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★ **Decision (EU, Euratom) 2022/1828 of the European Parliament of 4 May 2022 on discharge in respect of the implementation of the budget of the European Joint Undertaking for ITER and the Development of Fusion Energy (F4E) for the financial year 2020** 481

★ **Resolution (EU) 2022/1829 of the European Parliament of 4 May 2022 with observations forming an integral part of the decision on discharge in respect of the implementation of the budget for the European Joint Undertaking for ITER and the Development of Fusion Energy (F4E) for the financial year 2020** 483

★ **Decision (EU, Euratom) 2022/1830 of the European Parliament of 4 May 2022 on the closure of the accounts of the European Joint Undertaking for ITER and the Development of Fusion Energy (F4E) for the financial year 2020** 489

★ **Decision (EU) 2022/1831 of the European Parliament of 4 May 2022 on discharge in respect of the implementation of the budget of the SESAR Joint Undertaking (now the Single European Sky ATM Research 3 Joint Undertaking) for the financial year 2020** 490

★ **Resolution (EU) 2022/1832 of the European Parliament of 4 May 2022 with observations forming an integral part of the decision on discharge in respect of the implementation of the budget for the SESAR Joint Undertaking (now the Single European Sky ATM Research 3 Joint Undertaking) for the financial year 2020** 492

★ **Decision (EU) 2022/1833 of the European Parliament of 4 May 2022 on the closure of the accounts of the SESAR Joint Undertaking (now the Single European Sky ATM Research 3 Joint Undertaking) for the financial year 2020** 497

★ **Decision (EU) 2022/1834 of the European Parliament of 4 May 2022 on discharge in respect of the implementation of the budget of the Shift2Rail Joint Undertaking (now the Europe's Rail Joint Undertaking) for the financial year 2020** 499

★ **Resolution (EU) 2022/1835 of the European Parliament of 4 May 2022 with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the Shift2Rail Joint Undertaking (now the Europe's Rail Joint Undertaking) for the financial year 2020** 501

★ **Decision (EU) 2022/1836 of the European Parliament of 4 May 2022 on the closure of the accounts of the Shift2Rail Joint Undertaking (now the Europe's Rail Joint Undertaking) for the financial year 2020** 506

★ **Decision (EU) 2022/1837 of the European Parliament of 4 May 2022 on discharge in respect of the implementation of the budget of the European High Performance Computing Joint Undertaking for the financial year 2020** 508

★ **Resolution (EU) 2022/1838 of the European Parliament of 4 May 2022 with observations forming an integral part of the decision on discharge in respect of the implementation of the budget for the European High Performance Computing Joint Undertaking for the financial year 2020** 510

★ **Decision (EU) 2022/1839 of the European Parliament of 4 May 2022 on the closure of the accounts of the European High Performance Computing Joint Undertaking for the financial year 2020** 514

II

(Non-legislative acts)

DECISIONS

DECISION (EU) 2022/1686 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section I – European Parliament

THE EUROPEAN PARLIAMENT,

— having regard to the general budget of the European Union for the financial year 2020 ([1]),

— having regard to the consolidated annual accounts of the European Union for the financial year 2020 (COM(2021)381 – C9-0259/2021) ([2]),

— having regard to the report on budgetary and financial management for the financial year 2020, Section I – European Parliament ([3]),

— having regard to the Internal Auditor's annual report for the financial year 2020,

— having regard to the Court of Auditors' annual report on the implementation of the budget for the financial year 2020, together with the institutions' replies ([4]),

— having regard to the statement of assurance ([5]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to Article 314(10) and Article 318 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([6]), and in particular Articles 260, 261 and 262 thereof,

— having regard to the Bureau decision of 10 December 2018 on the Internal Rules on the implementation of the European Parliament's budget, and in particular Article 34 thereof,

— having regard to Rule 100 and Rule 104(3) of, and Annex V to, its Rules of Procedure,

— having regard to the report of the Committee on Budgetary Control (A9-0044/2022),

([1]) OJ L 57, 27.2.2020.
([2]) OJ C 436, 28.10.2021, p. 1.
([3]) OJ C 281, 13.7.2021, p. 1.
([4]) OJ C 430, 25.10.2021, p. 7.
([5]) OJ C 436, 28.10.2021, p. 207.
([6]) OJ L 193, 30.7.2018, p. 1.

A. whereas the President adopted Parliament's accounts for the financial year 2020 on 9 June 2021;

B. whereas the Secretary-General, as the principal authorising officer by delegation, certified, on 25 June 2021, his reasonable assurance that the resources assigned for Parliament's budget have been used for their intended purpose, in accordance with the principles of sound financial management and that control procedures established give the necessary guarantees concerning the legality and regularity of the underlying transactions;

C. whereas the Court of Auditors stated in its audit that, in its specific assessment of administrative and other expenditure in 2020, it did not identify any serious weaknesses in the annual activity reports of the institutions and bodies it examined as required by Regulation (EU, Euratom) 2018/1046;

D. whereas Article 262(1) of Regulation (EU, Euratom) 2018/1046 requires each Union institution to take all appropriate steps to act on the observations accompanying Parliament's discharge decision;

1. Grants its President discharge in respect of the implementation of the budget of the European Parliament for the financial year 2020;

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 Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1687 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

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 2020, Section I – European Parliament

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 2020, Section I – European Parliament,

— having regard to Rule 100 and Rule 104(3) of, and Annex V to, its Rules of Procedure,

— having regard to the report of the Committee on Budgetary Control (A9-0044/2022),

A. whereas, in his certification of the final accounts, the European Parliament's (the 'Parliament') accounting officer stated his reasonable assurance that the accounts, in all material aspects, present fairly the financial position, the results of the operations and the cash-flow of Parliament;

B. whereas, in accordance with the usual procedure, 191 questions were sent to Parliament's administration and written replies were received and discussed publicly by Parliament's Committee on Budgetary Control, in the presence of the vice-president responsible for the budget, the Secretary-General, the director of the Authority for European Political Parties and European Political Foundations (the 'Authority') and the internal auditor;

C. whereas there is always scope for improvement in terms of quality, efficiency and effectiveness in the management of public finances, scrutiny is necessary to ensure that political leadership and Parliament's administration are held accountable to Union citizens;

Parliament's budgetary and financial management

1. Notes that Parliament's final appropriations for 2020 totalled EUR 2 038 745 000, or 18,1 % of heading V of the Multiannual Financial Framework ([1]) set aside for the 2020 administrative expenditure of the Union institutions as a whole, representing a 2,1 % increase over the 2019 budget (EUR 1 996 978 262), but at the same time a 0,4 % decrease in its relative share in the overall budget;

2. Notes that total revenue entered in the accounts as of 31 December 2020 was EUR 203 449 523 (compared to EUR 207 521 070 in 2019), including EUR 33 567 305 in assigned revenue (compared to EUR 36 566 236 in 2019);

3. Emphasises that four chapters accounted for 67,6 % of total commitments: Chapter 1 0 (Members of the institution), Chapter 1 2 (Officials and temporary members of staff), Chapter 2 0 (Buildings and associated costs) and Chapter 4 2 (Expenditure relating to parliamentary assistance), indicating a high level of rigidity for the major part of Parliament's expenditure;

4. Notes the figures on the basis of which Parliament's accounts for the financial year 2020 were closed, namely:

(a) **Available appropriations (EUR)**	
appropriations for 2020:	2 038 745 000
non-automatic carry-overs from financial year 2019:	—
automatic carry-overs from financial year 2019:	274 260 660
appropriations corresponding to assigned revenue for 2020:	33 567 305

([1]) Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020 (OJ L 347, 20.12.2013, p. 884).

carry-overs corresponding to assigned revenue from 2019:	32 413 449
Total:	2 378 986 414
(b) **Utilisation of appropriations in the financial year 2020 (EUR)**	
commitments:	2 258 910 984
payments made:	1 862 291 046
appropriations carried forward automatically including those arising from assigned revenue:	395 843 062
appropriations carried forward non-automatically:	74 900 000
appropriations cancelled:	44 577 406
(c) **Budgetary receipts (EUR)**	
received in 2020:	203 449 523
(d) **Total balance sheet at 31 December 2020 (EUR)**	1 690 096 152

5. Points out that 95,7 % of the appropriations entered in Parliament's budget, amounting to EUR 1 950 750 955, were committed, with a cancellation rate of 0,8 %; notes with satisfaction that, as in previous years, a very high level of budget implementation was achieved; notes that payments totalled EUR 1 590 035 012, resulting in a payment appropriation execution rate of 81,5 %;

6. Underlines the fact that the cancelled appropriations for the year 2020 amounting to EUR 17 292 007, mainly related to expenditure related to buildings, production and dissemination, as well as to remuneration, computing and telecommunications;

7. Notes that twelve transfers were approved, in accordance with Articles 31 and 49 of the Financial Regulation, in the financial year 2020, amounting to EUR 183 933 785 or 9 % of final appropriations; observes that 76,4 % of the funds transferred related to Parliament's buildings policy and for the most part, to fund the purchase of the Wiertz building and the annual payments for the Adenauer II building project;

The Court of Auditor's opinions on the reliability of the 2020 accounts and on the legality and regularity of the transactions underlying those accounts

8. Recalls that the Court of Auditors (the 'Court') performs a specific assessment of administrative and other expenditure as a single policy group for all Union institutions; highlights that administrative and related expenditure includes expenditure on human resources (salaries, allowances and pensions), accounting for 60 % of the total, and on buildings, equipment, energy, communications and information technology;

9. Notes that the overall audit evidence indicates that spending on administration is not affected by a material level of error;

10. Notes with concern the specific finding by the Court, in its annual report on the implementation of the budget concerning the financial year 2020, of errors in two payments: (i) an over-payment for IT services caused by an incorrect application of contract terms and (ii) an incorrect payment of a subsistence allowance to a Member, following a mistake in an attendance list; regrets that the control system in place did not prevent nor detect those mistakes; calls on Parliament to explain how those mistakes arose and measures taken to correct them and to ensure that they cannot happen again in the future and to ensure that it only pays daily allowances to Members who qualify for them by the end of 2022;

11. Notes the response given by Parliament in the adversarial procedure which accepted the Court's recommendation; notes that in 2019 Parliament launched a project to automate the registration of attendance with biometric technology in the central attendance register and signed a contract for this project at the end of 2020; stresses that the large-scale processing of biometric data should be avoided; asks the Bureau to develop an alternative solution that does not involve the processing of biometric data and ensures that only Members entitled to the daily subsistence allowance actually receive it; regrets the fact that this project was pursued despite the European Data Protection Supervisor's adverse opinion at the end of March 2021 and reiterated in its Annual Report 2021, where it was stated that Parliament should consider less intrusive alternatives with regard to data protection;

12. Emphasises that the Court examined more in particular the Union institutions' public procurement procedures for the purchase of personal protective equipment for their members of staff in 2020; notes that the Court checked three procurement procedures organised by Parliament to purchase protective masks, temperature detectors and COVID-19 tests; regrets the cost caused by successive decisions to purchase and use different models of temperature detectors until the most suitable one for the current needs was found; underlines that the urgent procurement of equipment in the early stages of the COVID-19 pandemic was challenging due to surging demand and competition between contracting authorities and countries; notes that the Court, in one case related to the purchase of fabric masks, found that the requirements set by Parliament in the tender specifications were too broad to allow assessment of compliance, and that the successful bidders did not include full evidence in their offer that all minimum quality requirements were met at the time of contracting, such as evidence related to compliance with technical specifications or to the durability of masks;

The internal auditor's annual report

13. Notes that, at the meeting between the committee responsible and the internal auditor held on 30 November 2021, the internal auditor presented his annual report and described the assurance audits he performed and reported on, which in 2020 covered the following topics:

— audit of visitor groups (Directorate-General for Communication (DG COMM));

— audit of financing of European political parties and European political foundations (Directorate-General for Finance (DG FINS));

— second report on information systems audit: identity and access management (DG IPOL, DG FINS, DG LINC, DG TRAD and DG ITEC);

— preliminary review of Parliament's data protection framework;

— follow-up of open actions from internal audit reports - phases 1 and 2 of 2020;

14. Welcomes and supports the following actions that the internal auditor has agreed with the directorates-general responsible, as a result of the assurance assignments:

— with regard to the audit of visitor groups, increasing the assurance of the regularity of payments and efficiency of implementation of the rules on financial contributions, including better definitions of eligible costs and conditions for their payment and of the eligibility period for each visit; increasing the alignment between the contribution and the real costs directly linked to the visit; finalising *ex post* controls for 2017 and initiating an annual control programme for all subsequent years to date, and reinforcing *ex ante* controls over reimbursements; ratifying the contractual obligations of travel agencies to Parliament when they act as heads of groups; clarifying the rules governing the visitor groups to mitigate the risk of assimilating the financial contribution to activities not directly linked to the visitor group's programme;

— with regard to the first phase of the audit of financing of European political parties and European political foundations, acknowledging that the Authority for European Political Parties and European Political Foundations (the 'Authority') had very limited resources at its inception for setting up new management and control procedures; considering that there are still areas of joint or overlapping responsibilities between the Authority and DG FINS that provide scope for further enhancement of the cooperation foreseen by the main legislation governing the registration process, i.e. Regulation (EU) 1141/2014 of the European Parliament and of the Council ([2]), and in particular Article 28 thereof; identifying a number of provisions governing the registration process in the Regulation for which there may be scope to enhance the clarity, comprehensiveness and ease of application;

— concerning the second report on information systems audit: identity and access management, reducing to an absolute minimum the provision of privileged access rights to the application database in the production environment; strengthening access controls to the applications' databases and application-to-application accounts; strengthening the management of the individual access rights in order to define access control rules and better monitor individual access rights;

— with regard to the preliminary review of Parliament's data protection framework, which was adopted on 17 February 2021, reinforcing data controllers' capacity to comply with Regulation (EU) 2018/1725 ([3]), and increasing awareness among members of staff processing personal data; ensuring that the data protection service is adequately staffed; ensuring an urgent update of Parliament's central register of processing activities dealing with personal data; enhancing the security level of IT systems that process personal data; improving the management of the removal of access;

15. Notes that the 2020 follow-up process resulted in the closure of 61 of the 108 open actions analysed and for which the agreed due dates for implementation had expired; notes that among the remaining 47 open actions from audit reports concerned, 15 of those actions address significant risk; regrets that some of the actions mentioned above were recommended several years ago but remain unimplemented; expects the different directorates-general to ensure that the overdue actions are closed without any further delay and that the agreed actions will be implemented in accordance with the due dates set in the internal auditor's annual report; calls on the Secretary-General to report back to the discharge authority on the closure of the remaining actions in the course of his hearings in Parliament's Committee on Budgetary Control in September and November 2022;

16. Notes that pursuant to Article 118(9) of the Financial Regulation, Parliament's internal audit reports are not available to the public once the internal auditor has finalised them; notes that in practice they are only published once all recommendations have been implemented; regrets that this results in a *de facto* delay of publication for several years; also regrets that Members may only read them in the secure reading room for as long as recommended measures have not been implemented; calls on the Bureau to allow Members to have immediate and full access to the internal audit reports; further calls on the Bureau to make each internal audit report available to the public one year after its finalisation, once the internal auditor has validated the actions taken to implement the previous year's recommendations; recalls that a validation of recommendations does not require all recommendations to be fully implemented;

Follow-up by Parliament's administration and the Bureau to previous discharge resolutions

17. Takes note of the written answers to the 2019 discharge resolution provided to Parliament's Committee on Budgetary Control on 17 September 2021, and of the Secretary-General's presentation addressing the various questions and requests raised in Parliament's resolution on discharge for 2019 and the exchange of views with Members that followed;

([2]) Regulation (EU, Euratom) No 1141/2014 of the European Parliament and of the Council of 22 October 2014 on the statute and funding of European political parties and European political foundations (OJ L 317, 4.11.2014, p. 1).

([3]) Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39).

18. Notes that once the Plenary calls for different rules or measures to be implemented by Parliament, such proposed rules or measures are discussed and voted on by the Bureau, pursuant to Rule 25 of and Annex V to the Rules of Procedure and Articles 6 and 166 of the Financial Regulation, as well as by Parliament's administration; notes that the Bureau has been mandated by the Plenary to decide all administrative, staff and organisational matters concerning Members; stresses the importance of the discharge procedure and asks that all discharge decisions passed by the Plenary should be thoroughly followed up;

19. Asks the Secretary-General to forward this resolution to the Bureau, highlighting all requests for action or decisions by the Bureau; calls on the Secretary-General to establish a plan of action and a timetable enabling the Bureau to follow-up and/or to respond to the demands and recommendations contained in Parliament's discharge resolutions and to include the actions taken and implemented in the annual monitoring document; asks the Secretary-General and the vice-president responsible for budget to hold regular discussions with Parliament's Committee on Budgetary Control on issues concerning the implementation of the said action plan;

20. Reiterates its request to the Bureau to ensure greater visibility in its decision-making process, particularly with regard to the timely publication of relevant documents and information on its website;

21. Asks the administration to consider approving Bureau minutes in written procedure to prevent a *de facto* delay of publication of at least one month until the Bureau reconvenes to approve the minutes, and once adopted for the minutes to be made accessible without delay on both Parliament's intranet and internet site;

22. Notes that the presence of Parliament's officials in Union delegations or other bodies aims to strengthen Parliament's relations with regional organisation; reiterates, however, the concern about the Bureau decision of 11 February 2019 regarding parliamentary support to the European Union Mission to ASEAN in Jakarta, the Delegation of the European Union to the African Union in Addis Ababa and the Delegation of the European Union to the United Nations in New York; calls for a thorough cost-benefit analysis to justify any new decision, measurable indicators to assess annual performance, and that Parliament's Committee on Budgetary Control be kept informed;

COVID-19

23. Recalls that the year 2020 was marked by the challenges brought about by the COVID-19 pandemic, which resulted in fundamental changes to Parliament's way of working; welcomes the fact that from the onset of and throughout the pandemic crisis, Parliament has taken often unprecedented decisions aimed at minimising the risk for Members and members of staff, while ensuring that Parliament remains in a position to continue its core activities, while also showing practical solidarity with the host communities;

24. Welcomes the fact that in 2020 a COVID-19 testing centre was set up in Brussels in Parliament's premises, and that testing facilities were also created in Luxembourg and Strasbourg;

25. Welcomes the fact that Parliament has been able to ensure the above through its organisational resilience and ability to apply new working methods, in particular teleworking and remote participation;

26. Appreciates the remarkable efforts of Parliament and its IT services during 2020 to immediately provide members, staff, accredited parliamentary assistants (APAs) and trainees with electronic devices to work remotely; asks, however, to know the buying criteria for the devices and which practical considerations influenced the decision to buy the currently used surface devices; underlines with concern the amount of technical issues with the devices among Members and APAs, such as abrupt disconnections, lost documents, overheating, short battery capacity, and poor connectivity during video calls;

27. Regrets the situation of the Schuman trainees with a traineeship from March to July 2020, who were teleworking from the second week of their traineeship; notes that the Commission and the Council had given their trainees the option to come back in October to restart a full 5-month traineeship; regrets the decision of the Directorate-General for Personnel (DG PERS) to only give the Schuman trainees that option if they interrupted their current internship; calls on the DG PERS to ensure equal treatment of its trainees in similar situations;

28. Welcomes the fact that digitalised processes included the organisation of remote meetings and remote voting systems in plenary and parliamentary committees, allowed Parliament to continue its work, including during the Strasbourg part-sessions which were suspended for most of 2020; notes that the suspension of Strasbourg part-sessions contributed to total savings of EUR 26 260 608 according to Parliament's Secretariat while also significantly reducing Parliament's carbon footprint; acknowledges the temporary nature of these extraordinary circumstances; calls on the President to allow for the option of remote participation of Members until the COVID-19 pandemic is brought to safe levels;

29. Welcomes, in terms of remote participation, the fact that the deployment of a complex, multilingual solution, which would normally require months, if not years, was implemented in a few weeks; highlights that a remote voting system was created in accordance with the relevant provisions of the Electoral Act and the Members' Statute, and that that system, which has been in place since March 2020, has been constantly upgraded and improved; commends the fact that from March until October 2020 that voting system has allowed for 143 voting sessions and nearly 10 000 voting operations;

30. Stresses the serious risks of hearing problems as a result of the switch to remote meetings for Parliament's interpreters having to rely on often very poor sound quality from remote-mode interventions; underlines the efforts made by the interpreters in that regard and calls on the Bureau to remind participants to use adequate speaking equipment in order to minimise the disturbances and sometimes poor quality of connection; recalls that interpreters have in the past rightly refused to interpret if the sound quality did not allow for it;

31. Underlines that interpretation is vital for the functioning of committees and parliamentary life; recognises that due to the sudden and disruptive changes caused by the pandemic and consequent sanitary restrictions, the administration had to quickly find feasible solutions to provide interpretation services; stresses that some committee sessions did not have all required languages, thus complicating participation of some members and diminishing their options to interact; understands that the three working languages are English, French and German but strongly highlights that any of the 24 official languages should be provided upon request of Members;

32. Calls on the Secretary-General, in the general context of the COVID-19 pandemic, to require all external companies providing their services in Parliament to guarantee the employment rights and working conditions of their staff and to strictly comply with the measures adopted by the government in the context of the pandemic;

33. Draws attention to the fact that certain sanitary measures, although necessary, have significantly worsened the working conditions in certain services, with the prominent example of the staff employed in the copy shop working still in isolation from the public after months; calls for the applicable measures in similar future situations to take into account the protection of workers' mental health;

34. Regrets that voting remotely is currently not provided for under Parliament's Rules of Procedure unless the President establishes the existence of extraordinary circumstances;

35. Notes the fact that there is no system in place to ensure that Members, who are temporarily absent for a justified reason such as maternity and paternity leave, can continue to carry out their core duties; deems this problematic as it can negatively impact citizens' representation in Parliament; underlines that there is a risk of discrimination against Members and their voters when such arrangements are not provided for; emphasises that a vote for a female member of Parliament should not lead to a lack of representation, which is of concern given that younger, particularly female Members and their voters are disproportionally affected by the lack of maternity and parental leave arrangements in Parliament; recalls that the situation for national members of parliament in these same situations differs between Member States; calls on Parliament's Committee on Constitutional Affairs to provide for feasible, temporarily limited solutions for Members who are absent for justified reasons to speak in debates and vote or be temporarily substituted by revising Parliament's Rules of Procedure and the European Electoral Law; recalls that daily allowances remain linked to physical presence at Parliament's places of work;

36. Welcomes Parliament's efforts, and particularly the personal engagement of former President Sassoli in this issue, to provide daily solidarity meals and shelters for vulnerable women in the three places of work, as decided by the Bureau; further welcomes the fact that around 65 drivers volunteered to drive doctors, nurses and other medical staff to their night shifts in hospital in the first year of the COVID-19 pandemic;

37. Welcomes the fact that Parliament distributed reusable facial fabric masks to members of staff at the beginning of the COVID-19 pandemic; notes that medical face masks EN14683 or FFP2 respiratory protective devices have been required to be worn while in Parliament's buildings in order to reinforce the protection of Members and staff as well as to further reduce the release of infectious respiratory particles;

38. Commends Parliament's services on their decision to continue facilitating hybrid press conferences after the pandemic since this can facilitate the reporting on European affairs for journalists who are not present in Strasbourg or Brussels; recommends that audio-visual and other facilities in Brussels, Strasbourg and the European Parliament liaison offices be developed further, including by increasing VoxBox capacity and modernising the press conference rooms in Strasbourg and Brussels to make them more suitable for hybrid press conferences;

Environmental footprint of Parliament's operations

39. Stresses that Parliament needs to be at the forefront of adopting more digital, flexible and energy-efficient working methods and meeting practices, learning from the experiences of the COVID-19 pandemic and capitalising on the investments in technology already implemented; notes that on the initiative of former President Sassoli, focus groups on 'Rethinking Parliamentary Democracy - A stronger European Parliament after Covid-19' discussed the future of work within Parliament between April and July 2021 pertaining to each of their fields of action: plenary, parliamentary prerogatives, communication, external diplomacy and internal organisation; notes that the focus groups delivered a final report including recommendations, the implementation of which will be discussed by the Bureau;

40. Calls on Parliament to re-evaluate its Community eco-management and audit scheme (EMAS) targets for 2023 in light of the COVID-19 pandemic; reiterates its call to amend its current CO_2 reduction plan for reaching carbon neutrality using an internationally recognised method when it has been validated as, for example, an internal carbon pricing (ICP) mechanism by which companies voluntarily price their carbon footprint and thereby put a value on their greenhouse gas emissions;

41. Notes that three of Parliament's buildings in Brussels (Martens, Campoamor and Wayenberg nursery) have recently been awarded an internationally recognised environmental certification on sustainability, a BREEAM Excellence, confirming the long-standing policy and actions by Parliament to gradually transform its buildings portfolio into an environmentally exemplary one; notes that presently, on Parliament's Brussels site, four buildings (a quarter of the total number of buildings - Spinelli, Campoamor, Arendt, Montoyer-Science) are equipped with photovoltaic panels, and that these installations represent a cumulative surface area of less than 2 % of the total roof surface of Parliament's buildings in Brussels; notes that three new photovoltaic installations (100 m^2 on the Montoyer 70 building, 200 m^2 on the Spinelli building and 52 m^2 of replacement of the current solar panels by photovoltaic ones on the Brandt building) will be completed by the end of 2022 (and this represents an increase of 64 %, in 2022, of the total surface equipped with photovoltaic panels);

