be responsible for breaching the code of conduct; congratulates the Committee on the ambitious, comprehensive and reinforced code of conduct which addresses Parliament's observations as well as the relevant recommendations of the European Ombudsman; notes with satisfaction the emphasis on the appropriate behaviour of Committee members and the respect of the dignity and integrity of the members of staff; expects a strict observance by the members as well as a coherent attitude by the Committee's political leadership, including the three internal groups representing employers, workers and civil society;

74. Underlines that on the basis of the observations made by Parliament's Committee on Budgetary Control, the report by OLAF and the reflections of the Committee's advisory committee on the conduct of members, the Committee set up a joint internal working group on the ethical framework with a mandate to review all potential gaps in the current framework with a view to recommending improvements; notes that the advisory committee also has the opportunity of liaising with the joint internal working group in order to ensure coherence of the overall ethical framework within the Committee and to explore possible synergies; notes that the advisory committee on the conduct of members became the ethics committee and that a provision on the appointment of reserve members has been added, as well as the possibility for one of its members to recuse himself or herself or to be removed if found guilty of breaching the code of conduct; welcomes the fact that the Committee now has explicit investigative powers in order to carry out its mission and may also seek advice from external experts; strongly suggests that the ethics Committee establishes permanent consultation with the Committee's legal service, rather than optional consultation, especially when an investigation is opened; notes that the Committee has also updated its ethics and integrity framework through the adoption of an action plan for a stronger ethics framework which entered into force on 7 January 2021; expects a robust and reliable set of measures regarding protection, prohibition of retaliation and support for victims;

75. Notes that the mandate given by the bureau in June 2020 to draft proposals to revise the code of conduct and the provisions of the rules of procedure concerning the code of conduct was postponed by the bureau on 15 September 2020 because a particular member, acting as president of Group 1, advised that the advisory committee's decision on the rules of procedure be carried over to after October 2020; is concerned that that particular member who was found responsible for harassment was still active in the bureau after the OLAF recommendation and managed to delay the adoption of the new code of conduct for members;

76. Asks the Committee to provide its legal service with a formal working strategy to ensure that it 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; considers the replies received to the questions in this regard insufficient and asks the Committee to report to Parliament on what has been done to include its legal service in a more systematic and independent manner;

77. Appreciates that an internal audit on ethics and integrity will take the form of a mapping exercise followed by an analysis aimed at establishing a comprehensive overview of rules, standards and measures in relation to ethics and integrity; notes that the audit will also tackle issues such as gifts and entertainment, outside activities and assignments, conflicts of interests and post-Union employment;

78. Is concerned that despite the bureau decision of July 2020 on 1 December 2020 the Bureau approved the establishment of the investigated member as representative of Group 1 for the category on transport, automatically putting him in contact with staff of Group 1, including his victims;

79. Welcomes the meeting held with OLAF in July 2019 in order to clarify the interpretation of the administrative agreement between OLAF and the Committee so that possible harassment cases related to members are considered as high priority; notes that at this stage, the Committee cannot rely on an external independent investigative capacity for harassment cases (apart from OLAF); notes that the contacts with the network of agencies and with the disciplinary office of the Commission have not been conclusive to date; appreciates that this issue is also currently being looked into as part of the ongoing revision of the decision on administrative enquiries;

80. Emphasises in relation to the OLAF findings of harassment against a member of the Committee and pursuant to the decision of 9 June 2020 of the Committee's bureau that the member in question was fully discharged from all tasks related to the management and administration of the Group I secretariat's staff until the end of his mandate; notes that on 7 September 2020 the member withdrew his candidacy for the position of the president of the Committee; regrets that, given the legal principle of non-retroactivity of sanctions, the enforced sanctions regime under the revised code of conduct cannot be applied in this specific case; is, however, gravely concerned that the perpetrator has been appointed by the Council as member for a new mandate; and that victims and whistleblowers risk facing retaliation by him or by people supporting him in the Committee; highlights the fact that he does not acknowledge or regret his wrongdoings, which demonstrates a complete lack of self-reflection and respect for the victims concerned;

81. Reiterates its concern of the fact that the Committee's website still features a statement by the member concerned in his capacity as president of Group I that is in reality a personal testimony of self-defence with the aggravating factor that the cases mentioned are either pending or expected before the Union judicial authorities and the Belgian authorities;

82. Notes that in the context of the application for interim measures lodged by the above mentioned member with the General Court (*KN v EESC*, T-377/20), seeking to suspend the execution of the decision of 9 June 2020 of the Committee's bureau, the General Court rejected the application as it did not meet the condition of urgency; notes that the main proceedings in the case, seeking the annulment of the abovementioned decision, are ongoing;

83. Notes that the plenary session of the Committee on 15 and 16 July 2020 confirmed the decision of 9 June 2020 of the bureau as regards the Committee joining as a civil party in the procedure that will be opened by the Brussels Labour Auditor before the Brussels Criminal Court; notes that the Brussels Labour Auditor has been informed of the waiving of the member's immunity, but no further information about the proceedings have been received to date;

84. Is deeply concerned that in April 2021, the EESC is still failing in its duty of care towards the victims of harassment and grave misconduct given the fact it only concluded settlement agreements with two out of the four victims and has not yet published the public apology it promised.