RESOLUTION (EU) 2019/2225 OF THE EUROPEAN PARLIAMENT

of 23 October 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 II — European Council and Council

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 II — European Council and Council,

— 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 (A9-0010/2019),

A. whereas all Union institutions must be transparent and fully accountable to all the citizens of the Union for the funds entrusted to them to perform their duties;

B. whereas Parliament is the sole directly elected body among the Union institutions, with the responsibility to grant discharge in respect of the implementation of the general budget of the European Union;

C. whereas the procedure of giving discharge separately to the individual Union institutions and bodies is a long-standing practice accepted by all the other institutions except the Council, and whereas this procedure has been developed to guarantee transparency and democratic accountability towards Union citizens and to pursue the necessary fight against fraud;

1. Recalls that the Union institutions have administrative autonomy in matters relating to their respective operations; underlines the importance of them acting responsibly and professionally in the implementation of their budgets;

2. Underlines the role of Parliament within the discharge procedure, as governed by the Treaty on the Functioning of the European Union and the Financial Regulation and that, in full acknowledgment of the Council's role as an institution giving recommendations in the discharge procedure, a distinction must be maintained in respect of the different roles of Parliament and the Council in order to comply with the institutional framework laid down in the Treaties and in the Financial Regulation;

3. Recalls that Parliament grants discharge to the other institutions after considering the documents provided, the replies given to the questions and after hearing the secretaries-general of the other institutions; reiterates that the Council must take part fully and in good faith in the annual discharge procedure, just as the other institutions do; regrets the difficulties encountered in the Council discharge procedures to date;

4. Regrets that the Council again failed to provide answers to the written questions sent by Parliament and that the Secretary-General of the Council did not attend the hearing organised on 27 November 2018 in the context of the annual discharge procedure; further regrets that the Council also did not reply to the observations made by Parliament in its discharge resolution of 26 March 2019, thereby disregarding the role of the Parliament;

5. Recalls the difficulties repeatedly encountered in the Council discharge procedures to date due to the lack of cooperation from the Council which led Parliament to refuse to grant discharge to the Secretary-General of the Council in relation to the financial years 2009 to 2016 and to postpone its decision on discharge in March 2019 for the financial year 2017;

6. Notes that the Council replied to the proposal of Parliament's Committee on Budgetary Control on the Council discharge procedure on 2 May 2018 with an amended proposal, and that Parliament's Committee on Budgetary Control sent its reaction to the Council's amended proposal on 16 July 2018; urges the Council to react to the latest proposal swiftly so that the new arrangements for the discharge procedure can be applied as soon as possible;

7. Regrets that the request to separate the budget of the European Council and the Council into one budget for each institution, made by Parliament in previous discharge resolutions, has not been considered; insists on this separation that will contribute to increased transparency in the financial management of both institutions and improve their accountability and expenditure efficiency;

8. Reiterates its concern at the very high amount of appropriations being carried over from 2017 to 2018, particularly those in respect of furniture, technical equipment, transport and computer systems; reminds the Council that carry-overs are exceptions to the principle of annuality and should reflect actual needs; deplores, further, the Council's failure to give sufficient information on real estate policy;

9. Welcomes efforts to further improve its financial management and performance such as the harmonisation of budget planning at a central level by integrating Multiannual Activity and Budget Planning (MABP);

10. Acknowledges improvements in the Council's process of administrative modernisation, for example that internal rules for reporting serious irregularities are published on the Council's website along with a guide to ethics and conduct for members of staff of the Council; calls on the Council to raise awareness about these rules and to ensure that all members of staff are properly informed of their rights;

11. Recalls that the Council agreed on the Commission proposal for a mandatory transparency register on 6 December 2017, but has still not implemented it; strongly deplores the Council's failure to participate in the transparency register scheme; strongly calls on the Council to continue discussions on the technical aspects of the package of instruments regarding the Transparency Register in order to achieve a political agreement between the three institutions as soon as possible, given that enhanced transparency within in the Union institutions will increase public confidence in the Union;

12. Emphasises that Parliament in a plenary vote backed the European Ombudsman's proposals related to the European Ombudsman's recommendations and suggestions to the Council to allow citizens to follow the legislative process of the Union more easily (transparency of the Council legislative process, OI/2/2017/TE); recalls that the Council should, among other things, systematically record the position of each Member State in the Council preparatory bodies, develop clear and publicly available criteria for the designation of documents as 'LIMITE', in line with Union law, and develop a dedicated webpage for each legislative proposal and improve the user-friendliness of the public register of documents;

13. Reiterates that the Council ought to be transparent and fully accountable to Union citizens for the funds entrusted to it as a Union institution;

14. Insists that an effective budgetary control exercise requires cooperation between Parliament and the Council with due respect for their respective roles; considers that satisfactory cooperation between both institutions in the form of an open and formal dialogue procedure would be a positive sign to send to the citizens of the Union;

15. Expresses its concerns about the information reported by the European media regarding the corporate sponsorship of Member States hosting the Union Presidency and echoes the concerns expressed by Union citizens and Members of Parliament; acknowledges that the Member States are expected to finance their own Presidencies and regrets that resorting to corporate sponsorship to cover some of their expenses in this regards has become common practice in recent years; is highly concerned about the possible reputational damage and the risk of loss of trust that this practice may incur on the Union, its institutions and especially to the Council in the eyes of the citizens of the Union; suggests that the Council adopt guidelines in order to promote the financial transparency and independency of the Presidencies; strongly recommends the Council to envisage budgetisation of the Presidencies; will closely monitor the conclusions of the enquiry of the European Ombudsman related to this matter; requests the Council to forward this concern to the Member States, in particular to the current trio Presidency;

16. Is encouraged by the fact that the Council considers it necessary to address the discharge procedure and is open to arriving at an agreement with Parliament on how to cooperate in this regard as rapidly as possible.