42. Notes that there are currently no photovoltaic panels on any of Parliament's buildings in Strasbourg as the emphasis has been placed on more efficient means of saving energy, i.e. by installing new highly efficient heat pumps; notes that the feasibility studies based on which it was decided not to install solar panels on the roofs in Strasbourg date back to 2011 and reiterates that prices for solar panels have decreased by more than 80 % since 2010; invites the Bureau to evaluate the installation of photovoltaic panels by 2023, taking into account technical feasibility and cost effectiveness;

43. Welcomes the installation of heat pumps and cogeneration in the buildings in Strasbourg and Brussels to produce renewable electricity and heat; further welcomes that the new Adenauer building in Luxembourg was built using the most modern environmental techniques available, including geothermal and solar energy and full use of daylight; calls on Parliament to further increase the share of renewable energy in its energy mix and, in particular, energy production, and to phase out fossil fuels as soon as possible; calls on Parliament to publish the energy certificates of all Parliament's buildings;

44. Recalls that efficient lighting solutions are an essential factor for the sustainability of buildings; welcomes that the replacement of existing lighting with low-energy LED lights is evaluated whenever possible and feasible in Parliament's buildings; regrets that not all offices in Parliament's three places of work are equipped with motion detectors and that it appears that the motion detectors in several offices in the Spinelli building do not work; calls on Parliament to ensure that fully functioning motion detectors are installed wherever feasible to reduce energy consumption;

45. Welcomes the fact that the extension of the Wayenberg nursery in Brussels, completed in September 2020, is the first passive building of Parliament; invites the Bureau to initiate in 2022 technical studies to identify additional possibilities to further reduce energy consumption and increase the production of renewable energy and to implement them as soon as possible;

46. Recalls that nearly two thirds of Parliament's carbon footprint originates from the transport of people; calls for a reflection on the expansion of voluntary teleworking to more days and functions, whenever relevant and provided it does not disturb parliamentary work; keeping in mind the importance of physical presence, recalls that Parliament introduced working groups on Parliament's future work; calls on Parliament to take the focus groups' conclusions into account; calls to prioritise low-carbon transport modes for missions, where appropriate;

47. Welcomes the gradual shift to zero-emission vehicles in Parliament's car service fleet; calls for the service fleet to be fully electric by 2024 at the latest;

48. Calls for an appropriate increase in the number of electric vehicle chargers in line with present and near future demand; calls for additional bicycle parking spaces; calls for the creation of adequate cargo bike parking spaces to ensure that regular bike parking spaces are accessible for regular bike riders;

49. Notes that Parliament's food waste amounted to 0,055-0,068 kg per meal served between 2018 and 2020; welcomes Parliament's efforts to reduce food waste by gathering and delivering leftover food to 'front line' organisations who deliver it to people in need; calls on Parliament to continue to explore ways of reducing food waste even further;

50. Welcomes the introduction of a wider and more sustainable food choice, including the introduction of a greater variety of vegetarian and vegan products, in Parliament's canteens; suggests an increase in the variety of vegetarian and vegan meals served in Parliament's canteens; further requests that at least one fresh gluten-free meal option is available each day and that allergy and diet information is displayed visibly on the food cards next to the counters;

51. Recalls that according to the Treaty on European Union, and in particular Protocol No 6 annexed to the Treaties, Parliament shall have its seat in Strasbourg, where the 12 periods of monthly plenary sessions, including the budget session, shall be held; recalls the support by the vast majority of Parliament for a single seat to ensure efficient spending of Union taxpayers' money and to assume its institutional responsibility to reduce its carbon footprint; notes that permanent changes would require a Treaty change; recalls that Parliament's plenary has previously requested a debate on its right to determine its own working arrangements and committed itself to initiating an ordinary Treaty revision procedure under Article 48 of the Treaty on the European Union with a view to proposing changes necessary to the Treaty on the Functioning of the European Union and Protocol 6 to allow it to decide on the location of its seat and its internal organisation ([4])

52. Reiterates its call on Parliament to introduce a user-friendly online booking system for the use of Parliament's car services to travel to Strasbourg to be operational once regular sessions in Strasbourg resume; further calls on Parliament to widen the user group to also include members of staff, group staff and APAs without the requirement for Members to accompany them;

Transparency and ethics

53. Welcomes the fact that ethical and transparency standards applicable to Parliament are in many respects ahead of those applicable in the Member State equivalents; considers that Parliament should strive to lead by example with regard to setting Europe-wide ethics and transparency standards; supports the strengthening of the existing ethical rules by providing Members with guidance and support;

54. Notes with satisfaction that, since the start of the 9th parliamentary term, the necessary infrastructure to enable Members to publicise scheduled meetings with interest representatives has been available on Parliament's website with a view to improving transparency; calls on Parliament's services to expand the infrastructure to allow APAs and policy advisers to voluntarily publish their meetings with interest representatives; recalls that Rule 11 of the Rules of Procedure obliges rapporteurs, shadows and committee chairs to publish their meetings with interest representatives; notes with concern that as of 30 April 2021, only 380 out of the 705 current Members had publicised at least one meeting with an interest representative on Parliament's website; further notes that 10 out of the 24 committee chairs have published none or just a single meeting with an interest representative since the start of the 9th parliamentary term; recalls that the information, reminder notices and emails on the obligation to publish meetings should be sent to all Members at more regular intervals;

55. Recalls the President's written reply dated of April 2020 to the joint letter from Parliament's Anti-Corruption Intergroup, which, in particular, agreed to implement a number of changes to the tool for publishing Members' meetings with interest representatives to improve its user-friendliness, first and foremost by linking it to the transparency register and to the legislative observatory; regrets that these practical improvements have not yet been implemented; asks Parliament's administration to effectively establish this link as soon as it is feasible without undue practical obstacles;

56. Welcomes the fact that, with effect from July 2021, the 2011 interinstitutional agreement on a common transparency register has been replaced by a new tripartite agreement, in which the Council participates; notes that the quality of entries regarding the activities of interest representatives in the transparency register has improved over recent years and commends, despite limited resources, the role of the joint secretariat in that improvement; regrets, however, that the overall quality of entries remains unsatisfactory, with the Secretariat's check of around 40 % of entries over the course of 2020 finding that only 43 % of checked entries provided satisfactory data quality, a number similar to 2019; welcomes the allocation of an additional 1,5 full-time equivalent (FTE) posts for the Secretariat; urges the Secretariat to use these for further reducing the number of registrations with sub-optimal data;

([4]) Report A7-0350/2013 available at https://www.europarl.europa.eu/doceo/document/A-7-2013-0350_EN.pdf

57. Recalls that according to Rule 176(2) of Parliament's Rules of Procedure, once a penalty that was imposed by the President upon a Member becomes final, it is to be published prominently on Parliament's website and shall remain there for the rest of the term, in line with the legal principles of sound conduct of investigation, presumption of innocence, and protection of personal rights; calls for reflection on whether penalties are currently published prominently enough;

58. Deplores the fact that Members are participating in unofficial election observation missions, as well as the expenditure incurred on these missions, believes such missions jeopardise Parliament's reputation; notes eight such instances in 2020 were linked to Crimea and Venezuela; calls on the Bureau and democracy support and election coordination group to extend the duration of barring the Members concerned from undertaking official election observation missions from one year to the entire mandate, where this is not already the case;

59. Calls on Parliament to publish a list of all friendship groups in Parliament on its website;

60. Reiterates that Article 4 of the Code of Conduct provides, with respect to financial interests and conflicts of interest, that the Members' declarations of financial interests shall be provided in a detailed manner; repeats its call on the Bureau to review the format of the declarations to require more detail and thus clarity; asks the President to instruct the services to systematically carry out thorough checks of the declarations to ensure that the information provided therein is sufficiently detailed to allow for an assessment of any potential conflict of interest;

61. Recalls that according to Article 5 of Annex I to the Rules of Procedure relating to the Implementing Measures for the Code of Conduct, Members shall refrain from accepting, in the performance of their duties, any gifts or similar benefits, other than those with an approximate value of less than EUR 150, and that any gifts presented to Members when they are representing Parliament in an official capacity shall be handed over to the President; notes that the Members' Administration Unit should frequently remind Members of the obligation to notify the President of the receipt of a gift received in an official capacity; calls on the Bureau to introduce a standard form to be filled in at the end of delegation visits by all participating Members, declaring whether they received any personal or delegation gifts and their value;

62. Is concerned that out of the 459 Members of the 8th parliamentary term that were not re-elected in 2019, Parliament received only one notification on post-mandate employment pursuant to Article 6 of the Code of Conduct; points out that notifications could help to prevent conflicts of interest, while also preventing former Members who engage in professional lobbying or representational activities directly linked to the Union's decision-making process from benefiting from facilities granted to former Members; calls therefore on Parliament to improve the implementation of the Code of Conduct, in this regard also draws attention to the resolution to the 2019 European Parliament discharge, in which the discharge authority calls for an independent assessment on whether or not post-mandate activities of Members create conflicts of interest; once again calls on Parliament's services to conduct such an assessment;

63. Welcomes Parliament's services' ongoing project to make plenary voting records available on a dedicated space where users will have access to clear and reader-friendly documents, and notes the new layout for the roll-call votes in which the individual voting record of each Member will be published, giving the option of visualising the distribution of votes according to, inter alia, political group affiliation and/or nationality; regrets that it is not yet technically possible for Parliament's services to allow for the display of the text of each amendment along with the voting record as it is offered by several private providers; calls on Parliament's services to make available all amendments and roll-call voting records; also calls on the services to extend the information available to include up-to-date timetables and voting lists, including the final compromises agreed on by the rapporteur and shadows, as per the recommendations from the focus group on strengthening parliamentary prerogatives; further asks Parliament's services to provide the possibility to Members to test a beta version of the new tool and provide feedback to be taken into account during the development of the tool;

64. Takes note of 18 investigations carried out by Parliament's services in 2020 into the misuse of allowances in which the offices of 12 Members were involved (compared to 6 Members previously), with total amounts at risk amounting to EUR 1 318 000 (compared to EUR 560 000 in 2019); commends Parliament's services for their investigations in this regard, while also pointing to the need to continue monitoring the development of the number and types of cases involved;

65. Takes note of the fact that there were again no cases of whistleblowing recorded by Parliament in 2020; recalls that the most recent cases of whistleblowing date back to 2016 and that each of the three APAs concerned were subsequently dismissed; recalls that, among others, APAs are in a vulnerable position due to their special employment situation; calls on Parliament to fully adapt its own internal rules contained in the Staff Regulations to Directive (EU) 2019/1937 of the European Parliament and of the Council ([5]), including by setting up secure channels for reporting; further notes that whistleblowers deserve proper protection, similar to that of victims of harassment, and that this should also include the establishment of an advisory committee to deal with the protection of whistleblowers; regrets that there is little awareness among staff of the existence of a contact point for whistleblowers in the Secretary General's cabinet and is of the opinion that this contact point cannot replace a fully-fledged advisory committee; calls on the Bureau to require training for contact points receiving whistleblower disclosures and to adopt clear and legally certain standards regarding which cases require protection to be granted to the whistleblower, including for APAs, and to publish those standards; requests Parliament to raise awareness, where possible, among parliamentary staff of their whistleblower protections;

66. Notes with concern the unclear rules and obligations pertaining to retention periods of documents for Members, in particular those concerning personal and financial information as well as staff information; calls on the Bureau to establish clear, comprehensible and binding rules that duly take into account the number of documents to be stored and their retention method; strongly stresses that rules must be proportionate, do not increase bureaucracy, and are cost adequate; notes that archive activities are to be financed under the general expenditure allowance expenses;

67. Recalls that pursuant to Rule 11(4) of Parliament's Rules of Procedure, Parliament already provides Members with the possibility of publishing a voluntary audit or confirmation of their general expenditure allowance expenses; notes that five voluntary declarations on the use of the general expenditure allowance were submitted during the calendar year 2020; calls on Parliament's services to send an annual reminder to Members in relation to this possibility; calls on the Bureau to regularly inform the discharge authority of the number of Members who have followed these recommendations;

68. Highlights the fact that the 2018 Bureau decision on the general expenditure allowance stipulates that the Bureau will maintain this decision until the end of 2022 and will evaluate it on the basis of the experience gained during the 9th parliamentary term;

69. Expresses its regret over the fact that the Bureau has not fully implemented the will of the Plenary expressed on several occasions to reform the General Expenditure Allowance (GEA), thereby preventing Union taxpayers' money, which amounts to 40 million Euro per year, from being spent in a more transparent and accountable manner; repeats its call for a reform of the GEA that would establish sample checks by Parliament's services on 5% of Members' GEA expenditure, and that would oblige Members to keep all receipts pertaining to the GEA, to annually publish an overview of expenditure by category as well as an independent auditor's opinion on Parliament's website, and to return the unspent share of the GEA at the end of the mandate; notes that the requested sample checks would pertain to checking 36 randomly selected Members per year and, based on a calculation by DG FINS, would require a maximum of 4 to 6 FTE posts;

([5]) Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law (OJ L 305, 26.11.2019, p. 17).

70. Recalls that the European Ombudsman, in her recommendation of 29 April 2019, in case 1651/2018/THH, found that Parliament's refusal to grant public access to documents related to the revision of the list of expenses that might be covered by the GEA, constituted maladministration and recommended granting public access to a proposal from the Parliament Bureau's ad hoc Working Group, including the options listed in that proposal; regrets that Parliament rejected the Ombudsman's recommendation and urges Parliament's administration to reconsider granting public access to the documents in question;

Staff, accredited parliamentary assistants and local assistants

71. Welcomes the fact that the Bureau, at its meeting of 5 July 2021, approved an amendment to Article 40 of its decision of 14 April 2014 on implementing measures for Title VII of the Conditions of Employment of Other Servants of the European Union to enable APAs, at their request, to be paid in euros in any bank within the Union;

72. Recalls that current rules on the termination of contract for APAs do not foresee the possibility of a termination by 'mutual consent', which would be a way to recognise the special political relation between Members and APAs, where both parties can acknowledge the mutual trust no longer exists, and can benefit from a common solution without undermining the APAs' social rights; regrets that this request has been included in several Parliament discharge resolutions without receiving a satisfactory response, and expects action to be taken as soon as possible;

73. Reiterates its demand for APAs to receive the same subsistence allowance as the statutory personnel for their missions to attend the part-sessions in Strasbourg; acknowledges that any change to the legal framework, namely the Bureau decision on 2 October 2017, would require a revision of the applicable rules and thus, instructs the Secretary-General to submit this request for decision to the Bureau;

74. Draws attention to the fact that the allowances for APAs on missions outside the three places of work of the Parliament have not been updated by the Commission since Commission Decision C(2002)98 of 24 January 2002, with a consequent increase in the gap between these allowances and current prices; calls on the Secretary-General to report to the Bureau so that Parliament formally requests the Commission to review the allowances;

75. Regrets that no follow-up is given to the long-standing request to reconsider the possibility for APAs, under certain conditions to be determined, to accompany Members on official Parliament delegations and missions, as already requested by several discharge resolutions; calls on the Secretary-General to investigate the budgetary consequences, and the organisation and logistics of these missions;

76. Rejects the compulsory appointment of APAs as representatives to deal with the Belgian authorities for the processing of the residence permit of third country trainees in Members' offices; calls for an immediate revision of the applicable rules so that the administration takes over this function;

77. Commends the exceptional work accomplished by the APA Front Office during 2020 in dealing with the professional difficulties encountered by APAs due to the COVID-19 pandemic, both in Parliament's places of work and in the countries of origin;

78. Reiterates that APAs should not be compelled to be appointed as heads of visitors' groups and therefore assimilate the responsibility attached to the financial contribution offered by the Parliament to sponsored groups; insists on its demand that APAs be eliminated from the possibilities, leaving only a member of the sponsored group or a professional such as paying agents or travel agencies as heads of groups;

79. Highlights that, as from mid-March 2020, Parliament's administration went from an occasional teleworking scheme to teleworking being implemented between 70 % and 100 %, depending on the lockdown measure in force and on the need for physical presence;

80. Takes note of the efforts of both Parliament and the Commission to ensure former APAs from the British delegations can transfer acquired pension rights to pension funds in the United Kingdom; calls on Parliament to ensure a solution is found;

81. Calls on the Bureau to establish a system to allow APAs to take unpaid leave under similar rules as those applied to temporary or contract staff, who can take up to twelve months unpaid leave during their career;

82. Notes that, in June and November 2020, Parliament conducted two institution-wide surveys among its members of staff on the future use of teleworking; recognises that the results of both surveys showed a high level of staff satisfaction with teleworking and that members of staff embrace a broader use of teleworking in the post-pandemic period; requests that as long as risks of infection with COVID-19 remain reasonably high even for vaccinated individuals, members of staff belonging to high risk groups should, upon providing proof of their condition, retain the possibility of teleworking full-time;

83. Commends Parliament's introduction of a range of measures to support the work-life balance of staff during the business-continuity teleworking, especially for those with more challenging personal circumstances; notes that the measures included flexibility (in terms of working time and output) for members of staff with demanding family situations, the possibility to work part-time outside the place of employment for members of staff that needed to take care of direct relatives, allowing carers of children with a disability to work 50 % with no corresponding loss of income during the period when schools and facilities for children with a disability were closed, and a temporary derogation from Staff Regulations to allow vulnerable members of staff to telework 100 % from their country of origin; calls on Parliament to ensure that the application procedure for such special schemes is well-communicated and clear and to avoid delays in granting the schemes;

84. Welcomes the possibility offered by the Secretary-General's decision of 31 March 2021 to work away from the place of employment; regrets, however, that this was only possible on a part-time basis with a corresponding reduction of salary; regrets that such decision forced staff and APAs out of Belgium at that time to choose between loss of earnings or returning to Parliament's places of work, at a time when traveling was strongly discouraged; notes with satisfaction that the Bureau, on 17 April 2021, acknowledged the unsound nature of this decision and established a series of criteria under which APAs would be able to telework full time (including medical conditions, travel restrictions and border closures); notes with great concern that the obligation to telework from the place of employment during periods of near-complete lockdown has increased feelings of isolation and fuelled mental health problems among members of staff; calls on the administration to lift the obligation for all categories of staff, including trainees, in the future to telework from their place of employment in such exceptional and time-limited periods such as periods of near-complete lockdowns in place during parts of 2020;

85. Notes that creating the permanent possibility for members of staff to telework from anywhere, under conditions to be specified, entails a great number of advantages for both members of staff and institutions including the improvement of staff well-being and increasing Parliament's attractiveness as an employer, financial savings made through, inter alia, a reduced need for office space, a reduced environmental impact from staff commutes and a closer link between the Union institutions and citizens in Member States other than Belgium, France and Luxembourg; calls on Parliament to enter into an inter-institutional discussion with a view to reviewing the decision obliging staff to telework exclusively from their place of employment in exceptional circumstances, e.g. under the condition of temporarily forfeiting their expat allowance;

86. Commends, at the level of the General Secretariat, Parliament's support to members of staff through reinforcing existing resources and putting in place new measures, such as two helplines, psychological consultations and group sessions, social assistance, confidential counselling, and a network of mental health first aiders; welcomes the fact that a diverse set of awareness-raising initiatives and psychosocial support resources were offered to members of staff, including free online mindfulness classes for all members of staff from October 2020;

87. Notes that two directorates-general put in place specific policies framing the right to disconnect while five others raised awareness among managers of the right to disconnect; calls upon Parliament to adopt guidelines on the right to disconnect including every category of staff for every directorate-general and make sure all directorates-general put such guidelines in place;

88. Welcomes the achievements made so far as a result Parliament's gender mainstreaming policy, in reaching gender parity at the level of directors, and 41,9 % of heads of unit posts being occupied by women; notes that there is still significant room for improvement at the level of directors-general with currently only 23,1 % of these posts being occupied by women; welcomes the fact that the Bureau approved on 13 January 2020 new and more ambitious targets for gender balance in senior and middle management posts in Parliament's secretariat to be achieved by 2024: 50 % female heads of unit, 50 % female directors and 40 % female directors-general; reiterates that it is essential for staff representatives to be heard when the Bureau discusses general matters affecting its staff policy, and repeats its request to the Secretary-General to take the appropriate measures to implement this key approach; reiterates its request to the Secretary-General to take further steps to ensure transparency and fairness during senior management appointment procedures, in particular in light of the judgment of the Court of Justice of the European Union (Court of Justice) of 14 July 2021 in Case T-670/19, *Carbajo Ferrero v Parliament* ([6]); notes the limitations through Article 3, fourth paragraph, of Annex III of the Staff Regulations concerning the participation of staff representatives in senior management selection panels; requests, furthermore, to ensure consistency when it comes to external publications of senior management posts and diligence in the publication of these posts as and when they fall vacant;

89. Reiterates its call to the Secretary-General to insist on the importance of all recruitment being based on competency, while also respecting the need for geographical balance of all Member States at all levels of staff; is concerned by the difficulties encountered in recruiting certain nationalities and bringing certain job profiles in-house; requests further efforts to ensure that employment at Parliament is equally attractive to all Union nationalities; calls on Parliament to build its own outreach capacity, with the goal of attracting quality candidates, that Parliament needs, to competitions, in terms of profile, age, gender and nationality and in particular candidates under-represented countries;

90. Recalls the staff committee's resolution of 18 October 2021 on a new scheme put in place to offer contract agent posts to trainees; is of the opinion that recruitment procedures must be merit-based, competitive, fair and transparent while there must be no privileged access to contract agent posts or discrimination against staff and APAs; asks the administration to reconsider the new scheme involving the staff representatives in the process;

91. Proposes that, in line with the fact that promoting equal opportunities remains a key component of Parliament's human resource management policy, a greater focus is placed on equal opportunities for all, in particular increasing the number of people with disabilities working in Parliament's administration; notes that within the Bureau a high-level group on gender equality and diversity already exists and requests that it conduct a study of effective measures taken in Member States and internationally to increase the participation of people with disabilities in the work place, including legislative measures; requests that the high-level group reports back to the Bureau with concrete suggestions once the study has been undertaken and the results analysed; calls for ambitious targets to be urgently set and for them to be achieved over a short time frame;

92. Notes with serious concern that 17 new harassment cases were opened in 2020; stresses that efforts still need to be made to ensure that the two advisory committees dealing with harassment complaints concerning Members and all members of staff gain more trust from victims of harassment, who may fear that their career or position in Parliament would be at stake if they go through the whole harassment procedure, gather evidence and build their case; urges the Bureau and Secretariat to implement the actions as repeatedly called for in the resolutions on harassment of 26 October 2017 (217/2897 (RSP)) ([7]), 28 November 2019 (2019/2855 (RSP)) ([8]) and 10 December 2021 (2021/2986 (RSP)) ([9]), including, notably, publishing the results of an external audit on the current anti-harassment structure in place and making anti-harassment training mandatory for all Members and members of staff, including persons in managerial roles in the different directorates-general and political groups;

([6]) Judgment of the General Court of 14 July 2021, T-670/19, *Fernando Carbajo Ferrero v European Parliament*, ECLI:EU:T:2021:435.
([7]) Texts adopted, P8_TA(2017)0417.
([8]) Texts adopted, P9_TA(2019)0080.
([9]) Texts adopted, P9_TA(2021)0514.

