

**RESOLUTION (EU) 2019/1409 OF THE EUROPEAN PARLIAMENT
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 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 94 of and Annex IV to its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control (A8-0096/2019),
- A. whereas all Union institutions ought to be transparent and fully accountable to the citizens of the Union for the funds entrusted to them as Union institutions;
- B. whereas openness and transparency in Union administration and protection of the Union's financial interests both require an open and transparent discharge procedure whereby every Union institution is accountable the budget which it executes;
- C. whereas the European Council and the Council, as Union institutions, should be democratically accountable towards the citizens of the Union in so far as they are beneficiaries of the general budget of the European Union;
- D. whereas the Parliament's role in respect of the budget discharge is specified in the Treaty on the Functioning of the European Union (TFEU) and in the Financial Regulation;
1. Notes that in its 2017 annual report, the Court of Auditors observed that no significant weaknesses had been identified with respect to the audited topics relating to human resources and procurement for the European Council and Council;
 2. Notes that in 2017 the European Council and Council had an overall budget of EUR 561 576 000 (compared with EUR 545 054 000 in 2016), with a global implementation rate of 93,8 % compared to 93,5 % in 2016;
 3. 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); notes that expenditure plans and the draft budget are based on activities (projects, programmes and recurring activities);
 4. Notes the increase of EUR 16,5 million (3 %) in the budget of the European Council and Council in 2017 compared to an increase of 0,6 % in 2016;
 5. 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;
 6. Reiterates that the budget of the European Council and the budget of the Council should be separated in order to contribute to transparency in the financial management of the institutions and to improve the accountability of both institutions;
 7. Welcomes the fact that a reduction of 5 % in staff numbers over the period 2013-2017 has been achieved in accordance with the interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management ⁽¹⁾; notes the efforts to streamline the organisation through transformations in the establishment plan as part of continuing administrative modernisation;
 8. Notes that a total of 1 629 women and 1 141 men were employed at the Council; notes that only 29 % of senior management posts were held by women; calls on the Council to take such measures as are necessary to improve gender balance in management positions;

⁽¹⁾ OJ C 373, 20.12.2013, p. 1

9. Notes that an overview of human resources broken down by gender and nationality is published on the Council's websites; reiterates its call on the Council to provide a more detailed overview broken down by type of contract, grade, gender, and nationality and an overview of how these figures compare with the previous year;
10. Welcomes the information regarding the occupational activities of a former senior official of the General Secretariat of the Council (GSC) who left the service in 2017;
11. Welcomes the information provided on the Council's building strategy in the Final Financial Statements of 2017; notes that in July 2017, the Belgian State and the GSC concluded negotiations on the final price for the Europa building, agreeing on a final price of EUR 312 143 710,53, as well as on the acquisition of four additional plots of land surrounding Council's buildings for an amount of EUR 4 672 944; notes that the final agreement was expected to be signed in 2018; notes that all amounts relating to the final settlement of the Europa building were paid or accrued in 2017;
12. Welcomes the transition to the new version of the Community eco-management and audit scheme (EMAS) and ISO 14001 and the publication of the 'Environmental Statement 2017', which sets out the environmental management system of the Council; welcomes the Council's measures to improve its waste management, increase its energy efficiency and reduce its carbon footprint and encourages it to continue with its efforts in this direction;
13. Notes 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;
14. Takes note that despite the mandate to begin negotiations with Parliament and Commission on the Council's participation in the Transparency Register taken on 6 December 2017, the Council has still not joined the Transparency Register; calls on the Council to follow up the negotiations and to reach a successful outcome with representatives of Parliament and Commission in order for the Council to finally join the Transparency Register;

Future cooperation between Council and Parliament

15. 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 which again shows a complete lack of cooperation on the Council's side; stresses that the expenditure of Council must be scrutinised in the same way as that of other institutions and points out that the fundamental elements of such scrutiny have been laid down in its discharge resolutions of the past years; points out that Parliament is the only institution directly elected by Union citizens and that its role in the discharge procedure is directly connected with citizens' right to be informed on how public money is spent;
16. Underlines that, pursuant to the Treaties, Parliament is the only discharge authority of the Union, and that, in full acknowledgement of 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 Council in order to comply with the institutional framework laid down in the Treaties and in the Financial Regulation;
17. Recalls the difficulties repeatedly encountered in the discharge procedures to date due to a lack of cooperation from the Council and recalls that Parliament refused to grant discharge to the Secretary-General of the Council in relation to the financial years 2009 to 2016;
18. Notes that Parliament submitted a proposal for a cooperation procedure between both institutions on 9 November 2018; notes that the Council replied to Parliament's proposal on the Council discharge exercise procedure on 2 May 2018 with an amended proposal, and that Parliament's Committee on Budgetary Control sent its reaction to Council's amended proposal on 21 July 2018; urges the Council to react to the latest proposals from the Budgetary Control Committee swiftly, so that the new arrangements for the discharge exercise can be applied as soon as possible;
19. Welcomes 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;
20. Recalls that under Article 335 TFEU, 'the Union shall be represented by each of the institutions, by virtue of their administrative autonomy, in matters relating to their respective operation' and that accordingly, taking into account Article 55 of the Financial Regulation, the institutions are individually responsible for the implementation of their budgets;

21. Emphasises Parliament's prerogative to grant discharge pursuant to Articles 316, 317 and 319 TFEU, in line with current interpretation and practice, namely to grant discharge in respect of each heading of the budget separately in order to maintain transparency and ensure democratic accountability towards Union taxpayers.
 22. Calls on the Council to speed up its procedure for the discharge recommendations, with the goal to enable discharge in year n+1; asks the Council to fulfil its particular role and to give discharge recommendations to the other Union institutions.
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