93. Further calls on Parliament to ensure that reimbursement procedures for psychological treatment for any victim of harassment are not overly bureaucratic and are processed quickly;

94. Recalls that Article 1.7 of the cleaning contract specifies that contractors must comply with social and labour law obligations as provided for by Union law, national law and collective agreements or by international obligations in social and labour law; recalls that where the responsible Parliament services detect or receive any information on possible breaches, and on the condition that the persons concerned have, to no avail, already raised the issue with their managers, the union representatives and the external service for prevention and well-being of the company, the relevant authorities need to be contacted; notes that neither an inspection of the national service *'Contrôle des lois sociales/Direction de Bruxelles'* (2020) nor an analysis by the psychosocial department of the external service for prevention and protection at work in Brussels (2020) found any legal breaches related to social laws and working conditions for cleaning staff; calls for an immediate launch of a survey, conducted by an external company to guarantee confidentiality and anonymity for the respondents, that aims to reflect the actual state of the company's employee satisfaction levels, engagement, commitment, loyalty, motivation, etc. and to identify weaknesses, problems or opportunities for improvement within the current cleaning company; calls on Parliament to take all necessary precautions to ensure that the highest standards of labour law for cleaning staff, are being upheld by external contractors, in particular with regard to psychological pressure and working conditions;

95. Calls on Parliament to ensure that working plans for members of staff in shift work, including in particular members of staff in the Directorate-General for Security, are communicated well in advance and avoid modifications at short notice wherever possible;

96. Welcomes the completion of the new wing at the Wayenberg crèche; regrets the successive changes and prolonged closures of sections due to the internal COVID-19 protocol which were communicated with minimal notice and without time to react; calls for a review of the COVID-19 health protocols to bring them in line with national protocols and to ensure that this important service continues to be provided as much as possible; calls on the DG PERS to make sure that changes in the crèche's working time arrangements are introduced and communicated to parents in due time to allow them to perform their working obligations with minimum interruptions; reiterates its call to DG PERS to conduct a satisfaction survey among both the crèche's employees and children's parents to regularly get relevant feedback on the provider; takes note that a new call for tender in relation to the management of the Wayenberg crèche was launched in 2021 and that the new service provider took over on 1 February 2022; calls on DG PERS to closely follow the quality of services of the new provider, which retained existing workers in accordance with Belgian labour law; calls for a constant monitoring to ensure that the new provider offers good working conditions that help retain quality personnel;

97. Calls for the timetables of Parliament's staff and APAs to be taken into account in order to adapt the opening hours of the services provided within the Parliament, particularly the Sport Club, to provide service beyond peak working hours and thus allow a greater number of users to access them;

98. Welcomes Parliament's efforts to provide daily solidarity meals which have helped to reduce the financial, economic and social impact on its caterers and their employees; notes that Parliament is seeking to save as many jobs as possible that are reasonable from an employment point of view but also justifiable in the context of proper use of Parliament's budget;

Building policy

99. Recalls that throughout 2020, the administration continued the implementation of Parliament's 'Building Strategy Beyond 2019' as endorsed by the Bureau in April 2018; observes that that building strategy endorses flexibility as a key principle for allocating offices to both Members and members of staff and allows the space available to be used in an adjustable manner while adapting to all possible situations in the post-COVID-19 period;

100. Notes that the decision to discontinue the distribution of warm water in Members' offices in Brussels and Strasbourg was taken by the Quaestors on 24 October 2017 in connection with the health risk posed by the presence of harmful Legionella bacteria within the ageing and deteriorating hydraulic systems of the buildings; stresses that the fight against Legionella bacteria is one of the most important tasks in the field of water treatment and disinfection; asks the Secretariat to call for an in-depth study in order to find adequate solutions to this long-standing issue;

101. Supports a debate on the space needs of Parliament in light of the effects of the COVID-19 pandemic, current and future increase in teleworking and, if appropriate, for the adaptation of its long-term building strategy; encourages the review of the building policy to see if a dedicated office space for each member of staff remains necessary, as a change might result in office space savings; encourages the administration to pool workstations as much as possible in accordance with members of staff's teleworking, while continuing to guarantee an office space for each member of staff who so requests; points out, in addition, that consideration should be given to the potentially negative effects on health and staff satisfaction of practices such as open spaces, collaborative spaces and 'hot-desking'; recalls the work done by the focus groups and the working group on buildings and requests their involvement in this debate; invites the Bureau to take the appropriate steps for the implementation of the recommendations of focus group 5, notably concerning the creation of more informal meeting rooms, multi-functional and enhanced video-conferencing rooms in line with Parliament's environmental policy;

102. Highlights that the mopping-up practice has favoured savings of more than EUR 100 million in interest payments in recent years and thus constitutes best practice for the use of taxpayers' money in public institutions; encourages the Bureau to identify additional budget lines that could benefit from this practice; notes that this practice has helped prevent the spending of remaining funds on unnecessary expenses at the end of the year; recalls that the mopping-up transfer supports the long-term building strategy of Parliament of owning buildings instead of renting them; recalls that the ramassage enabled Parliament to buy the strategically important Scholl building in 2020 and pay the full buying price in one transaction thus avoiding further financing costs;

103. Notes that an important part of Parliament's building strategy is the new Adenauer building project, which brings all Parliament services operating in Luxembourg under the same roof; observes that the first part of this project (East Wing) was completed in October 2020, and that works to construct the final part - the West Wing - are underway; underlines that as in previous years, Parliament's Committee on Budgets authorised in 2020 a mopping-up transfer for the pre-financing of the project, and that the part of this transfer dedicated to the new Adenauer building amounted to approximately EUR 63,35 million;

104. Recalls that, concerning the acquisition of the Scholl building, at its meeting of 5 October 2020, the Bureau approved the launch of a local property market prospection in Brussels and that Parliament's Committee on Budgets held an exchange of views on this subject at its meeting of 15 October 2020 in the context of Early Information;

105. Understands that, in Brussels, the decision to purchase the Scholl building in 2020 allowed the completion of another step of Parliament's building strategy, and that it will further consolidate Parliament real estate, underpinning the interconnectivity of the central buildings and contribute to improved security; stresses that this purchase was also the subject of a mopping-up transfer, using the financial resources saved during 2020 through, inter alia, reduced travel expenses, amounting to EUR 74,9 million;

106. Notes the purchase of the Scholl building at EUR 74,9 million, while the market price of the building was previously estimated to be between EUR 42 and 65 million; notes that the difference between purchase price and the estimation by the external expert should be analysed against the situation where Parliament would not have acquired the building and would have lost already realised investments; notes that the usufruct contract signed by Parliament in 2009 regretfully did not include an exit clause, which meant that Parliament would have in any case had to pay the full amount for the remaining contractual period (~ EUR 24 million), even if it had not acquired the building;

107. Highlights that, in Brussels, some buildings either currently occupied by Parliament or of major strategic interest due to their location and the related security aspects, are not part of Parliament's portfolio, as was the case with the Scholl building before its acquisition; notes that Parliament's 'Building Strategy Beyond 2019' underlines the importance of owning and interconnecting Parliament central buildings and mentions Trèves II as a building that is in Parliament's interest to acquire; notes that while these criteria are important and should be carefully analysed when proposing the purchase of a new building, they should not be the only criteria considered;

108. Underlines that staff of political groups have specific needs in term of flexible working arrangements which do not fit with the rules applied to the entry of buildings outside the main one (e.g. access not allowed after a certain time or during the weekend); regrets that after the entry into force of the temperature check requirement, the staff located in the Trèves I building have been obliged for some time to have the test done at the Altiero Spinelli building before being allowed to enter the Trèves I building;

109. Express concerns about Trèves I building structural problems; underlines the urgent need for the building to be upgraded to the latest energy and environmental norms; underlines the need for urgent measures to fix the unstable heating system, the lack of air conditioning and toilets for persons with reduced mobility, the poor sound proofing, as well as the sewage problem;

110. Notes that Parliament's Committee on Budgets is responsible for opinions and decisions concerning building-related projects with significant financial implications according to Annex VI to the Rules of Procedure; notes the competences of the Committee on Budgets under Article 266 of the Financial Regulation in relation to buildings of all institutions, bodies and offices, including Parliament; underlines that this includes early information, information on transparent and detailed planning, scrutiny, and decision making as well as the authorisation of projects;

111. Calls on the Bureau to take the new health and safety environment, as well as the increase in remote working, into account as criteria for the selection of proposals of renovation and reconstruction of the Paul-Henri Spaak building, given the change in working practices and potential future decrease in physical presence in Parliament;

112. Expects more transparent and detailed planning and decision-making, including the provision of early information, having due regard to Article 266 of the Financial Regulation, in relation to Parliament's building policy;

113. Takes note of the unanimous decision of the Bureau of 23 October 2019 to approve the creation of an IDEA Lab in 2020 with the aim of testing new, innovative solutions in the context of offices and facility management; notes that the decision of the Bureau was not based on any specific cost estimate; further notes that as part of the IDEA Lab, one Member's office, at a cost of EUR 486 012, and adjacent showroom, at a cost of at least EUR 203 978, were built and equipped over the course of 2020; considers prudent and expedient use of budget allocated to pilot projects of this nature to be important; reminds the Bureau that clear budget lines should be set prior to engaging in such projects and that expenditure should be accounted for transparently; considers the testing of innovative office and facility management solutions useful in general but considers that the costs need to remain reasonable and justifiable; notes that it is important that projects like this benefit from the assessment of a range of Members and APAs in order to guarantee the most valid test results;

114. Recalls the recommendations of focus group 5 in evaluating the IDEA Lab IT tools, which included more and better equipped meeting rooms, offices with remote/web-streaming meeting facilities and improved videoconferencing with a broader range of features;

115. Recalls that during the Bureau meetings of 16 December 2019, 22 July 2020, 24 September 2020, 16 December 2020, and 18 January 2021, the members of the Bureau suggested that the IDEA Lab test solutions in the area of environmental performance, energy efficiency, security(especially electronic locks), IT and teleworking as well as ICT innovation strategy;

116. Notes that as part of the IDEA Lab, the area of and around one office on the 15th floor serves as test area and that this area was substantially adapted at a cost of EUR 629 259 over the course of 2020; recalls that the removal of modular bathrooms in Members' offices has been tested in the IDEA Lab and is considered a potential space gain that could be achieved in all offices during the coming 5-10 years; recalls that only on the 15th floor is it possible to cut and isolate the existing water pipes and adjust the ventilation ducts without permanent water cuts for the other floors;

117. Stresses that currently 20 % of the space is not properly used, such as the copy rooms or space initially intended as server rooms; further notes that the findings of the IDEA Lab will deliver data and experience for future renovation works not only in the Paul-Henri Spaak Building, but also in the Altiero Spinelli building which will be usable for another 20-25 years;

118. Underlines that the Bureau in its constitutive meeting of 26 January 2022 renewed the support for the IDEA Lab; welcomes that the IDEA Lab is now entering a phase in which the reflections that have existed from the beginning can be implemented, namely to integrate the costs of testing and applications on one budget line for the project management of the IDEA Lab on the one hand, and on corresponding budget lines in the directorates-general in charge of the individual applications on the other;

119. Welcomes the fact that the extension of the Wayenberg nursery in Brussels was completed in September 2020; regrets that the works have continued while children and their families have been attending school, in some cases having to pass very close to the works, considering the danger that this entailed; invites the Bureau to initiate in 2022 technical studies to identify additional possibilities to further reduce energy consumption and increase the production of renewable energy, and to implement them as soon as possible;

120. Welcomes the fact that the strategic approach related to the implementation of Europa Experiences in all Member States by the end of 2024, as decided by the Bureau in November 2019, was reinforced in November 2020 with the adoption by the Bureau of a timeline for the deployment of the facilities in all Member States; strongly expresses the view that European Parliament liaison offices and Europa Experiences are some of the best soft tools the Union and Parliament have to promote the work of the institutions and benefits of the Union for citizens; encourages Parliament and the Commission to continue to establish new Europa Experiences in all capitals and locations of strategic importance in view of the next European elections 2024; supports a formalised contract to split the costs for all Europa Experience between the Commission and Parliament to ensure sound long-term financing of the venues;

Cybersecurity

121. Recalls the added-value of free and open-source software in improving security since they make it possible for Parliament to identify and fix weaknesses, keep control over the data by hosting in its servers and designing solutions according to its own specifications, while being able to avoid vendor lock-in effects;

122. Recalls its preference for free and open-source software solutions instead of proprietary ones when considering new internal applications; asks for situations to be reported to the ICT governing bodies when open-source solutions are not chosen;

123. In line with the previous Parliament discharge resolution and in order to significantly increase the confidentiality of its internal communication, asks the relevant services to test the integration and deployment of solutions for instant messaging and virtual meetings that are open source based, hosted in the Parliament's servers, and which enable secure communication such as Matrix and Jitsi;

124. Appreciates the fact that Parliament's services are working to further improve the quality and accessibility of the publicly available data of the institution by adopting open data principles for re-use and redistribution, which were presented to the Bureau working group on ICT Innovation in April 2021; welcomes Parliament's open data portal initiative, which aims to accommodate publicly available datasets in an easily accessible and user-friendly way, as well as provide data in an interoperable, machine-readable format and thus put into practice the open data principles on technical, legal, practical and social openness;

125. Notes that the number of cybersecurity attacks is rising sharply and that those attacks can cause considerable damage to Parliament's IT systems, to the extent that they affect the institution's ability to function; welcomes the fact that the Security-General adopted an information security policy in June 2020, identifying the different categories of data and establishing the related conditions that must be observed for their handling and storage, based on a data protection impact assessment and security assessment; notes with concern the critical issues raised by the Secretary-General regarding cybersecurity, including understaffing; encourages Parliament to quickly take all appropriate measures to bolster both its IT structure and its cybersecurity staff;

126. Notes that a number of Members and their assistants frequently encounter problems when connecting to the Member's mail account on their mobile devices after changing the password of the Member's mail account; calls on Parliament to take all necessary measures to ensure that such technical difficulties do not occur;

Voluntary pension scheme

127. Recalls that as of 31 December 2020, the actuarial deficit of the voluntary pension fund amounted to EUR 371,3 million, compared to EUR 328,6 million as of 31 December 2019;

128. Recalls that the fund was set up in 1990 to provide Members with an additional pension scheme on a voluntary basis; recalls that before the Members' Statute was introduced in 2009, Members were already eligible for a pension equivalent to that of their colleagues in the national parliaments, with the exception of Italian, French and Luxembourgish Members, who could therefore contribute to special pension schemes of the European Parliament, which were created in 1981 solely for the needs of the aforementioned three nationalities; recalls therefore that the voluntary pension fund has always constituted a purely supplementary pension ([10]);

129. Recalls that, at its meeting of 10 December 2018, the Bureau decided to modify the rules applicable to the pension scheme by increasing the retirement age from 63 to 65 years and introducing a levy of 5 % to pension payments for future pensioners with a view to improving its sustainability, to addressing the increasing liquidity problem and to reducing the actuarial deficit and the negative consequences for Union taxpayers; recalls that the Bureau decision of 10 December 2018 applies only to pensions established after 1 January 2019, and that as such, it does not affect beneficiaries who retired before that date;

130. Points out that the Bureau's decision was challenged before the Court of Justice by a number of members of the fund; stresses that in its judgements of 15 September 2021 in joined cases T-720/19 to T-725/19 ([11]), *Richard Ashworth and Others v Parliament*, the Court of Justice concluded that already acquired rights were not impacted by the contested Bureau decision and that the Court of Justice further confirmed the Bureau's competence to adopt decisions aiming to improve the sustainability of the fund; notes that the Court of Justice also concluded that the Bureau decision of 10 December 2018 respected the principle of proportionality; notes that the judgments were delivered on 15 September 2021, and that Parliament is in the process of examining their implications with a view to submitting additional proposals to improve the sustainability of the fund to the Bureau;

131. Observes with concern that the Court of Justice estimates that the fund will be insolvent by 2024, while the fund's last payouts are estimated to be made only by 2091; reiterates that the Bureau's own commitment to guaranteeing the fund does not constitute a legal obligation to guarantee particular levels of payouts of the fund as no contract between the fund and Parliament exists; appeals to the Bureau, the board of directors and the members of the voluntary pension fund to support measures aiming at limiting the deficit of the voluntary pension fund, while considering any further measures in this light;

([10]) https://www.europarl.europa.eu/RegData/etudes/STUD/2021/659763/IPOL_STU(2021)659763_EN.pdf

([11]) Judgment of the General Court of 15 September 2021, *Richard Ashworth and Others v European Parliament*, T-720/19 to T-725/19, ECLI:EU:T:2021:580.

132. Notes with interest that, according to Parliament's Legal Service, it follows from the two judgments that the Court of Justice confirms that acquired rights as such, of Members who have already fulfilled all the necessary conditions for the acquisition of the right to the additional voluntary pension, are fully protected under the general principles of Union law; notes, however, that the judgments also confirm that this does not prevent the Bureau from modifying the conditions as well as modalities of this group of Members on the condition that the principle of proportionality is duly respected, as well as for those Members who have not yet fulfilled all the conditions for the acquisition of pension rights and who therefore only hold future entitlements under the pension scheme, a situation which is further confirmed by the judgement of the Court of Justice of 24 September 2020 in Case C-223/19, *YS v NK* ([12]); asks the administration and the Bureau to guarantee that no taxpayer money is used for any future bail-out; considers that a review of the financial model of the fund would not be sufficient to prevent additional taxpayer money from being used for future payments; urges the Secretary-General therefore to also propose measures on adjusting the modalities of the fund, including a further increase of the retirement age and a reduction of pension benefits paid out;

133. Notes that the Court's audit work on the general budget and financial statements of the Union includes an examination of pension liabilities, including the voluntary pension scheme for Members; once again invites the Court to present a new opinion on the voluntary pension funds, investigating all possible options to limit its deficit, considering that this could help in further investigating measures to manage the funds;

134. Recalls that the 2017 Parliament discharge resolution called for the Secretary-General to come forward with any findings in response to the investigation into the legal foundations of the scheme; underlines that this investigation should be carried out by an independent party;

135. Stresses that Article 27(2) of the statute for Members states that Members who contributed to the fund acquired rights and future entitlements, which shall be maintained in full, and thus, do not cease if the fund terminates; recalls, moreover, that Parliament paid two thirds of the total contributions of the defined benefit pension scheme on a monthly basis, thus underlining its regular participation in the fund; stresses that Members who paid contributions to the voluntary pension fund and acquired rights and future entitlements did so in good faith, thus relying on Parliament to honour its financial obligations;

Joint Sickness Insurance Scheme

136. Notes with concern the lack of understanding within the decision-making and approval forums of the joint sickness insurance scheme (JSIS) when it comes to new treatments, medical trends and not yet approved drugs particularly linked to novel appearances of nervous diseases, autoimmune disorders as well cancer diseases; requests that the relevant bodies within JSIS duly and regularly take into account recent medical developments and knowledge gains when updating the list of eligible treatments and drugs; requests JSIS to show more flexibility when assessing clinical pictures as well as subsequent treatment and therapies that might help a patient; recommends the introduction of expert groups, which can assess and approve not-yet approved treatments, pharmaceutical drugs, and medications to improve the treatment quality of applicants, decrease bureaucratic burden, and accommodate the most recent medical information when handling reimbursement claims;

137. Calls on the Bureau to ensure that JSIS shall provide a coherent and individual explanation for declining a reimbursement request; regrets the culture of declining a reimbursement request in pdf format without the possibility to challenge the decision in person; calls on the Bureau to introduce the possibility for local doctors in charge of the treatment of an applicant to talk to the responsible JSIS unit or expert group to explain the treatment and medical benefits; further expresses its wish to improve the user-friendliness of the application enabling a quicker and more direct follow-up of individual requests;

([12]) Judgment of the Court of Justice of 24 September 2020, *YS v NK*, C-223/19, ECLI:EU:C:2020:753.

Annual report on contracts awarded

138. Recalls that the Financial Regulation specifies the information to be provided to the budgetary authority and to the public concerning the award of contracts by the institution; notes that the Financial Regulation requires publication of contracts awarded with a value greater than EUR 15 000, a value that corresponds to the threshold above which a competitive tendering procedure becomes compulsory;

139. Notes that, of a total of 198 contracts awarded in 2020, 60 were based on open or restricted procedures, with a value of EUR 405,2 million, and 136 were based on negotiated procedures, with a value of EUR 179,1 million; notes that the total number of contracts awarded by negotiated procedures increased in terms of value as a percentage of the total value of contracts awarded from 26 % in 2019 to 31 % in 2020 but declined in terms of volume from EUR 208,53 million in 2019 to EUR 179,1 million in 2020;

140. Notes the following breakdown of contracts by type awarded in 2019 and 2020, including building contracts:

Type of contract	2020		2019	
	Number	Percentage (%)	Number	Percentage (%)
Services	161	81	17 733	78
Supply	21	10	13	15
Works	13	7	2	6
Building	3	2		1
Total	**198**	**100**	**225**	**100**

Type of contract	2020		2019	
	Value (EUR)	Percentage (%)	Value (EUR)	Percentage (%)
Services	457 940 293	77	581 610 182	72
Supply	14 143 825	3	85 741 237	10
Works	28 291 234	5	135 211 526	17
Building	86 812 000	15	4 260 000	1
Total	**587 187 352**	**100**	**806 822 945**	**100**

(Annual report on the contracts awarded by the European Parliament, 2020, p. 6)

141. Notes the following breakdown of contracts awarded in 2020 and 2019 by type of procedure used, in terms of number and value:

Type of procedure	2020		2019	
	Number	Percentage (%)	Number	Percentage (%)
Open	57	29	82	36,44
Restricted	3	2	1	0,44
Negotiated	135	68	141	62,68
CEI list	1	0	0	—
Exceptional	1	0	1	0,44
Innovation partnership	1	1	—	0
Total	**198**	**100**	**225**	**100**

Type of procedure	2020		2019	
	Value (EUR)	Percentage (%)	Value (EUR)	Percentage (%)
Open	400 464 868	68	595 584 380	74
Restricted	4 722 196	1	1 735 269	0
Negotiated	179 199 392	31	208 533 296	26
CEI list	27 000	0	—	—
Exception	16 000	0	970 000	0
Innovation Partnership	2 757 876	0	—	—
Total	**407 987 960**	**100**	**806 822 945**	**100**

(Annual report on the contracts awarded by the European Parliament, 2020, p. 7-8)

142. Notes the fact that 72 % of exceptional negotiated procedures launched in 2020 by Parliament for contracts with a value of more than EUR 15 000 use Point 11.1(b) of Annex I to the Financial Regulation as their legal basis, referring to the use of a single economic operator for technical or artistic reasons, or for reasons connected with the protection of exclusive rights, and that 20 % used Point 11.1(c) of Annex I to the Financial Regulation as their legal basis, which relates to cases of extreme urgency for reasons not attributable to the contracting authority and 2 % (one procedure) used Point 11.1(a) as their legal basis, which relates to services where no tenders or no suitable tenders were submitted; observes, for instance, that the 26 exceptional negotiated procedures used by Parliament's Directorate-General for Parliamentary Research Services in 2020 are based on point 11.1(b) of Annex I to the Financial Regulation relating to a single economic operator and the protection of exclusive rights concerned subscriptions to online databases or press agencies;

143. Welcomes Parliament's intention to introduce sustainability reporting, which will include social aspects of procurement, calls on Parliament to monitor developments in the field of social and sustainable public procurement, such as the OECD work on public procurement and responsible business conduct, as well as the upcoming Union legislation on corporate due diligence; believes that by incorporating responsible business standards in its procurement and purchasing policies, Parliament can lead by example, safeguard public interest and ensure the accountability of public spending; commends the responsible Parliament services for extending Parliament's environmental management system to cover other sustainability elements, as well as the setting up of a working group on socially responsible public procurement;

144. Welcomes the complete removal of thermal cameras produced by Hikvision used on Parliament's premises; calls on Parliament to prevent the purchase and use of products that may have been produced in violation of sustainability standards and human rights in future; is convinced this can be achieved primarily by incorporating human rights and environmental due diligence standards and practices in Parliament's procurement procedures;

145. Notes that there were 1 415 single bidder tenders in 2020, 89 of which concerned contracts above the threshold of EUR 15 000, compared to 1 369 single bidder tenders in 2019, 102 of which concerned contracts above the threshold of EUR 15 000; reiterates that single bidder tenders carry a significant risk to the principle of competition and achieving the best value for public money; reiterates its call on Parliament to investigate the reasons for the apparent lack of competition and to take the necessary measures to reduce the number of single bidder tenders in future procedures;

Political groups (budget item 4 0 0)

146. Notes that, in 2020, the appropriations entered under budget item 4 0 0, attributed to the political groups and non-attached Members, were used as follows ([13]):

Group	2020					2019 ([1])				
	Annual appropriations	Own resources and carried-over appropriations	Expenditure	Rate of use of annual appropriations	Amounts carried-over to next period	Annual appropriations	Own resources and carried-over appropriations	Expenditure	Rate of use of annual appropriations	Amounts carried-over to next period
European People's Party (EPP)	17 239	4 448	11 489	66,65	10 198	17 139	4 253	16 993	99,15	4 399
Progressive Alliance of Socialists and Democrats (S&D)	13 609	5 734	9 533	70,05	9 809	14 611	4 807	13 705	93,80	5 710
Renew Europe (former Alliance of Liberal and Democrats for Europe (ALDE))	9 230	3 847	4 063	44,02	6 922	7 721	1 627	5 510	71,37	3 838
The Greens/European Free Alliance (Greens/EFA)	6 381	2 376	4 054	63,53	4 703	5 573	1 388	4 585	82,27	2 376
Identity and Democracy (ID) ([2])	7 121	1 616	3 976	55,84	4 761	3 244	0	1 629	50,22	1 615
European Conservatives and Reformists (ECR)	5 851	2 272	4 145	70,85	3 978	6 053	1 946	5 730	94,66	2 270
European United Left/Nordic Green Left (GUE/NGL)	3 790	1 536	3 060	80,72	2 266	4 156	1 110	3 731	89,77	1 535
Europe of Freedom and Direct Democracy (EFDD) ([3])	0	0	0	0,00	0	1 851	1 915	1 508	81,45	0
Europe of Nations and Freedom (ENF) ([3])	0	0	0	0,00	0	1 620	653	1 609	99,34	0
Non-attached Members	1 726	738	429	24,82	1 041	2 019	367	481	23,84	738
Total	**64 947**	**22 568**	**40 749**	**62,74**	**43 678**	**63 987**	**18 067**	**55 481**	**86,71**	**22 482**

([1]) 2019 was an electoral year; accounts were submitted by political groups based on semesters. For political groups that continued their activity after the 2019 European elections, the figures for annual appropriations and expenditures refer to the sum of both semesters.
([2]) For political groups that did not exist before the 2019 European elections, figures are for the second semester only.
([3]) For political groups dissolved after the 2019 European elections, figures are for the first semester only.

([13]) All amounts in thousands of EUR.

147. Welcomes the fact that independent external auditors for the political groups issued only unqualified opinions for the financial year 2020;

European political parties and European political foundations

148. Observes that, pursuant to Regulation (EU, Euratom) No 1141/2014, in 2019 the Authority reviewed for the first time the accounts of European political parties and foundations relating to the financial year 2018; welcomes the fact that the second review of the financial accounts of European political parties and political foundations relating to the financial year 2019 showed that they increasingly rely on formats and templates provided by the Authority, which increases the comparability and accuracy of the information submitted;

149. Notes that the vast majority of European political parties' funding comes from public sources and, therefore, requires the highest level of transparency and accountability; underlines that the Authority should provide information covering the registration and financial situation of European political parties and foundations to the greatest extent possible; welcomes the efforts made by the Authority to make a wide array of information accessible to citizens on its website; calls on the Authority to make sure that the documents published in its website are user-friendly, complete and updated and recognises the announcement of the Authority during its hearing to complete a website accessibility benchmarking exercise;

150. Points out that the Authority has limited powers with regard to verifying whether a registered party or foundation is in breach of the Union's core values and has never triggered the complex values compliance procedure thus far; calls for the strengthening of the current administrative set-up of the Authority in order to better monitor its compliance with the relevant rules and the implementation of sanctions, as well as to ensure its complete independence and neutrality;

151. Notes that, in 2020, the appropriations entered under budget item 4 0 2 were used as follows ([14]):

Party (2020)	Abbreviation	Own resources	EP final contribution ([1])	Total revenue	EP contribution as % of reimbursable expenditure (max. 90 %)	Revenue surplus (transfer to reserve or loss)
European People's Party	EPP	1 229 780	6 603 847	7 833 627	90	552 688
Party of European Socialists	PES	1 067 410	5 102 420	6 169 830	90	555 149
Alliance of Liberals and Democrats for Europe Party	ALDE	568 429	3 069 202	3 637 631	90	964 177
European Green Party	EGP	545 613	2 476 829	3 022 442	90	536 571
Party of the European Left	EL	289 330	1 163 617	1 452 947	90	98 874
European Democratic Party	PDE	102 152	289 080	391 232	90	102 842
European Free Alliance	EFA	125 543	695 550	821 093	90	91 784
European Conservatives and Reformists Party	ECR Party	335 408	1 632 616	1 968 024	82	—

([14]) All amounts in thousands of EUR.

Party (2020)	Abbreviation	Own resources	EP final contribution [1]	Total revenue	EP contribution as % of reimbursable expenditure (max. 90 %)	Revenue surplus (transfer to reserve or loss)
European Christian Political Movement	ECPM	84 026	557 375	641 401	90	3 465
Identity and Democracy party	ID Party	154 160	604 526	758 686	90	26 779
Total		**4 501 851**	**22 195 062**	**26 696 913**		**2 932 329**

[1] Composed of second part of 2019 final funding and first part of 2020 final funding according to the Bureau Decision of 14 February 2022.

152. Notes that, in 2020, the appropriations entered under budget item 403 were used as follows [15]:

Foundation (2020)	Abbreviation	Affiliated to party	Own resources	EP final grant	Total revenue	EP grant as % of eligible costs (max. 95 %)	Revenue surplus (transfer to reserve or loss)
Wilfried Martens Centre for European Studies	WMCES	EPP	296 292	3 947 722	4 244 014	95	23 529
Foundation for European Progressive Studies	FEPS	PES	328 973	4 555 512	4 884 485	95	35 590
European Liberal Forum	ELF	ALDE	298 273	2 710 157	3 008 430	95	136 821
Green European Foundation	GEF	EGP	116 727	1 965 047	2 081 774	95	7 093
Transform Europe	TE	EL	69 685	1 102 913	1 172 598	95	6 805
Institute of European Democrats	IED	PDE	25 517	448 110	473 627	95	0
Coppieters Foundation	Coppieters	EFA	63 243	515 401	578 644	95	19 056
New Direction - Foundation for European Reform	ND	ECR Party	183 131	1 678 350	1 861 481	95	61 993
Sallux	SALLUX	ECPM	21 278	299 291	320 569	95	3 307
Association pour l'Identite et Democratie Fondation	ID Foundation	ID Party	35 501	456 075	491 576	95	—
Total			**1 438 620**	**17 678 578**	**19 117 198**		**294 193**

[15] All amounts in thousands of EUR.

153. Recalls that, in accordance with Article 38 of Regulation (EU, Euratom) No 1141/2014, Parliament adopted its report on the application of that regulation on 26 October 2021 ([16]); welcomes the Commission legislative proposal of 25 November 2021 to amend the regulation ([17]);

154. Believes that European political parties and foundations should make greater use of new technologies in order to improve the transparency and traceability of donations and expenditure.

([16]) Texts adopted, P9_TA(2021)0454.
([17]) COM(2021) 734.

DECISION (EU) 2022/1688 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section II – European Council and Council

THE EUROPEAN PARLIAMENT,

— having regard to the general budget of the European Union for the financial year 2020 ([1]),

— having regard to the consolidated annual accounts of the European Union for the financial year 2020 (COM(2021)381 – C9-0260/2021) ([2]),

— having regard to the Council's annual report to the discharge authority on internal audits carried out in 2020,

— having regard to the Court of Auditors' annual report on the implementation of the budget concerning the financial year 2020, together with the institutions' replies ([3]),

— having regard to the statement of assurance ([4]) 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 2020, 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) 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 966/2012 ([5]), 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 opinion of the Committee on Constitutional Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0067/2022),

1. Postpones its decision on granting the Secretary-General of the Council discharge in respect of the implementation of the budget of the European Council and of the Council for the financial year 2020;

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 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ L 57, 27.2.2020.
([2]) OJ C 436, 28.10.2021, p. 1.
([3]) OJ C 430, 25.10.2021, p. 7.
([4]) OJ C 436, 28.10.2021, p. 207.
([5]) OJ L 193, 30.7.2018, p. 1.

RESOLUTION (EU) 2022/1689 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

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 2020, 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 2020, Section II – European Council and Council,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Constitutional Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0067/2022),

A. whereas, under Article 319 of the Treaty on the Functioning of the European Union (TFEU), the Parliament has the sole responsibility of granting discharge in respect of the implementation of the general budget of the Union, and whereas the budget of the European Council and of the Council is a section of the Union budget;

B. Whereas, pursuant to Article 15(1) of the Treaty on European Union, the European Council is not to exercise legislative functions;

C. whereas, under Article 317 TFEU, the Commission is to implement the Union budget on its own responsibility, having regard to the principles of sound financial management, and whereas, under the framework in place, the Commission is to confer on the other Union institutions the requisite powers for the implementation of the sections of the budget relating to them;

D. whereas, under Articles 235(4) and 240(2) TFEU, the European Council and the Council (the 'Council') are assisted by the General Secretariat of the Council (the 'GSC'), and whereas the Secretary-General is wholly responsible for the sound management of the appropriations entered in Section II of the Union budget;

E. whereas, over the course of almost twenty years, Parliament has been implementing the well-established and respected practice of granting discharge to all Union institutions, bodies, offices and agencies, and whereas the Commission supports that the practice of giving discharge to each Union institution, body, office and agency for its administrative expenditure should continue to be pursued;

F. whereas, since 2009, the Council's lack of cooperation in the discharge procedure has compelled Parliament to refuse to grant discharge to the Secretary-General of the Council;

G. 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;

H. whereas the European Council and the Council, as Union institutions and as recipients of the general budget of the Union, should be transparent and democratically accountable to the citizens of the Union and subject to democratic scrutiny of the spending of public funds;

I. whereas the case-law of the Court of Justice of the European Union confirms the right of taxpayers and of the public to be kept informed about the use of public revenue;

J. whereas the recommendation of the European Ombudsman (the 'Ombudsman') in Case OI/2/2017/TE indicated that the Council's practice with regard to transparency in the legislative process constituted maladministration and should be addressed in order to enable citizens to follow the Union legislative process;

1. Notes with satisfaction that the Court of Auditors (the 'Court') identified no significant weaknesses in respect of the audited topics relating to human resources and procurement for the Council;

2. Emphasises the fact that, on the basis of its audit work, the Court concluded that the payments as a whole for the administrative expenditure of the Union Institutions, including that of the Council, for the financial year 2020 were free from material error;

3. Welcomes the fact that no specific issues were detected by the Court on the regularity of the transactions or following examination of the supervisory and control system of the Council;

4. Is aware that Chapter 9 'Administration' of the Annual Report of the Court is focused on expenditure on human resources, buildings, equipment, energy, communication and information technology, and that the Court indicates that this spending is low risk;

Budgetary and financial management

5. Notes that in 2020 the Council had an overall budget of EUR 590 633 000 (compared to EUR 581 895 459 in 2019); observes a budget increase of 1,5 % compared to 2019 which confirms a downward trend in the annual budget increase (1,6 % in 2019, 2 % in 2018 and 3 % in 2017); notes that the Council share under Heading 5 of the Multiannual Financial Framework has decreased from 6,3 % in 2015 to 5,8 % in 2020; notes a high global implementation rate of 93,15 % (compared to 92,3 % in 2019);

6. Understands that the Council's budget is mostly administrative with a large part of it being used for expenditure in relation to staff, buildings (including furniture and equipment) and miscellaneous running costs; reiterates its call, made in previous resolutions on the budget, for separate budgets for the European Council and the Council in order to improve transparency, accountability and expenditure efficiency for both institutions;

7. Recalls that appropriations carried over from 2019 to 2020 amounted to a total of EUR 52 543 491 (compared to EUR 56 599 584 from 2018 to 2019) and welcomes the fact that implementation amounted to 86,4 % (EUR 45 375 664), concentrated mainly on buildings, computer systems, interpretation and technical equipment;

8. Notes an increase in the carry-over of appropriations from 2020 to 2021 (12,6 % in comparison to 9,8 % from 2019 to 2020); reminds the Council that carry-overs are exceptions to the principle of annuality of the Union budget and could be an indicator of budget over-estimations, and calls on the Council to step up its efforts to prevent budget overestimates;

9. Observes that in 2020 the Council's payments represented 5,2 % of the Union budget; notes that the average payment time for invoices to the GSC was 20 days in 2020 (compared to 19 in 2019) while the maximum time limit is 30 calendar days as stipulated by Directive 2011/7/EU of the European Parliament and of the Council ([1]);

10. Notes that the COVID-19 pandemic had an impact on the 2020 budget implementation; observes that fewer physical meetings led to lower spending on delegates' travel expenses and interpretation costs; notes that this underspending was compensated at budgetary level by an increased spending on IT in order to rapidly develop the capacity for remote working and to guarantee business continuity; observes that such expenditure covered the relevant areas of new software acquisitions, external assistance and provision of hardware to facilitate home working;

11. Notes that in 2020 the appropriations were reallocated by 46 transfers under Article 29 of the Financial Regulation; observes that those transfers aimed to reinforce the Council's teleworking capabilities and videoconference infrastructure, including the purchase of additional IT equipment, licenses and communication tools; notes that, overall, the transfers were done from the budget lines for interpreting costs, cleaning and maintenance, buildings security and surveillance, and miscellaneous expenditure on internal meetings to the budget lines for installation works, acquisition of equipment and software, and assistance for the operation and development of computer systems;

([1]) Directive 2011/7/EU of the European Parliament and of the Council of 16 February 2011 on combating late payment in commercial transactions (OJ L 48, 23.2.2011, p. 1).

12. Notes that in 2020 the Court examined, without remarks, the public procurement procedures organised by the Council and three other Union institutions to acquire personal protective equipment for their staff and that the procurement included strict minimum requirements in the tender specification such as European reference quality standards; is aware that in four cases the successful bidder did not include full evidence that all minimum quality requirements were met at the time of contracting, leading the Council to organise laboratory tests that showed that the personal protective equipment was, indeed, compliant;

Internal management, performance, internal control

13. Notes that the unexpected outbreak of the COVID-19 pandemic and the subsequent exceptional situation required immediate action and organisational measures to ensure business continuity; notes with satisfaction that the Council's timely and effective reaction to that crisis resulted in a number of structured measures in several areas to safeguard staff and to guarantee business continuity;

14. Observes that the Council uses meetings, administrative modernisation and legislative activities as quantitative indicators of the level of activities carried out during the year; observes that the outbreak of the COVID-19 pandemic resulted in a decrease of 54,1 % (4 148) in the overall number of meetings that took place in 2020 compared to 2019; notes that in 2020 the GSC organised 3 086 institutional meetings and meetings with third countries (compared to 3 983 in 2019) and 434 other meetings (compared to 3 685 in 2019) and that 39,2 % of the meetings took place in remote or hybrid format;

15. Welcomes the improvements in the GSC's internal organisation, focusing in particular on dealing with the working limitations arising from the COVID-19 pandemic, such as an increase in the platforms and bandwidth for teleworking activities and the installation of appropriate videoconferencing equipment in small meeting rooms to facilitate hybrid meetings;

16. Notes that in 2020 the Council maintained its legislative activity at the same level as in 2019 despite the challenging working conditions caused by the COVID-19 pandemic, with 1 328 legal acts published in the *Official Journal of the European Union* in 2020 compared to 1 326 in 2019;

17. Acknowledges that an internal control framework is in place at the Council to provide reasonable assurance of achievement of objectives; is aware that risk management is carried out by keeping registers of the risks identified which are then assessed together with the impact of the mitigating measures adopted;

18. Is aware that the Council's internal auditor has performed a number of audits in the framework of the Council's three-year risk-based strategic plan without issuing recommendations with high priority;

19. Recalls that key performance indicators are a widely recognised tool for measuring achievement against targets set; calls on the Council to provide summaries of its key performance indicators and the related results in its management reports;

Human resources, equality and staff well-being

20. Notes that the establishment plan for 2020 was fixed at 3 029 posts (compared to 3 033 in 2019) out of which 2 905 were occupied on 31 December 2020; observes that the occupation rate is close to 96 %;

21. Regrets the lack of information on the implementation of the Council's gender action plan and the measures taken to ensure equal opportunities for persons with disabilities at the Council as a workplace; calls on the Council to provide information to the budgetary authority on gender balance, geographical distribution and disabilities of its members of staff and on the related internal policies in force;

22. Recalls its resolution of 17 December 2020 on the need for a dedicated Council configuration on gender equality as a dedicated institutional forum to ensure stronger integration of gender equality in Union strategies, coordination of all related policies and progress in the main files related to gender equality, as well as harmonisation of the protection of women's rights and gender equality; regrets that the Council has thus far ignored this call by Parliament;

23. Recalls that according to Article 286(2) TFEU the Council appoints the members of the Court after consultation with Parliament and understands the difficulties in achieving gender balance as nomination of candidates is the sole responsibility of the Member States and each Member State can only nominate one candidate at a time; finds it unacceptable, however, that the Court has had only 16 female members out of a total of 112 members since its establishment in 1977 (85,7 % male and 14,3 % female) and that in 2020 the Court had only 8 female members compared to 18 male members; calls on the Council to consider the overall composition of the Court so that gender balance, in particular, is considered in the nomination decisions, as well as to tackle this problem with concrete actions, such as presenting Parliament with at least two candidates from each Member State, one being a woman and one being a man;

24. Notes that the internal psychosocial risk prevention plan 2020-2022 was adopted with a main focus on burnout prevention and good relations at work; observes that the plan was fully integrated into the GSC's COVID-19 response with psychosocial risk surveys, dedicated information and training sessions, and various interventions by the social service; notes with appreciation the extensive support offered to staff, teams and managers by the organisational and clinical psychologists and social workers whose interventions in 2020 were significantly linked to COVID-19;

25. Notes that in 2020 a total of 385 people (in active service as well as retired) called on the social service, with a total of 4 425 interventions, some of which were linked to the management of stress generated by the COVID-19 pandemic, and that the internal psychologist processed a total of 164 individual requests; appreciates the fact that psychologists and social workers are an integral part of the psychosocial intervention plan in the event of a critical incident;

26. Notes that the traineeships office processed more than 10 000 traineeship applications, out of which 110 trainees were selected, including a number of trainees with disabilities under the new positive action programme; reiterates the call on the Council to make sure that all of its trainees receive a decent remuneration;

Ethical framework and transparency

27. Notes that awareness-raising actions on ethics and expected behaviours were pursued; notes that the next ethics strategy was in preparation at the end of 2020, and that work advanced on developing a new user-centred ethics hub on the Council intranet; regrets, nevertheless, not having received information about the code of conduct applicable to all members of staff;

28. Welcomes the political agreement on the Transparency Register for interest representatives, reached by Parliament, the Council and the Commission on 15 December 2020 ([2]); regrets, however, the limitations considered in Article 5 of Parliament's decision of 27 April 2021 on the conclusion of an interinstitutional agreement between the European Parliament, the Council of the European Union, and the European Commission on a mandatory transparency register ([3]), such as the fact that the Transparency Register applies to the Member States' Permanent Representatives only under voluntary schemes; insists that all Permanent Representations should take an active part in it through voluntary schemes during and after their Member State's Council presidency; calls on the Council, including the Member State representatives, to harmonise, improve and enforce the existing ethics rules, in particular with regard to conflicts of interest, revolving doors and lobby transparency rules; expresses its concern that legislative files are escalated to the European Council on an increasing basis, which has neither a legislative nor an executive function, does not apply the same transparency standards as the Council and is not being held accountable;

([2]) Interinstitutional Agreement of 20 May 2021 between the European Parliament, the Council of the European Union and the European Commission on a mandatory transparency register (OJ L 207, 11.6.2021, p. 1).

([3]) OJ C 506, 15.12.2021, p. 127.

29. Regrets the use of corporate sponsorship to cover some of the expenses incurred by Member States to finance their Council presidency; reiterates its concern that such practice has caused and might cause reputational damage in the future because any actual or perceived conflict of interests jeopardises the reputation of the Council and the Union as a whole; recalls the petitions launched by organisations active in the areas of transparency and accountability, asking the rotating Council presidencies to decline any sponsorship; regrets that a common set of clear, concrete and binding rules was not set out in the guidance on sponsorship included in the Council's Presidency Handbook in 2021; understands that the financial resources from national budgets vary significantly among Member States and that each Member State, independent of its size and budgetary means, should have equal opportunities to organise a successful Council presidency and therefore, reiterates its call on the Council to examine budgeting the Council Presidency in order to ensure continuity and efficiency of the working process;

30. Is aware of the Council's key role in nomination and appointment procedures for the Union institutions and bodies, in particular the President of the European Council, the President of the Commission, the Members of the Court, and the Members of both the Committee of the Regions and the European Economic and Social Committee; strongly recommends a review of the exercise of that prerogative with a view to guaranteeing and strengthening the democratic participation of relevant stakeholders; regrets that the Council repeatedly failed to take into consideration the recommendations of Parliament in its consultative role regarding the appointment of the members of the Court;

31. Is reminded of the Court's statement in its 'Special Report No 13/2019: The ethical frameworks of the audited EU institutions: scope for improvement' that ethical conduct 'contributes to sounder financial management and increased public trust, which is indispensable if public policies are to succeed' and, in particular, that 'any unethical behaviour by staff and Members of the Union (EU) institutions and bodies attracts high levels of public interest and reduces trust in the EU'; makes a strong call on the Council, therefore, to respect the opinions of Parliament and reject the appointment of candidates who could potentially damage the credibility of the Union, for instance due to insufficient professional competence or established unethical behaviour;

32. Reiterates its full endorsement of the Ombudsman's recommendations on transparency of the Council legislative process following its strategic inquiry (Case OI/2/2017/TE), in particular making the Member States' positions more accessible, in a machine-readable format, which has already been established in 2013 by the Court of Justice of the European Union in its case-law ([4]) on transparency and access to documents; believes that compliance with the Ombudsman's recommendations would enable citizens to be more involved and to better understand Union law making; welcomes the measures adopted by the Council in July 2020 to strengthen legislative transparency in line with the Ombudsman's recommendations, including the proactive publication of progress reports on negotiations on draft legislative acts as well as the Council mandate for negotiations with Parliament; regrets, however, that the decision-making process in the Council is still far from fully transparent; calls on the Council to take all the necessary measures to implement the Ombudsman's recommendations and the relevant rulings of the Court of Justice of the European Union;

33. Reiterates its deep concern with respect to the confirmed conflicts of interest of Member State representatives involved in policy and budget decision-making processes; follows up Parliament's previous strong calls on the Council to ensure that Member State representatives who stand to benefit directly from Union subsidies through the businesses they own do not participate in related policy or budgetary discussions and votes; requests the Council to provide Parliament with information on the necessary measures put in place to avoid conflicts of interest;

34. Shares the Court's concern about the absence of a common Union ethical framework governing the work of Member State representatives in the Council, expressed in the Court's Special Report No 13/2019; recalls the Council's obligation to deal with and resolve high-level conflicts of interest and revolving door issues and to extend the existing mandatory lobby transparency rules;

([4]) Judgment of the Court of Justice of 17 October 2013, *Council of the European Union* v *Access Info Europe*, C-280/11 P, ECLI:EU:C:2013:671.

35. Strongly reiterates its call on the Council to bring the code of conduct for the President of the European Council in line with those of Parliament and the Commission in order to have rules in place to approve activities related to Union legislation after the President of the European Council leaves his or her post;

Digitalisation, cybersecurity, data protection

36. Notes that the final budget appropriations made available to the Directorate-General for Digital Services increased substantially at the mid-term and year-end reviews by EUR 10,6 million, reaching a final amount of EUR 54 675 000 and achieving an execution rate of 99,99 %;

37. Reiterates its call on the Council to use open-source technology in order to prevent vendor lock-in, to retain control over its own technical systems, to provide stronger safeguards for the privacy and data protection of its users, and to increase security and transparency for the public;

Buildings and security

38. Observes that the Council's buildings policy since 2004 has aimed to ultimately accommodate all its activities in Brussels in geographically concentrated buildings under its ownership; encourages the Council to adjust its building strategy in order to take into account the working arrangements that will likely become part of long-lasting or permanent working modes, in particular with regard to shared spaces or multipurpose areas;

Environment and sustainability

39. Welcomes the efforts by the Council to reduce its environmental footprint across its buildings which have been registered under the European eco-management and audit scheme (EMAS) since 2016; welcomes the publishing of a detailed environmental statement in October 2020, based on 2019 data;

40. Notes that on 31 December 2020 the Council was in possession of 3 469 Green Energy Certificates; is aware that such certificates are allocated by the regional energy market regulator based on the energy produced in 2020 by solar panels located on the roof of Council buildings, and that, following the appropriate sales procedures, these will be sold on the open market in 2021;

41. Calls on the Council to explicitly engage in a 'zero paper campaign' and to adopt a structured approach to enhance the sustainable mobility of members of staff; encourages the Council to engage in sustainability reporting on energy management in buildings, thus making it possible to take precise actions towards the reduction of energy consumption;

Communication and multilingualism

42. Notes the increased audience on several social media platforms from 2019 to 2020 with approximately 443 000 followers on Facebook (an increase of 8 %), approximately 561 000 followers on Twitter (an increase of 22 %) and approximately 167 000 followers on Instagram (an increase of 37 %); observes an increase of 39 % in visits to the Council's website, reaching more than 16 million visits in 2020; encourages the Council to establish a presence on open-source social media networks to achieve further transparency and broader outreach to Union citizens;

43. Notes that, in the context of its increased cooperation with the Member States on COVID-19 communication, the Council worked with the European External Action Service to set up the Communicators' Portal, a secure platform used to share reusable digital content with Member States;

44. Is aware that the Council was the first Union institution to create a COVID-19 information hub on its website with the aim of explaining, in a regular and comprehensive manner, the response of the Union in general and the Council in particular to the COVID-19 pandemic;

Interinstitutional cooperation

45. Calls on the Council to comply fully with the obligations set out in the Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council of the European Union and the European Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources ([5]);

46. Expresses its belief that the Conference on the Future of Europe can provide the opportunity for Union citizens and civil society organisations to express their views and to discuss proposals to enhance transparency and democratic accountability with regard to the Union budget and, in particular, proposals to improve the transparency and readability of the Council's budget;

State of play in the discharge procedure

47. Emphasises Parliament's prerogative to grant discharge pursuant to Article 319 TFEU as well as the applicable provisions of the Financial Regulation and Parliament's Rules of Procedure in line with current interpretation and practice, namely, the power to grant discharge in order to maintain transparency and to ensure democratic accountability towards Union taxpayers;

48. Stresses the well-established and respected practice followed by Parliament over the course of almost twenty years of granting discharge to all Union institutions, bodies, offices and agencies; recalls that the Commission has declared its inability to oversee the implementation of the budgets of the other Union institutions; stresses the reiterated view of the Commission that the practice of giving discharge to each Union institution for their administrative expenditure should continue to be pursued directly by Parliament;

49. Stresses that the current situation, where Parliament can only check the reports of the Court and of the Ombudsman as well as the information on the Council's website but does not receive written or oral answers from the Council during the annual discharge procedure, i.e. the Council refuses to collaborate with Parliament in the context of the annual discharge procedure, makes it impossible for Parliament to make an informed decision on granting discharge;

50. Deplores that the Council for more than a decade has shown that it does not have any political willingness to collaborate with Parliament in the context of the annual discharge procedure, which makes it impossible for Parliament to make an informed decision on granting discharge; underlines that this attitude has had a lasting negative effect on both institutions and has discredited the management and democratic scrutiny of the Union budget and on the trust of citizens in the Union as a transparent entity; deeply regrets the Council's continuing refusal to engage in loyal cooperation in the framework of the discharge procedure that has lasted for more than a decade;

51. Stresses that, while the current situation has to be improved through better interinstitutional cooperation within the framework of the Treaties, a revision of the Treaties could render the discharge procedure clearer and more transparent by giving Parliament the explicit competence to grant discharge to all Union institutions, bodies, offices and agencies individually;

52. Recalls that the case-law of the Court of Justice of the European Union supports the right of taxpayers and the public to be kept informed about the use of public revenues; demands, therefore, full respect for Parliament's prerogative and role as guarantor of the democratic accountability principle; calls on the Council to duly follow up on the recommendations adopted by Parliament in the context of the discharge procedure;

([5]) OJ L 433 I, 22.12.2020, p. 28.

53. Considers it unacceptable that the COVID-19 pandemic and the exceptional situation experienced have been used as an excuse for not resuming interinstitutional negotiations on the discharge procedure; remains, nevertheless, convinced that an agreement on this matter is possible if the Council were to show any political willingness to collaborate; calls, therefore, on the Council to resume negotiations with Parliament without undue delay in order to find a solution in the current framework of the discharge procedure if it is interested in showing Union citizens that it takes proper budget control and transparency seriously while respecting the respective roles of Parliament and the Council in the discharge procedure.

DECISION (EU, EURATOM) 2022/1690 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section III – Commission

THE EUROPEAN PARLIAMENT,

— having regard to the general budget of the European Union for the financial year 2020 ([1]),

— having regard to the consolidated annual accounts of the European Union for the financial year 2020 (COM(2021) 381 – C9-0258/2021) ([2]),

— having regard to the Commission's report on the follow-up to the discharge for the 2019 financial year (COM(2021) 405), and to the detailed replies to the specific requests made by the European Parliament,

— having regard to the Commission's 2020 Annual Management and Performance Report for the EU Budget (COM(2021) 301),

— having regard to the Commission's annual report to the discharge authority on internal audits carried out in 2020 (COM(2021) 292), and to the accompanying Commission staff working document (SWD(2021) 132),

— having regard to the Court of Auditors' annual report on the implementation of the budget for the financial year 2020, together with the institutions' replies ([3]), the Court of Auditors' report on the performance of the EU budget – Status at the end of 2020, together with the institutions' replies ([4]) and to the Court of Auditors' special reports,

— having regard to the statement of assurance ([5]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 15 March 2022 on discharge to be given to the Commission in respect of the implementation of the budget for the financial year 2020 (06001/2022 – C9-0061/2022),

— having regard to Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,

— having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,

— 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 966/2012 ([6]), and in particular Articles 69, 260, 261 and 262 thereof,

— having regard to Rule 99 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Foreign Affairs, the Committee on Development, the Committee on Employment and Social Affairs, the Committee on the Environment, the Committee on Transport and Tourism, the Committee on Regional Development, the Committee on Culture and Education, the Committee on Civil Liberties, Justice and Home Affairs, the Committee on Women's Rights and Gender Equality,

— having regard to the letter from the Committee on Agriculture and Rural Development,

— having regard to the report of the Committee on Budgetary Control (A9-0127/2022),

([1]) OJ L 57, 27.2.2020, p. 1.
([2]) OJ C 436, 28.10.2021, p. 1.
([3]) OJ C 430, 25.10.2021, p. 7.
([4]) OJ C 458, 12.11.2021, p. 21.
([5]) OJ C 430, 25.10.2021, p. 7.
([6]) OJ L 193, 30.7.2018, p. 1.

1. Grants the Commission discharge in respect of the implementation of the general budget of the European Union for the financial year 2020;

2. Sets out its observations in the resolution forming an integral part of the decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section III – Commission and executive agencies;

3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Council, the Commission, the Court of Auditors, and to the national parliaments and the national and regional audit institutions of the Member States, and to arrange for their publication in the Official Journal of the European Union (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

DECISION (EU, Euratom) 2022/1691 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the Education, Audiovisual and Culture Executive Agency (now European Education and Culture Executive Agency) (EACEA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the general budget of the European Union for the financial year 2020 ([1]),

— having regard to the consolidated annual accounts of the European Union for the financial year 2020 (COM(2021) 381 – C9-0258/2021) ([2]),

— having regard to the final annual accounts of the Education, Audiovisual and Culture Executive Agency for the financial year 2020 ([3]),

— having regard to the Commission's report on the follow-up to the discharge for the 2019 financial year (COM(2021) 405), and to the detailed replies to the specific requests made by the European Parliament,

— having regard to the Commission's annual report to the discharge authority on internal audits carried out in 2020 (COM(2021) 292), and to the accompanying Commission staff working document (SWD(2021) 132),

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([4]),

— having regard to the statement of assurance ([5]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 15 March 2022 on discharge to be given to the executive agencies in respect of the implementation of the budget for the financial year 2020 (06004/2022 – C9-0103/2022),

— having regard to Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,

— having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,

— 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 966/2012 ([6]), and in particular Articles 69, 260, 261 and 262 thereof,

— having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ([7]), and in particular Article 14(3) thereof,

— having regard to Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ([8]), and in particular the first and second paragraphs of Article 66 thereof,

([1]) OJ L 57, 27.2.2020.
([2]) OJ C 436, 28.10.2021, p. 1.
([3]) OJ C 459, 12.11.2021, p. 10.
([4]) OJ C 439, 29.10.2021, p. 3.
([5]) OJ C 430, 25.10.2021, p. 7.
([6]) OJ L 193, 30.7.2018, p. 1.
([7]) OJ L 11, 16.1.2003, p. 1.
([8]) OJ L 297, 22.9.2004, p. 6.

— having regard to Commission Implementing Decision 2013/776/EU of 18 December 2013 establishing the Education, Audiovisual and Culture Executive Agency and repealing Decision 2009/336/EC ([9]),

— having regard to Commission Implementing Decision (EU) 2021/173 of 12 February 2021 establishing the European Climate, Infrastructure and Environment Executive Agency, the European Health and Digital Executive Agency, the European Research Executive Agency, the European Innovation Council and SMEs Executive Agency, the European Research Council Executive Agency, and the European Education and Culture Executive Agency and repealing Implementing Decisions 2013/801/EU, 2013/771/EU, 2013/778/EU, 2013/779/EU, 2013/776/EU and 2013/770/EU ([10]),

— having regard to Rule 99 of and Annex V to its Rules of Procedure,

— having regard to the opinions of the Committee on Foreign Affairs, the Committee on Development, the Committee on Employment and Social Affairs, the Committee on the Environment, the Committee on Transport and Tourism, the Committee on Regional Development, the Committee on Culture and Education, the Committee on Civil Liberties, Justice and Home Affairs, the Committee on Women's Rights and Gender Equality,

— having regard to the letter from the Committee on Agriculture and Rural Development,

— having regard to the report of the Committee on Budgetary Control (A9-0127/2022),

1. Grants the Director of the European Education and Culture Executive Agency discharge in respect of the implementation of the Agency's budget for the financial year 2020;

2. Sets out its observations in the resolution forming an integral part of the decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section III – Commission and executive agencies;

3. Instructs its President to forward this decision, the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section III – Commission and the resolution forming an integral part of those decisions, to the Director of the European Education and Culture Executive Agency, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([9]) OJ L 343, 19.12.2013, p. 46.
([10]) OJ L 50, 15.2.2021, p. 9.

DECISION (EU, Euratom) 2022/1692 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the Executive Agency for Small and Medium-sized Enterprises (now European Innovation Council and SMEs Executive Agency – Eismea) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the general budget of the European Union for the financial year 2020 ([1]),

— having regard to the consolidated annual accounts of the European Union for the financial year 2020 (COM(2021) 381 – C9-0258/2021) ([2]),

— having regard to the final annual accounts of the Executive Agency for Small and Medium-sized Enterprises for the financial year 2020 ([3]),

— having regard to the Commission's report on the follow-up to the discharge for the 2019 financial year (COM(2021) 405), and to the detailed replies to the specific requests made by the European Parliament,

— having regard to the Commission's annual report to the discharge authority on internal audits carried out in 2020 (COM(2021) 292), and to the accompanying Commission staff working document (SWD(2021) 132),

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([4]),

— having regard to the statement of assurance ([5]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 15 March 2022 on discharge to be given to the executive agencies in respect of the implementation of the budget for the financial year 2020 (06004/2022 – C9-0103/2022),

— having regard to Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,

— having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,

— 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 966/2012 ([6]), and in particular Articles 69, 260, 261 and 262 thereof,

— having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ([7]), and in particular Article 14(3)thereof,

— having regard to Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ([8]), and in particular the first and second paragraphs of Article 66 thereof,

([1]) OJ L 57, 27.2.2020.
([2]) OJ C 436, 28.10.2021, p. 1.
([3]) OJ C 459, 12.11.2021, p. 23.
([4]) OJ C 439, 29.10.2021, p. 3.
([5]) OJ C 430, 25.10.2021, p. 7.
([6]) OJ L 193, 30.7.2018, p. 1.
([7]) OJ L 11, 16.1.2003, p. 1.
([8]) OJ L 297, 22.9.2004, p. 6.

— having regard to Commission Implementing Decision 2013/771/EU of 17 December 2013 establishing the Executive Agency for Small and Medium-sized Enterprises and repealing Decisions 2004/20/EC and 2007/372/EC ([9]),

— having regard to Commission Implementing Decision (EU) 2021/173 of 12 February 2021 establishing the European Climate, Infrastructure and Environment Executive Agency, the European Health and Digital Executive Agency, the European Research Executive Agency, the European Innovation Council and SMEs Executive Agency, the European Research Council Executive Agency, and the European Education and Culture Executive Agency and repealing Implementing Decisions 2013/801/EU, 2013/771/EU, 2013/778/EU, 2013/779/EU, 2013/776/EU and 2013/770/EU ([10]),

— having regard to Rule 99 of and Annex V to its Rules of Procedure,

— having regard to the opinions of the Committee on Foreign Affairs, the Committee on Development, the Committee on Employment and Social Affairs, the Committee on the Environment, the Committee on Transport and Tourism, the Committee on Regional Development, the Committee on Culture and Education, the Committee on Civil Liberties, Justice and Home Affairs, the Committee on Women's Rights and Gender Equality,

— having regard to the letter from the Committee on Agriculture and Rural Development,

— having regard to the report of the Committee on Budgetary Control (A9-0127/2022),

1. Grants the Director of the European Innovation Council and SMEs Executive Agency discharge in respect of the implementation of the Agency's budget for the financial year 2020;

2. Sets out its observations in the resolution forming an integral part of the decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section III – Commission and executive agencies;

3. Instructs its President to forward this decision, the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section III – Commission and the resolution forming an integral part of those decisions, to the Director of the European Innovation Council and SMEs Executive Agency, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([9]) OJ L 341, 18.12.2013, p. 73.
([10]) OJ L 50, 15.2.2021, p. 9.

DECISION (EU, EURATOM) 2022/1693 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the Consumers, Health, Agriculture and Food Executive Agency (Chafea) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the general budget of the European Union for the financial year 2020 ([1]),

— having regard to the consolidated annual accounts of the European Union for the financial year 2020 (COM(2021) 381 – C9-0258/2021) ([2]),

— having regard to the final annual accounts of the Consumers, Health, Agriculture and Food Executive Agency for the financial year 2020 ([3]),

— having regard to the Commission's report on the follow-up to the discharge for the 2019 financial year (COM(2021) 405), and to the detailed replies to the specific requests made by the European Parliament,

— having regard to the Commission's annual report to the discharge authority on internal audits carried out in 2020 (COM(2021) 292), and to the accompanying Commission staff working document (SWD(2021) 132),

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([4]),

— having regard to the statement of assurance ([5]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 15 March 2022 on discharge to be given to the executive agencies in respect of the implementation of the budget for the financial year 2020 (06004/2022 – C9-0103/2022),

— having regard to Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,

— having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,

— 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 966/2012 ([6]), and in particular Articles 69, 260, 261 and 262 thereof,

— having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ([7]), and in particular Article 14(3) thereof,

— having regard to Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ([8]), and in particular the first and second paragraphs of Article 66 thereof,

([1]) OJ L 57, 27.2.2020.
([2]) OJ C 436, 28.10.2021, p. 1.
([3]) OJ C 459, 12.11.2021, p. 7.
([4]) OJ C 439, 29.10.2021, p. 3.
([5]) OJ C 430, 25.10.2021, p. 7.
([6]) OJ L 193, 30.7.2018, p. 1.
([7]) OJ L 11, 16.1.2003, p. 1.
([8]) OJ L 297, 22.9.2004, p. 6.

— having regard to Commission Implementing Decision 2013/770/EU of 17 December 2013 establishing the Consumers, Health and Food Executive Agency and repealing Decision 2004/858/EC ([9]),

— having regard to Commission Implementing Decision 2014/927/EU of 17 December 2014 amending Implementing Decision 2013/770/EU in order to transform the Consumers, Health and Food Executive Agency into the Consumers, Health, Agriculture and Food Executive Agency ([10]),

— having regard to Commission Implementing Decision (EU) 2021/173 of 12 February 2021 establishing the European Climate, Infrastructure and Environment Executive Agency, the European Health and Digital Executive Agency, the European Research Executive Agency, the European Innovation Council and SMEs Executive Agency, the European Research Council Executive Agency, and the European Education and Culture Executive Agency and repealing Implementing Decisions 2013/801/EU, 2013/771/EU, 2013/778/EU, 2013/779/EU, 2013/776/EU and 2013/770/EU ([11]),

— having regard to Rule 99 of and Annex V to its Rules of Procedure,

— having regard to the opinions of the Committee on Foreign Affairs, the Committee on Development, the Committee on Employment and Social Affairs, the Committee on the Environment, the Committee on Transport and Tourism, the Committee on Regional Development, the Committee on Culture and Education, the Committee on Civil Liberties, Justice and Home Affairs, the Committee on Women's Rights and Gender Equality,

— having regard to the letter from the Committee on Agriculture and Rural Development,

— having regard to the report of the Committee on Budgetary Control (A9-0127/2022),

1. Grants the Director of the Consumers, Health, Agriculture and Food Executive Agency discharge in respect of the implementation of the Agency's budget for the financial year 2020;

2. Sets out its observations in the resolution forming an integral part of the decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section III – Commission and executive agencies;

3. Instructs its President to forward this decision, the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section III – Commission and the resolution forming an integral part of those decisions, to the Director of the Consumers, Health, Agriculture and Food Executive Agency, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([9]) OJ L 341, 18.12.2013, p. 69.
([10]) OJ L 363, 18.12.2014, p. 183.
([11]) OJ L 50, 15.2.2021, p. 9.

DECISION (EU, Euratom) 2022/1694 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Research Council Executive Agency (ERCEA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the general budget of the European Union for the financial year 2020 ([1]),

— having regard to the consolidated annual accounts of the European Union for the financial year 2020 (COM(2021) 381 – C9-0258/2021) ([2]),

— having regard to the final annual accounts of the European Research Council Executive Agency for the financial year 2020 ([3]),

— having regard to the Commission's report on the follow-up to the discharge for the 2019 financial year (COM(2021) 405), and to the detailed replies to the specific requests made by the European Parliament,

— having regard to the Commission's annual report to the discharge authority on internal audits carried out in 2020 (COM(2021) 292), and to the accompanying Commission staff working document (SWD(2021) 132),

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([4]),

— having regard to the statement of assurance ([5]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 15 March 2022 on discharge to be given to the executive agencies in respect of the implementation of the budget for the financial year 2020 (06004/2022 – C9-0103/2022),

— having regard to Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,

— having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,

— 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 966/2012 ([6]), and in particular Articles 69, 260, 261 and 262 thereof,

— having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ([7]), and in particular Article 14(3) thereof,

— having regard to Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ([8]), and in particular the first and second paragraphs of Article 66 thereof,

([1]) OJ L 57, 27.2.2020.
([2]) OJ C 436, 28.10.2021, p. 1.
([3]) OJ C 459, 12.11.2021, p. 30.
([4]) OJ C 439, 29.10.2021, p. 3.
([5]) OJ C 430, 25.10.2021, p. 7.
([6]) OJ L 193, 30.7.2018, p. 1.
([7]) OJ L 11, 16.1.2003, p. 1.
([8]) OJ L 297, 22.9.2004, p. 6.

— having regard to Commission Implementing Decision 2013/779/EU of 17 December 2013 establishing the European Research Council Executive Agency and repealing Decision 2008/37/EC ([9]),

— having regard to Commission Implementing Decision (EU) 2021/173 of 12 February 2021 establishing the European Climate, Infrastructure and Environment Executive Agency, the European Health and Digital Executive Agency, the European Research Executive Agency, the European Innovation Council and SMEs Executive Agency, the European Research Council Executive Agency, and the European Education and Culture Executive Agency and repealing Implementing Decisions 2013/801/EU, 2013/771/EU, 2013/778/EU, 2013/779/EU, 2013/776/EU and 2013/770/EU ([10]),

— having regard to Rule 99 of and Annex V to its Rules of Procedure,

— having regard to the opinions of the Committee on Foreign Affairs, the Committee on Development, the Committee on Employment and Social Affairs, the Committee on the Environment, the Committee on Transport and Tourism, the Committee on Regional Development, the Committee on Culture and Education, the Committee on Civil Liberties, Justice and Home Affairs, the Committee on Women's Rights and Gender Equality,

— having regard to the letter from the Committee on Agriculture and Rural Development,

— having regard to the report of the Committee on Budgetary Control (A9-0127/2022),

1. Grants the Director of the European Research Council Executive Agency discharge in respect of the implementation of the Agency's budget for the financial year 2020;

2. Sets out its observations in the resolution forming an integral part of the decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section III – Commission and executive agencies;

3. Instructs its President to forward this decision, the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section III – Commission and the resolution forming an integral part of those decisions, to the Director of the European Research Council Executive Agency, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([9]) OJ L 346, 20.12.2013, p. 58.
([10]) OJ L 50, 15.2.2021, p. 9.

DECISION (EU, Euratom) 2022/1695 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the Research Executive Agency (now European Research Executive Agency) (REA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the general budget of the European Union for the financial year 2020 ([1]),

— having regard to the consolidated annual accounts of the European Union for the financial year 2020 (COM(2021) 381 – C9-0258/2021) ([2]),

— having regard to the final annual accounts of the Research Executive Agency for the financial year 2020 ([3]),

— having regard to the Commission's report on the follow-up to the discharge for the 2019 financial year (COM(2021) 405), and to the detailed replies to the specific requests made by the European Parliament,

— having regard to the Commission's annual report to the discharge authority on internal audits carried out in 2020 (COM(2021) 292), and to the accompanying Commission staff working document (SWD(2021) 132),

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([4]),

— having regard to the statement of assurance ([5]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 15 March 2022 on discharge to be given to the executive agencies in respect of the implementation of the budget for the financial year 2020 (06004/2022 – C9-0103/2022),

— having regard to Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,

— having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,

— 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 966/2012 ([6]), and in particular Articles 69, 260, 261 and 262 thereof,

— having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ([7]), and in particular Article 14(3) thereof,

— having regard to Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ([8]), and in particular the first and second paragraphs of Article 66 thereof,

([1]) OJ L 57, 27.2.2020.
([2]) OJ C 436, 28.10.2021, p. 1.
([3]) OJ C 459, 12.11.2021, p. 48.
([4]) OJ C 439, 29.10.2021, p. 3.
([5]) OJ C 430, 25.10.2021, p. 7.
([6]) OJ L 193, 30.7.2018, p. 1.
([7]) OJ L 11, 16.1.2003, p. 1.
([8]) OJ L 297, 22.9.2004, p. 6.

— having regard to Commission Implementing Decision 2013/778/EU of 13 December 2013 establishing the Research Executive Agency and repealing Decision 2008/46/EC ([9]),

— having regard to Commission Implementing Decision (EU) 2021/173 of 12 February 2021 establishing the European Climate, Infrastructure and Environment Executive Agency, the European Health and Digital Executive Agency, the European Research Executive Agency, the European Innovation Council and SMEs Executive Agency, the European Research Council Executive Agency, and the European Education and Culture Executive Agency and repealing Implementing Decisions 2013/801/EU, 2013/771/EU, 2013/778/EU, 2013/779/EU, 2013/776/EU and 2013/770/EU ([10]),

— having regard to Rule 99 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Foreign Affairs, the Committee on Development, the Committee on Employment and Social Affairs, the Committee on the Environment, the Committee on Transport and Tourism, the Committee on Regional Development, the Committee on Culture and Education, the Committee on Civil Liberties, Justice and Home Affairs, the Committee on Women's Rights and Gender Equality,

— having regard to the letter from the Committee on Agriculture and Rural Development,

— having regard to the report of the Committee on Budgetary Control (A9-0127/2022),

1. Grants the Director of the European Research Executive Agency discharge in relation to the implementation of the Agency's budget for the financial year 2020;

2. Sets out its observations in the resolution forming an integral part of the decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section III – Commission and executive agencies;

3. Instructs its President to forward this decision, the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section III – Commission and the resolution forming an integral part of those decisions, to the Director of the European Research Executive Agency, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([9]) OJ L 346, 20.12.2013, p. 54.
([10]) OJ L 50, 15.2.2021, p. 9.

DECISION (EU, Euratom) 2022/1696 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the Innovation and Networks Executive Agency (now European Climate, Infrastructure and Environment Executive Agency – CINEA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the general budget of the European Union for the financial year 2020 ([1]),

— having regard to the consolidated annual accounts of the European Union for the financial year 2020 (COM(2021) 381 – C9-0258/2021) ([2]),

— having regard to the final annual accounts of the Innovation and Networks Executive Agency for the financial year 2020 ([3]),

— having regard to the Commission's report on the follow-up to the discharge for the 2019 financial year (COM (2021) 405), and to the detailed replies to the specific requests made by the European Parliament,

— having regard to the Commission's annual report to the discharge authority on internal audits carried out in 2020 (COM(2021) 292), and to the accompanying Commission staff working document (SWD(2021) 132),

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([4]),

— having regard to the statement of assurance ([5]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 15 March 2022 on discharge to be given to the executive agencies in respect of the implementation of the budget for the financial year 2020 (06004/2022 – C9-0103/2022),

— having regard to Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,

— having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,

— 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 966/2012 ([6]), and in particular Articles 69, 260, 261 and 262 thereof,

— having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ([7]), and in particular Article 14(3) thereof,

— having regard to Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ([8]), and in particular the first and second paragraphs of Article 66 thereof,

([1]) OJ L 57, 27.2.2020.
([2]) OJ C 436, 28.10.2021, p. 1.
([3]) OJ C 459, 12.11.2021, p. 47.
([4]) OJ C 439, 29.10.2021, p. 3.
([5]) OJ C 430, 25.10.2021, p. 7.
([6]) OJ L 193, 30.7.2018, p. 1.
([7]) OJ L 11, 16.1.2003, p. 1.
([8]) OJ L 297, 22.9.2004, p. 6.

— having regard to Commission Implementing Decision 2013/801/EU of 23 December 2013 establishing the Innovation and Networks Executive Agency and repealing Decision 2007/60/EC as amended by Decision 2008/593/EC ([9]),

— having regard to Commission Implementing Decision (EU) 2021/173 of 12 February 2021 establishing the European Climate, Infrastructure and Environment Executive Agency, the European Health and Digital Executive Agency, the European Research Executive Agency, the European Innovation Council and SMEs Executive Agency, the European Research Council Executive Agency, and the European Education and Culture Executive Agency and repealing Implementing Decisions 2013/801/EU, 2013/771/EU, 2013/778/EU, 2013/779/EU, 2013/776/EU and 2013/770/EU ([10]),

— having regard to Rule 99 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Foreign Affairs, the Committee on Development, the Committee on Employment and Social Affairs, the Committee on the Environment, the Committee on Transport and Tourism, the Committee on Regional Development, the Committee on Culture and Education, the Committee on Civil Liberties, Justice and Home Affairs, the Committee on Women's Rights and Gender Equality,

— having regard to the letter from the Committee on Agriculture and Rural Development,

— having regard to the report of the Committee on Budgetary Control (A9-0127/2022),

1. Grants the Director of the European Climate, Infrastructure and Environment Executive Agency discharge in respect of the implementation of the Agency's budget for the financial year 2020;

2. Sets out its observations in the resolution forming an integral part of the decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section III – Commission and executive agencies;

3. Instructs its President to forward this decision, the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section III – Commission and the resolution forming an integral part of those decisions, to the Director of the European Climate, Infrastructure and Environment Executive Agency, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([9]) OJ L 352, 24.12.2013, p. 65.
([10]) OJ L 50, 15.2.2021, p. 9.

RESOLUTION (EU) 2022/1697 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section III – Commission and executive agencies

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 2020, Section III – Commission,

— having regard to its decisions on discharge in respect of the implementation of the budgets of the executive agencies for the financial year 2020,

— having regard to Rule 99 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Foreign Affairs, the Committee on Development, the Committee on Employment and Social Affairs, the Committee on the Environment, the Committee on Transport and Tourism, the Committee on Regional Development, the Committee on Culture and Education, the Committee on Civil Liberties, Justice and Home Affairs, the Committee on Women's Rights and Gender Equality,

— having regard to the letter from the Committee on Agriculture and Rural Development,

— having regard to the report of the Committee on Budgetary Control (A9-0127/2022),

A. whereas the Union budget is a significant instrument for achieving common policy objectives, and on average represents 1,1 % of Union gross national income or 2,4 % of the Member States' general government expenditure and total public spending in the Union;

B. whereas, when the Parliament grants discharge to the Commission, it verifies and evaluates whether or not funds have been used correctly and policy goals have been achieved after internal and external audits, thus confirming the regularity and the performance in terms of value for money of the Commission's spending;

Political priorities

1. Recalls its strong commitment to the fundamental principles enshrined in the Treaty on European Union (TEU) and the Treaty on the Functioning of the European Union (TFEU), including sound financial management as set out in Article 317 and the combating of fraud as set out in Article 325;

2. Highlights the importance of the Union budget for achieving the Union's political priorities, as well as its role in assisting Member States in unforeseen situations such as the COVID-19 pandemic and its consequences; stresses that sound and timely implementation of the budget contributes to addressing more efficiently and effectively the needs and challenges in different policy areas; warns that the implementation of the budget under time pressure may lead to an increase in errors and irregularities;

3. Underlines the relevance of reporting on the performance of the Union budget's programmes for the discharge procedure; draws attention to the fact that the added value of the invested resources is closely linked to the results achieved and their contribution to improving the daily life of Union citizens;

4. Reiterates its deep concerns regarding the situation concerning the rule of law in a number of Member States, which is deeply worrying in its own right and leads to serious losses for the Union budget and underlines its requests to the Commission to use all available tools to halt the ongoing severe violations of the rule of law and limit the risk of such losses. This should include the immediate and full application of Regulation (EU, Euratom) 2020/2092 of the European Parliament and of the Council ([1]) on a general regime of conditionality for the protection of the Union budget (the 'Rule of Law Conditionality Regulation') by sending a written notification under Article 6(1) of that Regulation to the Member States concerned;

([1]) Regulation (EU, Euratom) 2020/2092 of the European Parliament and of the Council of 16 December 2020 on a general regime of conditionality for the protection of the Union budget (OJ L 433 I, 22.12.2020, p. 1).

5. Stresses that, in its resolution on the Commission's 2020 Rule of Law Report, Parliament already called on the Commission to take immediate action under the Rule of Law Conditionality Regulation and to make full use of its existing investigation tools without further delay in order to address rule of law deficiencies in Member States that affect or seriously risk affecting the sound financial management of the Union budget; notes the recent ruling of the Court of Justice of the European Union (Court of Justice) confirming that the Rule of Law Conditionality Regulation is in accordance with the EU Treaties and in particular, pointing out that compliance with the common values on which the European Union is founded cannot be reduced to an obligation to accede to the Union and which it may disregard after accession; notes with deep concern that despite the recent ruling of the Court of Justice, and numerous calls from Parliament, the Commission did not yet apply the Rule of Law Conditionality Regulation; notes that the Commission has at last announced in April 2022 the triggering of the Conditionality Mechanism for the first time and recalls the importance of protecting the rights of the final recipients and beneficiaries of EU funding; is of the opinion that by not applying that Regulation, the Commission delays to perform its duty as Guardian of the Treaties;

6. Believes that the Commission's annual Rule of Law report is a useful tool to monitor and assess the state of the Rule of Law in all Member States and on similar grounds; expresses its concerns, however, that the report will fail to improve the situation in the Member States without clear and specific recommendations to EU governments; stresses as well that the annual reports need to make a clear distinction between isolated shortcomings and systemic Rule of Law deficiencies; calls on the Commission to implement the recommendations contained in the Parliament's Resolution of 24 June 2021 on the Commission's 2020 Rule of Law report;

7. Insists that the Commission ensures that all organisations (Union or international) delivering external aid respect the rule of law and human rights in countries receiving that aid; stresses, in particular, the need to guarantee that no Union funds, by third parties and/or natural persons are allocated or linked to any cause or form of terrorism and/or religious and political radicalisation;

8. Underlines that further initiatives to ensure the protection of the Union budget have become even more essential with the entry into force of the NextGenerationEU instrument, through which the total disbursements from the Union budget will become much larger during the coming years; highlights that, on this backdrop, the Commission should also ensure that OLAF, the Court of Auditors (the 'Court') and EPPO have the necessary means and staff to investigate potential cases of fraud against the Union budget; notes that OLAF transferred 9 staff in 2020 and an additional 9 staff in 2021 to EPPO; is concerned that this significant reduction in staff could compromise the capacity of OLAF to efficiently fulfil its mandate due to lack of staff and overburdening; calls therefore for an increase in the establishment plan (particularly forensic and IT experts) of OLAF to compensate for the staff transfers to EPPO;

9. Notes that, based on Article 22 of the Recovery and Resilience Facility Regulation ([2]) (RRF Regulation), the Member States are responsible for ensuring the protection of the financial interests of the Union; notes that the Commission plays an important role in ensuring that national audit systems provide for credible, reliable and relevant information; stresses that the Member States and the Commission's administrative capacities need to be scaled up to ensure sound financial management, which includes the effective prevention, detection and correction of fraud, corruption and conflicts of interest, as well as avoiding double funding; notes that the Commission is responsible for providing technical assistance and advisory services to improve the respective administrative capacities of the Member States; calls on the Commission to provide the discharge authority with an overview of the specific measures that have been taken to ensure appropriate staffing in the Commission and the relevant institutions (namely the Court, OLAF, EPPO, Europol and Eurojust) to carry out their respective responsibilities; calls on the Commission to provide a statement of assurance on the performance data for the implementation of the Facility in its Annual Management and Performance Report (AMPR);

10. Urges the Commission to promptly use the means at its disposal, such as the use of suspension instruments in cases where it has been confirmed that serious deficiencies in management and control systems exist;

([2]) Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility (OJ L 57, 18.2.2021, p. 17).

11. Underlines that the fact that the Commission, after repeated demands from the Parliament to do so, still cannot present a list of the recipients who receive the largest share of Union funds under shared management, presents a major obstacle to both the assessment of Union expenditure-related risks as well as the overall transparency of its spending; finds the answers and explanations on this issue offered to the Parliament by the Commission as inadequate and the Commission's efforts to establish such a database inefficient and unsuccessful;

12. Regards the long-lasting dispute on the conflict of interest between the Commission and Andrej Babis, the former Prime Minister of Czechia, as inefficient and unduly long; reiterates that no decisive action on Prime Minister Babis' conflict of interest was taken and that the fact that in the end, the elections ended his conflict of interest, doesn't reflect positively on the Commission; points to the fact that Prime Minister Babis has meanwhile negotiated the MFF and Recovery and Resilience Facility (RRF) on behalf of Czechia;

13. Stresses the serious risk that the amount of outstanding commitments (RAL) continued to rise at the end of 2020 and that they reached a new record high of EUR 303,2 billion; acknowledges that a certain level of outstanding commitments is a natural consequence of the Union budget system with commitment appropriations and payment appropriations but underlines that an amount of outstanding commitments, which equals two full years of payment appropriations, creates a risk for the smooth operation of the budget in the future, which would be put under serious pressure, and could possibly create a serious risk to the liquidity of the Union budget; calls on the Commission to closely monitor the progress of implementation in Member States, in particular in cases of under-implementation and low absorption rates and to deliver a country-by-country analysis to the discharge authority, identifying the recurrent problems, as well as the measures taken to optimise the situation; regards the regular annual increase of outstanding commitments, in the light of upcoming NextGenerationEU instrument and much increased Union spending, a matter of priority for the Commission to prepare a detailed plan of actions in order to reduce the amount of outstanding commitments; calls on the Commission to present that plan to the discharge authority;

14. Regrets that, at the end of 2020, despite the experience gained from the previous MFF and the help and cooperation provided by the Commission through technical assistance, the cumulative absorption rate from the European Structural and Investment Funds (ESIF) continues to be approximately 7 % lower than under the previous 2007-2013 MFF; encourages the Commission to continue its work with Member States, including through technical assistance in order to increase the ability of Member States to make use of the funds allocated to them and to intensify the effort to increase the absorption rate of the ESIF without compromising the quality of projects and the efforts made to avoid misuse and fraud of Union funds; calls on the Commission to assist countries, where necessary, to find eligible projects, especially those with clear European added-value; asks the Commission to relaunch the task force for better implementation (TFBI) to increase the absorption rate and to develop best practices among the Member States;

15. Underlines its strong and repeated requests to the Commission and executive agencies to ensure the protection of the Union budget by making global and systematic use of digital and automated systems for reporting, monitoring and audit; remarks that this should include the establishment of a mandatory single interoperable database containing beneficiaries of funds from all Union programmes; acknowledges that the Commission proposed to make the use of a single data-mining and risk-scoring tool obligatory for funds under shared management and RRF; notes that this has not been retained in the adopted texts; highlights that such a system should build on unique identifiers for all recipients including information about their ultimate beneficiaries and should also automatically ensure the use of systems including, but not limited to, the data-mining tool, ARACHNE, in order to provide for the best possible protection of Union finances; underlines that this integrated and interoperable system must enable the aggregation of all individual amounts received by the same beneficiary or beneficial owner into one total sum; notes that this digitalisation is overdue and indispensable given the cross-border nature of misuse of funds, fraud, misappropriations, conflicts of interest, double-funding and other systemic problems; underlines that this single data-mining tool should be easily searchable and available for OLAF, EPPO and the Commission, in order to enhance the protection of the Union budget and NextGenerationEU against irregularities, fraud and conflicts of interest;

16. Stresses the need to enlarge the areas where the Early Detection and Exclusion System (EDES) is used beyond direct management and requests the Commission to use it for all Union funds including funds under shared management: notes that, the EDES has to be used systematically to ensure that companies and beneficial owners who have been convicted in relation to fraud, corruption or other serious economic criminal activities cannot benefit from Union funds; stresses the need to harmonise the indicators in ARACHNE with the exclusion grounds of EDES to ensure

that excluded economic operators are also visible in ARACHNE; calls for maximum interoperability between ARACHNE, EDES and other software to reduce the need to insert information items into various IT systems multiple times and keep the administrative burden as low as possible;

17. Requests the Commission to follow up on Parliament's initiative report concerning the revision of the Financial Regulation ([3]) and Parliament's legislative initiative report (INL) on digitalisation of the European reporting, monitoring and audit ([4]), which entails specific suggestions for revision of the Financial Regulation;

18. Welcomes the publication of the guide on avoidance of conflicts of interest under the Financial Regulation in April 2021 – after distribution to Member States in August 2020 – which promotes the uniform interpretation of the rules across all management modes; reiterates its call on the Commission to ensure proper evaluation of the preventive measures taken by the Member States to avoid conflicts of interest; emphasises that all forms of conflicts of interest are to be tackled efficiently and effectively including within the Union institutions;

19. Recalls that Commission's audit reports, including for conflict of interest cases, should be published in a reasonable timeframe, helping to ensure that the recommended corrective and follow-up actions are implemented by the audited; recalls the stance of the Budgetary Control Committee, that even prior to the finalisation of an audit, the Commission has to share information with Parliament upon request in order to allow Parliament to exercise its function of political scrutiny;

20. Notes that the COVID-19 pandemic justified considerable changes to the 2020 budget in the form of transfers and amending budgets in order for the Union to give robust input in order to help alleviate the challenges arising from the COVID-19 pandemic, not least through the rapid development of vaccines; furthermore, notes that the COVID-19 pandemic meant that audits mainly had to be done remotely; welcomes the increase in digitalisation in the audit procedures, efficiency gains and cost savings from remote audits, but underlines that remote audits cannot fully substitute on-the-spot controls; also notes that the Commission, on the basis of its specific COVID-19-related risk assessment carried out in 2020, considers that the level of assurance was safeguarded and that its estimated risk at payment and risk at closure are representative of the level of error in the financial transactions;

21. Notes that both 2019 and 2020 Court annual reports attest 'pervasive error in expenditure' and give an adverse opinion on the legality and regularity of expenditure; recalls the repeated finding by the Court that the control mechanisms of the Commission and Member States are simply not reliable enough;

22. Acknowledges the gradual transition of the decommitment rules for the 2021-2027 programming period from the N+3 (2021-2026) to the N+2 (2027) for the shared management funds under the Common Provisions Regulation ([5]) (CPR), as supported by Parliament; asks the Commission to cooperate and assists Member States in the timely implementation of their programmes; underlines that the current N+3 rule should not be used to slow down or delay the implementation, but to ensure sufficient time for projects to be realised;

23. Calls on the Commission and the budgetary authority to ensure the provision of sufficient funding for audits and controls of Union funds in light of the massive increase of funds to be disbursed during the coming years under the combined MFF and NextGenerationEU instrument; notes that the Commission will assess the control systems of the Member States and provide guidance to put in place sound monitoring and control systems; calls on the Commission to provide the discharge authority with detailed assessments of the audit and control systems for each Member State;

([3]) European Parliament resolution of 24 November 2021 on the revision of the Financial Regulation in view of the entry into force of the 2021-2027 multiannual financial framework, P9_TA(2021)0469.

([4]) European Parliament resolution of 23 November 2021 with recommendations to the Commission on digitalisation of the European reporting, monitoring and audit in its proposal for the upcoming revision of the Financial Regulation, P9_TA(2021)0464.

([5]) Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy (OJ L 231, 30.6.2021, p. 159).

24. Reiterates its concern that the Commission only audits the achievement of milestones and targets before paying out RRF funds while leaving it to the Member States to ensure that public procurement or State aid rules have been complied with; notes that the Commission will carry out system audits to ensure that the Member States have put in place strong controls for the protection of the Union's financial interests against conflicts of interest or serious irregularities; is, however, of the opinion that the Commission, as Guardian of the Treaties, should not only rely on Member States' audits on compliance with applicable rules to ensure an equal playing field for investments under the RRF; therefore calls on the Commission to extend its audit activities beyond system audits to include checks on public procurement and State aid rules following its risk-based approach; recalls in this regard the severe loopholes in the national legislation in certain Member States regarding efficient controls and prevention of conflicts of interest;

25. Reiterates the need to better balance the further simplification of rules and procedures with better controls over the most repeated areas of irregular spending, develop training sessions and practical information for applicants, in particular new applicants, and improve the assistance and guidelines for SMEs, spin-offs, start-ups, administration and payment agencies and all others relevant stakeholders; acknowledges progress made through the 2018 revision of the Financial Regulation and the improvements introduced for the 2021-2027 spending programmes;

26. Stresses the increased importance of performance indicators, including the selection of indicators, definition of targets and milestones and monitoring and reporting in light of the new delivery models for the RRF and the reformed Common Agricultural Policy; welcomes in this regard the Commission's work to improve monitoring and reporting on performance of the Union budget with more streamlined and qualitative indicators, as reflected in the adopted basic acts of the 2021-2027 spending programmes; notes that milestones and targets as well as output indicators are different in nature; notes that the RRF further differentiates between investments and reforms; stresses that performance auditing is a new tool for the respective audit authorities; calls on the Commission to provide an overview of the complete audit cycle within the Member States, the Commission as well as an overview of the cooperation with the respective audit authorities including the Court, as well as OLAF and EPPO;

27. Encourages the Commission, the Court and the Council to work towards accelerating the discharge process to N+1, reminding them that this should not undermine the quality of the process;

28. Calls on the Commission to continue promoting gender balance and a gender budgeting approach in all areas of Union spending in a concise and concrete manner; welcomes the Commission's progress towards gender mainstreaming methodology and the development of a pilot methodology for the tracking of gender-related expenditure under the MFF 2021-2027; asks the Commission to inform Parliament about its feasibility test on Union funding programmes in the context of the draft budget 2023;

29. Reiterates the need to step up the efforts in the fight against fraud both at Union and Member State level, in close cooperation with EPPO and OLAF; appreciates the remarkable efforts and stresses the role of EPPO in the investigation and prosecution of fraud and other criminal offences affecting the financial interests of the Union; recalls the importance of providing EPPO and OLAF with sufficient financial and human resources;

30. Welcomes the establishment of new own revenues in order to repay, from 2028, the loans granted under NextGenerationEU (about EUR 15 billion per year until 2050) with a view to ensuring a better protection of the Union budget; notes that by doing so, the Union's debt burden will not be borne by future generations and essential Union programmes such as Horizon Europe, ESF+, Erasmus+, will not have to be reduced;

31. Is particularly concerned by the Court's repeated findings that the work of some national audit authorities or certifying bodies is considered too error-prone and therefore unreliable, which compromises the reliability of data for the AMPR; regrets that the Commission has not followed up on this specific comment, which was included in the 2019 Commission discharge resolution; expect the Commission to provide clarifications on this aspect;

The Court's statement of assurance and budgetary and financial management

32. Welcomes that, for the year 2020, the Court finds that the accounts of the Union are reliable, in accordance with the Financial Regulation and that, the revenue side of the budget is free from material error;

33. Regrets that, for the year 2020, the Court has again issued an adverse opinion on the legality and regularity of the expenditure side of the budget and at the same time stresses that the level of error at 2,7 % in 2020, which is the same as for the year 2019, may only be the minimal level of error due to the detection risk linked to the fact that the Court was not able to perform any on-the-spot checks because of the restrictions imposed as a result of the COVID-19 pandemic; underlines, however, that an error rate does not automatically imply fraud and notes that, in 2020, six possible fraud cases were reported by the Court to the Union's Anti-Fraud Office (OLAF) compared to nine in 2019; reiterates the need to step-up efforts in the fight against fraud both at Union and Member State level, in close cooperation with EPPO and OLAF;

34. Notes that the Court audited transactions of EUR 147,8 billion compared to the actual spending of EUR 173,3 billion and that high-risk expenditure, which is primarily based on reimbursement, represented EUR 87,2 billion of the audit population while low-risk expenditure, which is primarily entitlement-based expenditure, represented EUR 60,6 billion;

35. Notes with concern that based on 728 audited transactions checked by the Court, the estimated level of error for high-risk expenditure continues to be well above the materiality threshold at 4,0 % while the estimated level of error is below the materiality threshold for low-risk expenditure;

36. Reiterates the requests made by Parliament to the Court in the discharge resolutions in recent years, namely to define the error rate also for low-risks payments, and for each expenditure in the MFF, to expand the chapter on 'Administration' in order to have a more in-depth analysis on all institutions and to qualify the impact of the corrective measures on the overall level of error;

37. Notes with growing concern that the Union balance sheet shows that the total liabilities at the end of 2020 were EUR 313,5 billion, an increase of EUR 62,0 billion or 24,7 % compared to the previous year (EUR 251,5 billion);

38. Notes that the United Kingdom left the Union on 1 February 2020 and that the Union accounts on 31 December 2020 showed a net receivable due from the United Kingdom of EUR 47,5 billion, based on the obligations defined in the Withdrawal Agreement;

39. Notes that 2020 was the last year of the 2014-2020 MFF; highlights that the budget for 2020 and the amending budgets amounted to a total of EUR 173,9 billion in commitments out of which EUR 172,9 billion was actually committed while the budget and the amending budgets amounted to EUR 164,1 billion in payments out of which EUR 161,8 was actually spent; notes, furthermore, that payments of EUR 9,9 billion in assigned revenue and EUR 1,6 billion in carry-overs were made, bringing the total payments to EUR 172,4 billion;

40. Notes with a concern that there seems to be little progress in the cumulative absorption rate for ESIF funds, which was still only 55 % (7 % lower than at the end of the last year of the previous MFF), although the annual absorption rate in 2020 was the same as the final year of the previous 2007-2013 MFF (15 %). Notes that, at the end of 2020, 45 % of the total commitments under the ESIF funds for the period 2014-2020 equal to EUR 209 billion have not paid out and constitute the main part of the total outstanding commitments (RAL) of EUR 303 billion;

41. Takes note of the detailed replies to the specific requests made by Parliament complementing the report from the Commission on the follow-up to the discharge for the 2019 financial year (COM(2021) 405 final);

Special circumstances due to the COVID-19 pandemic

42. Notes that the COVID-19 pandemic has resulted in the relaxation of applicable rules to provide additional liquidity, as well as exceptional and necessary flexibility for COVID-19-related expenditure, including at the level of administrative rules and controls in the interest of rapid reaction; is concerned that this increases the risk of non-transparent procedures, misuse and fraud by criminal structures attempting to abuse the crisis situation; notes information from OLAF on criminal activities concerning personal health and safety equipment and fake vaccine offers; stresses the need for *ex post* controls and audits in this regard;

43. Notes that according to non-published information provided to the Court, the Commission provided EUR 12,9 billion in commitments under direct and indirect management and EUR 34,2 billion in commitments under shared management for purposes related to the COVID-19 pandemic during 2020; regrets that the Commission has not yet published a report on COVID-19-related expenditure;

44. Regrets that the COVID-19 pandemic made it much more difficult to carry out on-the-spot checks and audits; notes however that the Commission, on the basis of its specific COVID-19-related risk assessment carried out in 2020, considers that the level of assurance was safeguarded and that its estimated risk at payment and risk at closure are representative of the level of error in the financial transactions; underlines the need for more in-person audit visits in the coming period to ensure sound audit management;

Special circumstances due to the NextGenerationEU instrument

45. Notes that the NextGeneration EU instrument along with the 2021-2027 MFF will significantly increase the combined funding allocation to more than EUR 1 800 billion;

46. Notes furthermore that much of the regulation for the underlying spending programmes for the new MFF period has been adopted comparably later than during the previous MFFs, which will inevitably lead to delays in programming and implementation;

47. Stresses that the combined effect of the new NextGenerationEU instrument and the delays in adoption of legislation risks putting serious pressure on administrative capacities in Member States and the Commission, which again may lead to more errors, less control and potential losses for the Union budget;

48. Notes that the use of data-mining and risk assessment instruments such as ARACHNE can help prevent and safeguard against conflicts of interest, fraud, corruption and double funding. Notes that the information on the beneficiaries of the programme as well as data on the beneficial owner needs to be collected by the Member States. The Anti-Money Laundering Directive requires a central Union platform, which has been set up, but not all Member States have connected to it yet; notes that central registers of beneficiary data exist in Member States, but not all contain beneficial owner data;

49. Notes that monitoring tools are essential for the audit of the implementation of milestones and targets; notes that Member States are required to use the FENIX system developed and made available by the Commission; welcomes the Recovery and Resilience Scoreboard set up by the Commission to provide a visual and user-friendly overview of the progress made in the implementation of the Recovery and Resilience Facility which fosters the transparency, public scrutiny and accountability of the Facility;

50. Notes that, according to Article 60 of the RRF Regulation, the Commission should transmit, subject to clearance of sensitive or confidential information, or to appropriate confidentiality arrangements if necessary, relevant documents and information simultaneously and on equal terms to Parliament and to the Council;

51. Notes that the European Parliament set up a RRF working group, which establishes a dialogue between Members of the respective Committees and the Commission; notes that the involvement of Parliament and the Council is crucial to ensuring democratic oversight and scrutiny; stresses that the early and complete transmission of documents to Parliament and the Council will be an important and decisive element in the discharge procedure;

52. Notes that, according to Article 31 of the RRF Regulation, the Commission should present an annual report on the implementation of the Facility to the Parliament and to the Council by 31 July 2022;

53. Notes that the Court estimates that the total exposure of the Union budget due to the NextGenerationEU instrument will increase significantly over the coming years and might reach EUR 940 billion by the end of 2023, which represents a huge increase from EUR 132 billion at the end of 2020;

54. Requests the Commission to identify additional possibilities to further strengthen the absorption capacities of the Member States by investing in the administrative capacities, trainings and digitalisation of fund management;

Recommendations

55. Calls on the Commission to:

(a) carry out analysis for each individual Member State of the funds received and status of implementation, at the latest in May for the previous budgetary year, in the context of an annual report foreseen under Article 31 of the RRF Regulation; expects the Commission to publish the annual report for the first time early in the second half of 2022 and to promptly inform the discharge authority about the findings;

(b) ensure the protection of the Union budget by making general and systematic use of digital and automated systems for reporting, monitoring and audit and urgently establish a compulsory integrated and interoperable system building on, but not limited to, existing tools and databases in the context of the upcoming revisions of the Financial Regulation; develop the Recovery and Resilience Scoreboard to ensure that the description of milestones and that the target and outcome of the audit are transparent; ensure that all Member States use the systems and central registers to report on beneficial owners and end beneficiaries;

(c) carry out a series of *ex post* on-the-spot checks and controls of national public procurements using Union funds and take note of the audits or media reports already carried out, which point out a considerable risk to legality of these procedures;

(d) to transmit, subject to clearance of sensitive or confidential information, or to appropriate confidentiality arrangements if necessary, relevant documents such as the Summary of Audits (SoA) and information to the discharge authority in a timely manner;

(e) simplify rules and procedures, develop compulsory training sessions and practical information for applicants , in particular new applicants, and improve the assistance and guidelines for SMEs, spin-offs, start-ups, administration and payment agencies and all relevant stakeholders; provide the discharge authority with an overview of the trainings conducted;

(f) follow-up on the recommendations issued by the Court, including a comprehensive and standardised report on expenditure related to the COVID-19 pandemic;

(g) share the outcomes on budgetary control contents in light of the review report with the discharge authority by conducting a meeting with the respective committee;

(h) intensify its work to ensure that the funds under the RRF are used for projects that lead to structural reforms and investments which achieve Union added value and that double funding of projects is avoided; urges the Commission to not only rely on compliance audits by the Member States concerning applicable rules such as public procurement and State aid rules, but to extend its audit activity beyond system audits in a risk-based approach;

(i) ensure that its reporting on the total financial exposure of the Union budget is clear and timely in order for the audit authorities and the public in general to have a clear picture of how the exposure develops in the coming years;

(j) develop a methodology and multiply *ex post* controls and on-the-spot missions regarding the use of NextGenerationEU funds and their impacts on the Member States' recovery;

(k) increase the administrative capacity of the Commission and Member States and propose adequate budget lines for the Court, EPPO and OLAF in relation to the implementation of the new upcoming tasks related to the NextGenerationEU instrument in order to protect Union finances;

(l) to finalise a concise and concrete gender mainstreaming methodology for use across the budget through targeted and effective incentives by the end of 2022 at the latest, and to follow the recommendations of the Court in its Special Report on gender mainstreaming in the Union Budget;

Annual management and performance report and performance of the Union budget

56. Notes that the Court bases its AMPR on the information retrieved from several reports by the Commission; notes that the Court supplements this information with recent findings from its own audit and review work; notes that the Court reviews the Commission's performance information for plausibility and consistency with their findings, but not for its reliability;

57. Takes note that, for 2020, out of 51 directors-general (or equivalent), 11 directors-general issued a total of 19 reservations and that the total financial impact of the reservations was EUR 1 219 million;

58. Underlines that auditing the performance of the Union budget is equally as important as compliance auditing in order to get a comprehensive view, not only of the legality of spending as well as the effectiveness, efficiency and economy of the spending, but also of the results achieved and the priorities and targets met; points to the numerous recommendations issued by the Court, as well as the discharge authority, that the Commission should pay much more attention to assessing the results, outcomes and impacts of its policies and programmes (effectiveness), beyond presenting sheer numbers of funds spent or people involved in individual programmes (efficiency);

59. Notes that the better regulation approach helps the Commission in identifying lessons learnt from past implementation of policies and programmes; highlights that all spending programmes should be reviewed by the Commission, points out that cost-effectiveness and cost-benefit analyses are important tools in budget control to review the spending; calls on the Commission to include more qualitative information that shows the Union added value of spending programmes; welcomes that the Regulatory Scrutiny Board contributes to improving the quality of evaluations and impact assessments; calls on the Commission to implement the recommendations given by the Regulatory Scrutiny Board and to sufficiently justify when comments have not been taken into account;

60. Notes that the CPR for the seven shared management funds for the period 2021-2027, was not subject to an impact assessment, since the CPR sets common rules and delivery mechanisms for other policies; welcomes that funds-related regulations were accompanied by their own impact assessments; notes that important evaluations of the CAP were not available before the impact assessment was made concerning the CAP reform;

61. Underlines that it is important that the Commission continues to draw lessons from the performance of the programmes also after the end of the MFF period because some results and impacts may only be evident several years after the end of the MFF period especially for programmes with large amounts of outstanding commitments and include these observations and conclusions in its reports to be shared with the discharge authority;

62. Takes note that the Court, in this year's Annual report, reviewed the Commission's reporting on financial corrections and recoveries and is worried that it found it to be complex and not always clear; call on the commission to make sure that its reporting gives a clear idea of the amount of irregular expenditure corrected and returned to the Union budget;

63. Calls on the Commission to do a more accurate follow up on the recommendations issued by the Court and engage with Parliament's reliable scrutiny and discharge processes in order to better control the implementation of the new delivery models, as well as the RRF and the reformed Common Agricultural Policy;

64. Reiterates its concerns about the Court's assessment that the monitoring data from Member States, on which the AMPR and the programmes statements are based, is not fully reliable; regrets, in particular, the Court's reiterated evaluation on the AMPR in the Cohesion areas, because of shortcomings of the audit authorities work and the issues identified regarding the residual error rates reported in the Annual Activity Reports (AARs) of DG EMPL and DG REGIO;

65. Takes note of the Commission's statement that it is not required to align its methodology to the one used by the Court, but regrets that it leads to very different figures, in particular in the competitiveness area, where the Commission's estimate of the risk at payment for this MFF heading is even below the Court's range for the estimated level of error; calls on the Commission to step away from a strictly legal requirement and seriously engage in a reflection process on its methodology to ensure that the Court and Commission figures may be more comparable;

66. Underlines its strong and repeated requests to ensure the protection of the Union budget by making general and systematic use of digital and automated systems for reporting, monitoring and audit; urges the Commission to establish an integrated and interoperable system building on but not limited to existing tools and databases;

Revenue

67. Takes note that revenue accounted for EUR 174,3 billion in 2020: of this amount, EUR 123 billion (70,6 %) comprised gross national income-based own resources, EUR 19,9 billion (11,4 %) traditional own resources (TOR), EUR 17,2 billion (9,9 %) value added tax-based own resources, EUR 8,2 billion (4,7 %) contributions and refunds connected with Union agreements and programmes, EUR 3,2 billion (1,8 %) surplus from the previous year, and EUR 2,8 billion (1,6 %) other revenue;

68. Notes that the Court examined a sample of 55 Commission recovery orders, designed to be representative of all sources of revenue, as well as the Commission's systems, the TOR accounting in three Member States, and the AARs of the Directorate-General for Budget (DG BUDG) and Eurostat; welcomes that none of the sample elements were affected by a quantifiable error; welcomes that for revenue, the Court has found that that the level of error was not material and that the revenue-related systems were generally effective;

69. Underlines the evaded amounts not captured in Member States' TOR accounting systems do not fall within the scope of the Court's audit opinion on revenue; takes note that since the difference between the theoretical level of import duty that should be collected for the economy as a whole and actual import duty collected (the 'customs gap') may affect the amounts of duties established by the Member States, the Court has assessed, for the second year in a row, the Union action taken to reduce the gap and mitigate the risk that TOR are not complete;

70. Notes with great concern that the Court found that in 2020, the Commission closed its verification cycle in respect of GNI data for own resources from the year 2010, a 10-year gap; highlights that as a result of the verification cycle closure, the Commission set a large number of GNI reservations in respect of specific compilation procedures in the Member States that called for improvement; remarks that this significantly increases budgetary uncertainty in the national budgets in relation to the GNI-based contribution; is concerned by the Court finding that the impact of globalisation on GNI is not properly addressed and the Union revenue could be affected as a result;

71. Notes with concern that there is insufficient harmonisation of control systems to safeguard the Union's financial interests mainly due to weaknesses that allow the Member States to differ significantly in the way they implement them; notes that the Court has found persistent weaknesses in the effectiveness of control systems at the level of both the Commission and the Member States, the most important of which affect the Commission's closure of the GNI verification cycle and the reliability of the TOR statements in one Member State;

72. Is concerned that despite improvements, the number of VAT reservations and TOR open points remains high, and that weaknesses persist in Member States' accounting and management of TOR; notes with concern that the Court has found a lack of systematic monitoring of import data and insufficiently harmonised customs controls at Union level;

73. Notes with concern that for the fifth year in a row, DG BUDG has maintained the reservation that the TOR amounts transferred to the Union budget are inaccurate as a result of an undervaluation of textiles and shoes imported from China during the period from 2011 to 2017; notes the Court of Justice's judgement of 8 March 2022 declaring that the United Kingdom has failed to fulfil its obligations by failing to apply effective customs control measures and by failing to make the correct amount of traditional own resources available to the Commission, in respect of the imports concerned;

74. Notes that the Court partly rejected the Commission's calculation due to considerable uncertainty regarding the accuracy of the amounts of own resources claimed by the Commission and the Commission has not established the full amounts to the requisite legal standard; notes that the Court approved the method used by the Commission for estimating the amount of TOR losses for part of the infringement period and stated that it is for the Commission to recalculate the losses of Union own resources that are still due; calls on the Commission to explain to the discharge authority what the errors in the calculation consisted of, how it intends to remedy the error in the calculation of the losses to the requisite legal standard and inform the discharge authority about the result of the new calculations;

Recommendations

75. Calls on the Commission to:

(a) ensure the uniform application of customs controls, and to develop and implement a fully-fledged analysis and coordination capacity at Union level;

(b) review and update its approach to verifying Member States' GNI data in future multiannual cycles to further streamline the process and reduce the period over which GNI data remain open after the end of the cycle;

(c) in cooperation with the Member States, continue to improve the capture of globalisation in national accounts to address the GNI reservation in this area for the years 2018 onwards, and if needed, to reassess the quality of the GNI data of previous years, to inform the budgetary authority of the possible implications of the resulting revised statistics for the revenue budget since 2010;

(d) ensure that for all Member States their monthly and quarterly TOR statements are reliable, by solving weaknesses in their customs IT system in relation to the lack of audit trail, the risk of double entries, and the incorrect allocation of partial payments;

(e) take action in the fight against fraud in e-commerce and VAT collection, particularly by making use of the additional benefits of digital means available for tracking invoices and VAT payments;

(f) ensure the protection of the Union budget by making general and systematic use of digital and automated systems for reporting, monitoring and audit and urgently establish an integrated and interoperable system building on but not limited to existing tools and databases;

Competitiveness for growth and jobs

76. Notes that the MFF subheading 1a 'Competitiveness for growth and jobs' accounts for 13,9 % or EUR 24,1 billion of the Union budget: of this amount, EUR 13,6 billion (56,4 %) is spent on research, EUR 3,1 billion (12,8 %) on education, training, youth and sport, EUR 2,4 billion (10,2 %) on transport and energy, EUR 1,6 billion (6,5 %) on space, and the rest on other actions and programmes; recalls the total planned expenditure under this sub-heading of the 2014-2020 MFF is EUR 142 billion, of which EUR 104,6 billion had been paid out by the end of 2020;

77. Recognises that small and medium-sized enterprises (SMEs) have to be at the heart of any considerations concerning the competitiveness for growth and jobs, as SMEs provide 6 out of 10 jobs and 8 out of 10 apprenticeships in some Member States, and are responsible for close to 60 % of the added value created in the Union;

78. Notes that the Court examined a sample of 133 transactions, designed to be representative of the full range of spending under this MFF subheading; notes that the Court also examined the regularity of information in the AARs of the Directorate-General for Research and Innovation (DG RTD), the Directorate-General for Communications Networks, Content and Technology (DG CONNECT) and the Innovation and Network Executive Agency (INEA), which the Commission then included in its AMPR;

79. Notes with concern that the Court has estimated the level of error to be 3,9 %, mainly derived from errors related to ineligible costs, absence of essential supporting documents, or issues with the contract notices on tender documents; underlines that the Court has found that FP7 and H2020 spending remains higher-risk and is the main source of errors;

80. Notes with concern that personnel costs continue to constitute the principal source of error, notably in research expenditure; regrets that the rules for declaring personnel costs under H2020 remain complex, despite simplification efforts; welcomes a number of simplifications specifically targeting SMEs under Horizon 2020, such as a single flat rate for indirect costs, including personnel costs;

81. Notes that beneficiaries can only claim personnel costs for tasks carried out by a natural person working under a direct contract, while costs for subcontracted tasks are not eligible; notes the Court's observation that SMEs, who do not have enough own staff, are particularly error-prone to claiming the costs of external consultant's services or freelancers as personnel costs;

82. Notes that the Commission has reinforced its information campaign targeting error-prone beneficiaries, such as SMEs and first-time applicants with limited experience and resources for the application process; notes that the Commission held six webinars in 2020 reaching around 7 500 direct participants; is of the opinion that the Commission can further extend its information activities; underlines the importance of providing information to potential applicants in their native language, particularly on complex rules such as personnel costs and subcontracting costs;

83. Recalls that the Commission set out to establish a stronger role for the Union as a leading actor in the space sector during the 2021-2027 MFF; highlights the importance of SMEs and start-ups in all aspects of space policy, in particular launcher infrastructure, rockets, satellites as well as up and downstream services; is concerned by tenders launched in the field of space policy, particularly concerning the union's satellite-based connectivity system that excluded SMEs by introducing exceptionally high burdens that no small enterprise could fulfil; requests the Commission to provide an overview of (a) the outcomes of all tenders in 2020; (b) how many tenders were partially or totally won by SMEs or start-ups; (c) how many tenders were won without any participation from SMEs or start-ups; (d) how many tenders were won by large companies; and (e) an overview of all tenders in 2020 that excluded SMEs by design of the tender;

84. Draws attention to the fact that approximately 20 % of *ex post* audits of the entire H2020 family are carried out by DG RTD's Common Audit Service (CAS), and 80 % are carried out on its behalf by private audit firms; notes with concern that the Court found that sampling at the level of the cost statements audited was not always in line with established procedures, highlights that despite the improvements introduced by the Commission, the representative error rate is potentially understated; expresses concerns that weaknesses in the *ex post* audits by the CAS still persist;

85. Regrets that the level of excellence in research continues to differ significantly across Member States; notes that studies have recommended that researchers, experts and other national actors from institutions of lower levels of excellence be encouraged to participate actively in joint research teams including researchers and institutions with the highest level of excellence; is aware that the main responsibility lies with the Member States and their investment in education, but underlines that the Commission can contribute to spreading excellence; welcomes the increased budget for widening activities for Horizon Europe;

86. Takes note that the audit work on FP7 is complete; regrets that the AARs of DG RTD and DG CONNECT confirm that the cumulative residual error rate for FP7 is above 2 %; acknowledges that because of the de minimis threshold for financial reservations introduced in 2019, neither DG reported a quantified reservation;

87. Notes with concern that with regard to H2020, DG RTD reported an expected representative error rate of 2,95 % for all DGs and other Union bodies managing Union research spending; takes note that the residual error rate is 2,24 % for DG RTD and 2,20 % for DG CONNECT; notes with concern that the Commission does not consider that a reservation needs to be set for Horizon 2020 expenditure; takes note that the implementing bodies strive to provide reasonable assurances of a risk of error within a range of 2-5 %;

88. Welcomes the Court's report on the performance of Erasmus+, which represents 13,3 % of the total payments made by the end of 2020 for this MFF heading, based on the 2020 AMPR, the programme statements for the 2022 draft budget, and key evaluations and other reports;

89. Welcomes the Court's assessment that the scale and scope of Erasmus+ created added value and that its efficiency has been improved by its simplification compared to predecessor programmes; notes the Court's view that the Commission has not taken gender equality into account across all aspects of Erasmus+, and that the programme statement for Erasmus+ did not provide a financial estimate of the programme's contribution to gender equality; recalls that while there are significant gender differences between study fields, 58 % of the total number of participants in the programme are women;

90. Notes with concern that female researchers are underrepresented in Horizon 2020 representing only 36 % of researchers (28 % in projects from the European Research Council (ERC), 42 % in Marie Skłodowska-Curie grants and 31 % in the other parts of the Programme);

91. Appreciates that the 2020 Nobel Prize in Chemistry was awarded to an Horizon 2020-funded researcher, who was the 10th participant funded by this programme to be honoured with a Nobel Prize to date;

92. Notes that, in 2020, 1 173 projects were funded through the ERC programme in Horizon 2020 and 1 255 principal investigators received funding; also notes that currently among the hosting institutions there are institutions from 25 Member States and among the principal investigators there are nationals of 23 Member States; notes further that since 2014 the Marie Skłodowska-Curie Actions have supported the mobility and training of around 69 000 researchers thus exceeding its target of 65 000 researchers;

93. Welcomes that the Connecting Europe Facility (CEF) deployed digital service infrastructures that ensure the cross-border interoperability of online services for citizens, businesses and public administrations in the Union; underlines that almost EUR 630 million has been invested in the Union-wide interoperability of specific digital services such as eHealth, public open data, electronic identification and cybersecurity;

94. Underlines the importance of investing in sustainable transport networks to enable the necessary shift towards more sustainable modes of transport; encourages CEF 2021-2027 to strive to emulate the great results achieved by CEF; notes the need to improve the level of awareness of the CEF eligibility rules among beneficiaries;

95. Welcomes the fact that in the 2014-2020 period, CEF Transport co-funding amounting to EUR 23,03 billion was allocated to 959 actions, while addressing infrastructure along both the core and the comprehensive network of the Trans-European Transport Network (TEN-T), the programme focused its support on the core network, with more than 170 sections concerned;

Recommendations

96. Calls on the Commission to:

(a) extend the scope of the certificates on financial statements to include unit cost categories for the new research framework programme, Horizon Europe, in order to increase the level of detection and correction of errors in unit costs; calls for the simplification of the rules on personnel costs under Horizon Europe;

(b) implement actions, including a periodical review of the main causes of error in financial statements, provide guidance on complex issues such as subcontracting rules, and conduct information campaigns in order to reduce the error rate for H2020;

(c) further improve the quality of *ex post* audits by addressing the weaknesses in the sampling procedures at the level of cost statements and apply the corrections to the error calculation method for Horizon Europe;

(d) continue working towards achieving a level of error below 2 % in this area of expenditure;

(e) simplify rules and procedures, develop compulsory training sessions and practical information for applicants, in particular new applicants, and improve the assistance and guidelines for SMEs, spin-offs, start-ups, administration and payment agencies and all other relevant stakeholders; develop a digital compendium for European SMEs and mid-cap companies for regulatory information on jobs and growth opportunities support within the MFF and RRF framework similar to the Access2Markets Trade Assistant;

(f) take a better approach to gender balance in relation to beneficiaries of the Horizon Europe funds, and to geographical balance from underrepresented Member States and provide better support to research and cooperation in universities in all Members States; report to Parliament about the proportion of the male and female researchers participating in the programme;

(g) ensure the protection of the Union budget by making general and systematic use of digital and automated systems for reporting, monitoring and audit; and urgently establish an integrated and interoperable system building on, but not limited to, existing tools and databases;

(h) manage expectations by setting realistic and achievable objectives and targets; considers that the new reinforced EU Youth Guarantee should have more positive results on young people's access to the labour market; calls on the Commission to cooperate better with member states to develop Erasmus+ for professional training, especially for certain technical professions, artisans, etc.; calls on the Commission to encourage the UK to rejoin the Erasmus programme; also calls for the development of student and scientific exchanges for the Eastern Partnership countries, especially Ukraine; further increase its widening activities to improve access to excellence throughout the Union and report back to the discharge authority;

(i) create a new budgetary line for tourism, to support the recovery of a sector severely hit by the COVID-19 crisis, making it resilient for the future, digitalised and sustainable;

(j) continue its action on the grouped purchase of vaccines to protect against COVID-19 which allows savings and develops the Union's sovereign autonomy in the field of health and which can be extended to other areas such as energy, semiconductor or rare earth elements;

(k) ensure that sufficient resources are available for Horizon Europe and its pillars, IPCEIs and other funding instruments and projects also in relation to job creation, ensuring synergies with the national recovery plans in order to promote research and develop a growth strategy and launch new Union partnerships in areas such as clean hydrogen, fuel cells, wind energy, electric traction, photovoltaic energy, robotics, drones, 3D printing batteries, clean aviation, rail, connected and automated mobility, zero-emission road and waterborne transport and abroad range of digital technologies, in particular for the Work Programme 2021-2022 and welcomes the progress of Horizon Europe in this sense; stresses the need to support projects that contribute, in particular, to a future-proof, sustainable, smart, competitive, affordable and climate-friendly European transport network;

(l) propose a new result-oriented mechanism including short, mid and long-term planning and technical assistance, as well as to enhance the link between funding and the achievement of project milestones, to increase the added value of Union Funds and to ensure that Member States meet the 2030 and 2050 completion targets for the core and comprehensive TEN-T networks respectively;

Economic, social and territorial cohesion

97. Notes that MFF sub-heading 1b 'Economic, social and territorial cohesion' accounts for 34,3 % or EUR 59,5 billion of the Union budget: of this amount, EUR 32,4 billion (54,5 %) is spent on the European Regional Development Fund (ERDF), EUR 10,2 billion (17,1 %) on the Cohesion Fund (CF), EUR 14,7 billion (24,7 %) on the European Social Fund (ESF), and EUR 2,2 billion (3,7 %) on other actions;

98. Recalls the important role of the spending under MFF heading 1b 'economic, social and territorial cohesion', which focuses on reducing development disparities between the different Member States and regions of the Union and strengthening the competitiveness of all regions;

99. Notes that the Court has examined a sample of 227 transactions, designed to be statistically representative of the full range of spending under this MFF sub-heading; notes that the Court also examined the regularity of information given in the annual activity reports of the Directorate-General for Regional and Urban Policy (DG REGIO) and the Directorate-General for Employment, Social Affairs and Inclusion (DG EMPL) as well as the AMPR;

100. Notes with concern that taking account of the errors previously identified by audit authorities and corrections applied by programme authorities, the Court has estimated the level of error to be 3,5 %, well above materiality; welcomes that this nevertheless represents a reduction in the error rate when compared with the reported 4,4 % error rate in the 2019 exercise; takes note that the errors detected concern ineligible costs, public procurement, accounting and calculation errors, State aid, and missing supporting documents;

101. Notes with concern the data presented in the Single Market Scoreboard for 2020 on public procurement, which shows that the proportion of contracts awarded with just a single bidder is particularly alarming: 19 Member States reached or exceeded the threshold of 20 % and six Member States (Czechia, Greece, Hungary, Poland, Romania, Slovenia) had a level of 39-51 %; notes that the proportion of procurement contracts negotiated with a company without any call for bids reached or exceeded the threshold of 10 % in 8 Member States with four (Bulgaria, Cyprus, Romania, Slovenia) reaching levels of 22-29 %; notes that the proportion of contracts awarded after a call for tender whose name and condition were not clear was above the threshold of 3 % in ten Member States with levels between 8-9 % in four Member States (Belgium, Bulgaria, Malta and Slovenia);

102. Is deeply concerned by these observations as they indicate severe and systemic weaknesses in the public procurement procedures in several Member States, which are likely to also impact the management and spending of Union funds; notes in this regard the Court's observation on an early preventive system audit on the management verifications of public procurement in Hungary, which resulted in a 10 % flat-rate correction to all contracts affected covering a period of four years amounting to around EUR 770 000 000;

103. Is concerned that 72 % of errors result from ineligible projects and costs and 27 % from infringements of internal market rules (in particular non-compliance with State aid rules); notes that five projects infringed the Union's State aid rules; takes note that the Court is of the opinion that two projects should have obtained no public funding from the Union and/or the Member State; highlights that these projects accounted for 1,0 percentage points of the estimated level of error;

104. Welcomes the fact that, in 2020, the 2019 multiannual call for proposals under the Connecting Europe Facility was successfully completed, selecting 125 projects with an overall contribution of more than EUR 2 billion; notes that more than 90 % of the CEF contribution was allocated to projects expected to address climate-related objectives and in particular railway, inland waterways and maritime port infrastructures and deployment of alternative fuel infrastructures;

105. Takes note that DG REGIO has reported a weighted average error rate of 2,1 % and a 'maximum rate' of 2,6 %, and DG EMPL reported a weighted average error rate of 1,4 % and a 'maximum rate' of 1,9 %; points out that according to the Court, DG EMPL did not take full account of possible errors beyond those detected, in which case the maximum rate would have been 2,1 %; emphasises the Court finding that the overall residual error rate reported by the Commission should be considered a minimum rate; highlights that future corrections might not be sufficient to ensure that no material level of error remains at closure;

106. Expresses its concern that the number and impact of the errors detected demonstrate that the controls in place do not yet sufficiently mitigate the high inherent risk of error in this area; is concerned that this concerns, in particular, managing authorities whose verifications are ineffective in preventing or detecting irregularities in expenditure declared by beneficiaries; notes with concern that the Court also considers that other errors are the result of decisions taken by managing authorities themselves;

107. Notes with concern that the Court has concluded that the residual error rates that audit authorities reported were not always reliable and that shortcomings remain in the way audit authorities perform and document their work; underlines the Court's finding that audit authorities need to keep better track of the risk of fraud in their audits of operations;

108. Reiterates its deep disapproval of the practice in some Member States to systematically overbook programmes and shift problematic or illegal projects over into the national budget after the Commission or OLAF have detected irregularities or misuse; condemns that the national tax payers are left with the burden of paying for projects that suffer from conflicts of interest, fraud or other shortcomings;

109. Takes note that the Court, in its Special Report 07/2020 'Implementing Cohesion policy: comparatively low costs, but insufficient information to assess simplification savings' found that overall costs reported for implementing the Cohesion Policy funds are comparatively low, but were based on insufficiently complete and incoherent data; notes with concern that the Court found that the cost information available was not adequate in order to assess the impact of simplifying Union rules;

110. Takes note that the Court found, in its Special Report 24/2021 'Performance-based financing in Cohesion policy: worthy ambitions, but obstacles remained in the 2014-2020 period' that the 2014-2020 CPR provided for an explicit 'performance framework' for Member States' operational programmes, including milestones and targets to attain ESIF investments;

111. Underlines the performance reserve that the new performance framework has foreseen which entails 6 % of the resources to be frozen and consequently allocated on the basis of a performance review after the annual implementation report in 2019, to the programmes which have achieved their set milestones, so that Member States are incentivised to optimise their use of funding; regrets that, according to recent data, the Commission and the Member States were found to be only partially successful in making the financing of Cohesion policy more performance-based; is worried that the Member States were found to show very limited interest in using some of the new performance-based funding models, i.e. 'joint action plans' and 'financing not linked to costs'; encourages wider use of the simplified cost options which the Court considers have the potential to reduce beneficiaries' administrative burden and are considered less prone to error;

112. Recalls the contribution of cohesion policy in providing support to Member States to alleviate the negative impact of the COVID-19 pandemic and allow for a rapid re-direction of the available 2014-2020 funding to the most severely affected sectors and proposing considerable simplifications (CRII and CRII+ Initiatives for 2020); notes further that 179 Operational Programmes used these Initiatives to support healthcare, small businesses and workers which amounted to EUR 12,9 billion (EUR 6,2 billion in 2020 and EUR 6,7 billion in 2021); takes note that CRII and CRII + Initiatives have accelerated the implementation of the ESIF funds and contributed to reducing the RAL;

113. Takes note that the Court, in its Special Report 26/2021 'Regularity of spending in EU Cohesion policy: Commission discloses annually a minimum estimated level of error that is not final' found that the new legal provisions for the programming period 2021-2027 address some limitations in the acceptance of accounts; regrets that nevertheless, the Court found that some risks remain at the time of releasing the payment retention;

114. Notes the Court's findings that the Commission's desk reviews are not designed to detect additional ineligible expenditure, which limits their contribution to confirming the regularity of the underlying transactions and the validity of the Residual Total Error Rate (RTER) reported by the audit authorities; notes further that for programmes with a confirmed track-record of low error rates, such desk reviews are an efficient tool to confirm the reported error rates and audit opinions from the audit authorities; notes with concern that both the compliance audits of the Commission and of the Court found material errors that the desk reviews could not have detected;

115. Takes note that the Court found that the Commission did not always follow its risk-based approach for selecting the riskiest audit authorities for compliance audits and that while the Commission detects irregular expenditure in its compliance audits, it often revises their final results in the follow-up phase with the Member States;

116. Is deeply concerned by reports about severe and systematic corruption and misuse of Union cohesion funds in the ITI Danube Delta instrument in Romania worth EUR 1,1 billion across 8 Romanian programmes; notes that these funds are earmarked for poverty reduction, nature conservation and environmental protection projects along the Danube Delta in Romania, financed by 5 different ESIF; notes that the allegations of irregularities are concentrated in one programme, the regional operational programme, concerning 3 calls for projects under one priority axis supporting mostly SMEs and micro-enterprises amounting to EUR 104 000 000 funding 347 projects; notes that, in May 2021, OLAF opened an investigation related to allegations of fraud and other irregularities related to a specific project financed by the ITI Danube Delta in Romania;

117. Is concerned by media revelations that one Romanian national authority was corrupt and contributed to the authorisation of projects with politicians involved in a conflict of interest and who were not residing along the Danube delta;

118. Notes that following media reports on severe allegations of fraud, conflicts of interest and embezzlement, the Commission has issued in June 2021 an interruption of payments, blocking any Union reimbursement to the 347 risky projects pending the results of the verifications by the Romanian authorities; notes that the Romanian authorities selected 73 projects for verification leading to 35 of these projects being notified to the national anti-fraud body or prosecutor office for further investigation due to fraud suspicions; notes that the Romanian managing authorities carried out checks on an additional 22 operations to verify their regularity and whether they contribute to the development of the Danube region, resulting in one additional potential irregularity being identified;

119. Notes that the Commission agreed with the Romanian authorities that the managing authority provides the results of its verifications to the audit authority for an independent review on the adequacy of the risk-assessment method to select operations to be reviewed and checks carried out, and for confirmation of the results; notes that these conclusions will feed into the preparation of the targeted audit that the Commission plans to also carry out at the beginning of 2022 to verify on-the-spot the effectiveness of the actions undertaken by the Romanian authorities; urges the Commission to keep the discharge authority informed about any new developments and particularly about any financial corrections;

120. Is concerned that once again the information on such severe allegations was revealed by journalists and not by a Commission audit; recalls that the journalists pointed out that severe weaknesses and loopholes exist in the Romanian laws in relation to conflicts of interest; underlines that these laws urgently need to be brought in line with the requirements of the Union Financial Regulation; recalls that clear and unambiguous legislation against conflicts of interest at national level is an important precondition for the prevention, detection and fight against misuse, corruption and fraud;

121. Regrets that, as indicated in the Court's Special Report 10/2021 'Gender mainstreaming in the EU budget: time to turn words into action', the significant potential of Union structural and investment funds to contribute to gender equality is unexploited and that gender mainstreaming is not adequately implemented at all stages of the budgetary process; is of the opinion that gender mainstreaming must be addressed in a non-bureaucratic and concise manner through targeted and effective incentives;

122. Welcomes the Court's report on the performance of ESF, representing 25,9 % of all 2014-2020 cohesion policy payments made by the end of 2020; notes that the ESF expenses increased from EUR 11,2 billion in 2019 to EUR 13,7 billion in 2020 due to increased implementation; takes note that the work done by the Court is based on the Commission's performance information, which comprised of, in particular, the 2020 AMPR, the programme statements for the 2022 draft budget, and key Commission evaluations, as well as the 7th Cohesion Report;

123. Recalls the vital importance of the ESF, Erasmus+ and the Fund for European Aid to the Most Deprived (FEAD), EGF as the Union's main tools in fostering increased employment and labour mobility, education and vocational training for skills and lifelong learning and promoting social inclusion, combatting poverty and discrimination; welcomes that the Court has found that the performance framework of the ESF is well developed and that the Commission compiles an 'achievement ratio' for indicators with targets; regrets that the Court found that while the ESF's performance framework increased the availability of performance information, the focus remained on financial

inputs and outputs, and focused insufficiently on results and that while evaluations cover most areas of the ESF, more methodological efforts are required to assess the impact of policies in terms of reaching people who are disconnected from the labour market;

124. Takes note that indicators show that the Member States are making good progress against targets set, that the Commission released 85 % of the performance reserve for ESF programmes, and that the 2021-2027 ESF+ proposal aims for further simplification and synergies;

125. Regrets that due to data limitations and the fact that many operations were still ongoing at the time of the Court's audit, it was not in a position to draw an overall conclusion on the actual performance of ESF expenditure during the 2014-2020 period;

126. Notes with appreciation that, by the end of 2020, 45,4 million participants were supported by the ESF and the Youth Employment Initiative (YEI) and 5,4 million people found a job (including self-employed) under both programmes as reported by the Commission;

127. Welcomes the impact of the temporary Support to mitigate Unemployment Risks in an Emergency (SURE) as reported by the Commission in its second report; notes that SURE has been successful in cushioning the severe socio-economic impact resulting from the COVID-19 pandemic; notes that in 2020 SURE supported approximately 31 million people in the 19 beneficiary Member States, of which 22,5 million are employees and 8,5 million self-employed, as well as that around 2,5 million firms affected by the COVID-19 pandemic have benefitted from SURE, allowing them to retain workers;

128. Welcomes the increase in implementation of the financial instruments under all ESI funds in 2020 leading to EUR 10,3 billion in cumulative payments to final recipients (EUR 4,7 billion in 2019);

129. Notes that the construction of the Peljesac Bridge in Croatia with cohesion funds was completed by a Chinese state-owned company, which may have benefited from support from the Chinese government and lower and inadequate labour standards which would imply a competitive advantage over Union companies bidding for the same call; is of the opinion that the Commission as Guardian of the Treaties must ensure a level playing field between Union and third-country companies in public calls and tenders; is therefore of the opinion that strong provisions on Union-level standards of social and labour rights should feature in calls for public procurement and construction;

130. Is concerned about reports that the Hungarian government intended to nationalise the 'Ferenc Liszt' airport near Budapest and declared its intention to use Union cohesion funds to develop infrastructure to decrease the value of the airport with the aim of lowering the cost of its expropriation, harming its current owners; is deeply concerned by the insecurity such threats constitute for international investors; recalls that Union cohesion funds were used to co-finance the airport, which would benefit oligarchic structures in case of a forced or involuntary sale of the airport; notes that the government has imposed extremely bureaucratic obstacles and additional requirements on the airport operator; is astonished by inferior purchase offers for the airport by oligarchs in direct and close contact with the Prime Minister;

131. Is concerned that the price hike in construction and raw materials may change the total budget for many projects and could lead to underbudgeting, missed milestones, impossible implementations and could therefore undermine the completion of the TEN-T core network;

132. Notes with concern the acquisition of 88 % of shares in Euronews by Portuguese venture capital firm Alpac Capital, which reportedly has close ties with the Hungarian Prime Minister; notes that Euronews' editorial board now includes three people selected by Alpac and is therefore concerned that this might have an impact on its full editorial independence; notes that in 2020 Euronews received EUR 18,12 million from the Union budget; urges the Commission to ensure that this money is in fact used for objective and fact-based news coverage by independent journalists;

Recommendations

133. Calls on the Commission to:

(a) provide an error rate at payment and not a residual error rate in order to improve the evaluation of the scrutiny undertaken;

(b) continue its cooperation with the Court in order to further harmonise data standards and align the interpretation of legal texts;

(c) encourage and closely monitor the Member States using its standard scale of unit costs, as further simplification of rules and procedures can contribute to a more efficient use of funds and a reduced error rate, while ensuring that the scheme does not result in excessive imbalances in favour of Member States;

(d) encourage audit authorities explicitly to introduce specific questions in their checklists on fraud risks and document the steps taken to address any such risks discovered in the course of an audit; pay increased attention, and allocate increased technical support, to Member States, whose management and control systems are only partially reliable, or not reliable at all, where there is an increased risk of fraud and corruption related to funds;

(e) make the use of IT tools such as EDES and Arachne mandatory and systematic for all Union funds including shared management and ensure better use of new technology in order to increase controls and protect the Union budget against fraud and misuse of funds;

(f) ensure the protection of the Union budget by making general and systematic use of digital and automated systems for reporting, monitoring and audit and urgently establish an integrated and interoperable system building on, but not limited to, existing tools and databases;

(g) ensure that the Member States take into account and promote the implementation of the partnership principle and of gender equality throughout the preparation, implementation, monitoring and evaluation of all programmes as laid down in Regulation (EU) No 1303/2013 of the European Parliament and of the Council [6] and Regulation (EU) 2021/1060;

(h) ensure sound financial management in the use of funds, including respect for the rule of law and fundamental rights, as essential preconditions for sound financial management and effective funding;

(i) ensure that the Member States make sufficient information available in the annual summary on conclusions and follow-up of operations for which they have withdrawn amounts from accounts that are still under an ongoing regularity assessment;

(j) put forward a legislative proposal linked to the upcoming revision of the Financial Regulation to ensure that the payment retention is adequately protected before it is released, to improve its audit work, audit documentation and review process, to strengthen the main elements of the regularity of information provided in the AARs, and to ensure that the College of Commissioners provide relevant and reliable information in the AMPR; underlines that the proposal should have a clear, limited scope, in order not to negatively affect the performance of the funds;

(k) improve the approach taken in relation to studies of administrative costs by announcing what will be examined and when, as well as to assess whether estimated administrative cost savings have materialised;

(l) in the context of performance-based financing in Cohesion policy, to make the best use of enabling conditions in the 2021-2027 period, to prepare the ground early for an effective mid-term review, and to clarify the rules and the approach for providing assurance on Union funding in the 'financing not linked to costs' funding model;

[6] Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (OJ L 347, 20.12.2013, p. 320).

(m) simplify rules and procedures, encourage Member States and the Commission to develop compulsory training sessions and practical information for applicants, in particular new applicants, and improve the assistance and guidelines for SMEs, spin-offs, start-ups, administration and payment agencies and all other relevant stakeholders;

(n) provide guidance and controls that ensure that adequate minimum standards of social and labour rights are requirements in calls for public procurement, particularly in construction tenders, to avoid putting Union companies at a competitive disadvantage compared to third-country bidders; calls on the Commission to ensure that only companies from third countries that allow Union companies to participate in their public calls and tenders to participate in European public calls and tenders to ensure a level-playing field and equal access among Union and third-country companies;

(o) Facilitate the adoption of the European Cross-Border Mechanism which has the potential to positively impact the pace of implementation of cross-border transport projects and ultimately increase the efficiency of transport services in these areas;

Natural resources

134. Notes that the MFF heading 2 'Natural resources' accounts for 35 % or EUR 60,6 billion of the Union budget: of this amount, EUR 41,6 billion (68,7 %) is spent on direct payments under the European Agricultural Guarantee Fund (EAGF), EUR 2,6 billion (4,3 %) on market-related expenditure under the EAGF, EUR 14,6 billion (24,1 %) on the European Agricultural Fund for Rural Development (EARDF), EUR 0,9 billion (1,4 %) on the European Maritime and Fisheries Fund (EMFF) and the rest on other areas;

135. Notes that the Court has examined a sample of 218 transactions, covering 19 Member States and the United Kingdom, designed to be representative of the full range of spending under this MFF heading; notes that the Court also examined the AARs of the Directorate-General for Agriculture and Rural Development (DG AGRI) and the Directorate-General for the Environment (DG ENV) of the European Commission, as well as the AMPR;

136. Notes with satisfaction that the work of the Court supports the conclusion that direct payments as a whole were free from material error, accounting for 69 % of expenditure under that MFF heading; notes that direct payments to farmers are entitlement-based and that such payments carry a lower risk of error provided that the attached conditions are not complex; acknowledges that according to the Court, the main management tools for direct payments, the Integrated Administration and Control System (IACS) and the Land Parcel Identification System (LPIS), form an effective management and control system; notes that the post-2022 reform of the CAP should no longer be compliance-based but performance-based; hopes this fundamental change will have a positive impact on the error rate of the direct payments;

137. Notes with concern the errors detected by the Court in rural development, market measures and other 'Natural resources' spending areas, which represent 31 % of the spending; is worried about the Court assessment that more complex eligibility conditions increase the risk of error; regrets that the level of error is considered material in this area;

138. Acknowledges that DG AGRI has calculated the risk at payment to be around 1,9 % for CAP spending as a whole in 2020; notes that the Court estimates the level of error at 2 %, which represents an increase of 0,1 % compared to 2019; regrets that the level of error in spending on 'Natural resources' is close to materiality;

139. Welcomes the use of new technologies such as checks by monitoring, using automated processes based on the EU Copernicus Programme's Sentinel satellite data to check compliance with certain CAP rules; welcomes the fact that these changes were also approved for the CAP post-2022 and encourages the Member States to use these opportunities to the maximum;

140. Welcomes that the Commission has committed to providing support to the Member States in developing the new approach with regard to checks by monitoring; notes that since 2018, Member State paying agencies may perform these kinds of checks, but regrets its limited coverage in 2020; supports the Court recommendation to the Commission to promote checks by monitoring as a key control system for the post-2020 CAP;

141. Strongly regrets the fact that the Commission's failure to gather reliable data on final beneficiaries of CAP funds leaves many unresolved cases for recovery of funds by Member States; notes with concern that the use of reporting and monitoring tools, such as ARACHNE, is only being used optionally;

142. Regrets the recurrent weaknesses identified by the Court on the risk at payment affecting spending on 'Natural Resources', related to the Members States' controls, which is reflected in their control statistics;

143. Reminds the weakness identified by the Court on the CAP anti-fraud policies and procedures both by the Commission and the Member States; recalls the recommendation to the Commission in last year's annual report and takes note that DEG AGRI updated its Anti-Fraud strategy in 2020; awaits the Court's Special Report on CAP and anti-fraud measures, delayed to the second quarter of 2022, for an in-depth analysis of the current situation;

144. Notes with concern 29 OLAF cases concerning structural and agricultural funds in Bulgaria; is concerned by the findings of the study on the impact of organised crime on the EU's financial interests that most violations in Bulgaria have been identified in the area of agricultural funding, especially in the area of subsidies for agricultural crops, as well as the construction of 'fake' guest houses that are in fact used as private homes; is aware that the issue of EU co-financed 'fake' guest houses is not limited to Bulgaria as similar issues were identified also in Slovakia and Czechia; notes that the Commission is monitoring the situation and expects the Commission to take swift and decisive action against this kind of subsidy fraud; notes further that the Bulgarian authorities have not included financing for similar measures in the current programming period 2021-2027;

145. Notes with concern that, according to the Court's Special Report 16/2021, 'Common Agricultural Policy and climate: Half of EU climate spending but farm emissions are not decreasing', the CAP has not reduced livestock emissions, that emissions from fertilisers and manure on soils are increasing, that the CAP measures did not lead to an overall increase in the carbon content stored in soils and plants, and that the 2014-2020 changes to the CAP did not reflect its new climate ambition;

146. Regrets that according to the Court's findings in its Special Report 20/2021 'Sustainable water use in agriculture: CAP funds more likely to promote greater rather than more efficient water use', CAP direct payments do not significantly encourage efficient water use, and that rural development funds and market measures do not significantly promote sustainable water use;

147. Notes with concern that, according to the Court's Special Report 13/2020 'Biodiversity on farmland: CAP contribution has not halted the decline', there are shortcomings in the design of the EU biodiversity strategy, its coordination with the CAP and its monitoring; regrets that the Court has concluded that most CAP funding has little positive impact on biodiversity;

148. Recalls the importance of a fair CAP allocation, which from one side should avoid any misuse of funds in particular by political prominent wealthy individuals, elites and big conglomerates, and on the other concentrate on active farmers; points out that the study ([7]) on the implementation of the CAP funds revealed that the disbursement of Union agriculture funds is a highly problematic issue in at least five Member States ([8]) and that there is a clear inequality between fund allocations for big and small farmers, with systemic advantages for the big farms whose beneficiaries have close ties to the ruling political parties or are themselves members of these in their countries ([9]);

149. Notes with concern that the Court found that the Commission's performance information concentrates on inputs, outputs and financial contribution rather than results; welcomes that the economic viability of fisheries is increasing; regrets that data on aquaculture is less conclusive;

([7]) Sabeb et al 2021: WHERE DOES THE EU MONEY GO? AN ANALYSIS OF THE IMPLEMENTATION OF CAP FUNDS IN BULGARIA, THE CZECH REPUBLIC, HUNGARY, SLOVAKIA AND ROMANIA.

([8]) Bulgaria, Czech Republic, Hungary, Slovakia and Romania.

([9]) INI Report on 'MFF 2021-2027: fight against oligarch structures, protection of the EU funds from fraud and conflict of interest' CONT 2020/2126 (INI).

150. Takes note that the Commission reports on the EMFF spending for environmental objectives; regrets that the link between this and key environmental indicators is not well defined; regrets that the Common Fisheries Policy (CFP) conservation objective is unlikely to be met;

151. Takes note that by the end of 2020 ESI funds supported over 2 million projects in the agricultural sector and rural areas and contributed to maintaining 31 500 jobs and creating 4 000 new jobs in the maritime and fisheries sector; notes, in addition, that more than 54 000 new jobs have been created through projects supported by rural development programmes and that 131 000 young farmers benefited from the business start-up support;

Recommendations

152. Calls on the Commission to:

(a) simplify rules and procedures, encourages Member States to develop compulsory training sessions and practical information for applicants, in particular new applicants, and improve the assistance and guidelines for young farmers, SMEs, spin-offs, start-ups, administration and payment agencies and all other relevant stakeholders;

(b) make better use and encourage the use of AI and data from new technologies such as the EU-owned Copernicus Sentinel satellites to monitor and control the correct use of CAP funds;

(c) make the use of the IT tools, Arachne and EDES, mandatory and systematic for paying agencies, as an important tool that can be used to identify projects, beneficiaries and contractors at risk of fraud;

(d) ensure the protection of the Union budget by making general and systematic use of digital and automated systems for reporting, monitoring and audit and urgently establish an integrated and interoperable system building on but not limited to existing tools and databases;

(e) focus its performance information on results and establish a clear link between programme contributions and the achievements declared in order to assess the effectiveness of the programmes;

(f) promote the 'checks by monitoring' approach as a key control system for paying agencies; make global and systematic use of new technologies for monitoring environmental and biodiversity targets and climate requirements in the framework of the Green Deal; provide adequate financial and human resources to executive agencies such as the European Medicines Agency, the European Environment Agency and the European Chemicals Agency, that are facing an increased workload due to the COVID-19 pandemic and the Green Deal action programme;

(g) take action so that the CAP reduces emissions from agriculture, reduces emissions from cultivated drained organic soils, and reports regularly on the CAP's contribution to climate mitigation; welcomes that in the meantime the new CAP reform, and the F2F (Farm to Fork) communication were adopted;

(h) request justifications for exemptions to the implementation of the Water Framework Directive in agriculture, tie CAP payments to compliance with environmental standards, and use Union funds to improve the quantitative status of water bodies;

(i) improve the coordination and design of the post-2020 biodiversity strategy and track expenditure more accurately, enhance the contribution of direct payments and rural development to farmland biodiversity, and demonstrate the impact of CAP measures on such biodiversity;

(j) pursue the development of organic farms; highlight that only 8 % of European agricultural land is dedicated to organic food with only 303 000 organic food farmers out of the 7 million farmers that benefit from CAP funds;

(k) ensure that accessibility of land is a priority in order to maintain the family farm model and allow young farmers to develop their activities;

(l) Increase CAP efficiency by concentrating its support to active farmers whose main activity is farming;

(m) promote investments that contribute to a more resilient and digital economic recovery in line with the Green Deal and that are fundamental to the social and economic development of rural areas;

Security and citizenship

153. Notes that the MFF heading 3 'Security and citizenship' accounts for 3,7 % or EUR 6,3 billion of the Union budget: of this amount EUR 2,6 billion (40,5 %) is spent on the instrument for Emergency Support within the Union, EUR 1,6 billion (25,3 %) on migration and security, EUR 1,2 billion (18,5 %) on decentralised agencies, EUR 0,2 billion (3,7 %) on Food and Feed, EUR 0,2 billion (3,8 %) on Creative Europe, and the rest on other areas;

154. Takes note that the most significant area of expenditure concerns the Emergency Support Instrument (ESI), set up in April 2020 to help Member States address the COVID-19 pandemic by funding, among other things, the cross-border transfer and transport of patients, medical staff and essential medical items, research and production of vaccines and treatments and the development, purchase and distribution of testing supplies;

155. Is concerned that the Court, in its Special Report 10/2021, found that the Commission has not adequately applied gender mainstreaming in the Union Budget; calls on the Commission to urgently develop gender mainstreaming methodology in order to integrate a gender equality perspective in all policy areas, including the use of gender-disaggregated data and indicators; recalls that the need for gender mainstreaming is ever more urgent in the light of the gendered impact of the COVID-19 pandemic;

156. Regrets that the cultural and creative sectors were among the hardest hit by the COVID-19 pandemic in 2020; notes that even though flexible measures were introduced and the media subprogramme provided additional support for Europa Cinemas' members suffering from forced closures (amounting to EUR 16 million), the subprogramme underperformed in relation to some indicators, in particular in terms of the size of in-person audiences at events;

157. Notes that the Court examined a sample of 27 transactions, designed to contribute to the overall statement of assurance rather than to be representative of spending under this MFF heading; takes note that the Court examined the annual activity reports of the Directorate-General for Migration and Home Affairs (DG HOME) and the Directorate-General for Communications Networks, Content and Technology (DG CONNECT) and included in the AMPR;

158. Notes that the Court was unable to estimate the error rate; notes with concern that of the 27 transactions examined by the Court, 8 (30 %) were affected by errors; highlights that the Court also found cases of non-compliance with legal and financial provisions, but without a financial impact on the Union budget; notes that the errors concern the selection of projects and the application of procurement rules, the submission of incomplete documentation in support of cost claims, and the defective functioning of an IT system;

159. Regrets that the limited sample of 27 transactions for 2020 made it impossible for the Court to compare its audit results with the information reported by DG HOME and DG CONNECT on the regularity of spending; invites the Court to extend its sample and make it more representative of this spending area, in order to have a deeper evaluation of this heading;

160. Welcomes the Court's report on the performance of the Internal Security Fund – Borders and Visa (ISF-Borders and Visa), which represents 8,1 % of the total payments made until the end of 2020 for this MFF heading, based on the 2020 AMPR, the programme statements for the 2022 draft budget, key evaluations and other reports;

161. Notes with concern that the Court found marked differences in the implementation of national programmes and that there are gaps in ISF-Borders and Visa's performance information; highlights that the ISF-Borders and Visa contribution to effective border management is dependent on Member States entering reliable, relevant and up-to-date information in IT systems; is concerned that effective border management is hampered by insufficient quality of data and training of border guards; notes that performance indicators published in the AMPR give an optimistic picture of ISF-Borders and Visa performance;

162. Notes the Court's conclusion that the programme has contributed insufficiently to the consistent application of the acquis through training; notes the Court's findings that ISF-Borders and Visa has contributed to efficient visa-processing by funding the upgrading of 2 680 consulates (290 % of the 2020 target); notes however that 4 322 staff (38 % of the 2020 target) have been trained in the common visa policy to date, which, according to the Court , could increase the risk that Schengen visa applications will not be processed in a harmonised manner;

163. Welcomes the success under the effective integration and legal migration' strand of the Asylum, Migration and Integration Fund and notes with appreciation that the target of 2,6 million persons for the 2014-2020 period have been considerably surpassed as almost 6 million persons in the target group have received integration assistance;

164. Underlines that particularly in the area of security and citizenship, NGOs are important and valuable implementing partners of the Commission; notes that funds may be paid out to umbrella organisations that distribute and pass on the funding to member organisations or partner NGOs on the ground; is concerned that the Commission only has a limited overview of the final recipients of the funding; is deeply concerned that Union funds may unintentionally end up benefitting organisations that incite terrorism or extremism; is of the opinion that rules are needed for umbrella organisations that pass on Union funding to their member organisations or partner NGOs that are similar to the provisions on the transparency of final beneficiaries, beneficial owners and sub-contractors as agreed in Annex XVII to the new CPR ;

Recommendations

165. Calls on the Commission to:

(a) develop better cooperation with all Member States, recalling that the challenges related to security and migration management are a priority for the Union; recognises the efforts of the Commission in this respect;

(b) Issue a clear legal guidance to ensure transparent, accurate and complete information provided by the Member States on border management; recalls the need to set out binding rules and issue more guidance on the border management IT systems to ensure fast and effective border management; report to the discharge authority, at regular intervals, about improvements in terms of up-to-date data quality and sufficient training in each of the respective Member States;

(c) simplify rules and procedures, develop compulsory training sessions and practical information for applicants, in particular new applicants and improve the assistance and guidelines for all the stakeholders, administration and payment agencies;

(d) carefully check the eligibility of the costs submitted by the beneficiaries of ESI actions and, in particular, the regularity of procurement procedures;

(e) provide guidance to the Member State authorities responsible for implementing DG HOME funds, in both the 2014-2020 and 2021-2027 MFFs, on documenting the completeness and quality of services when funding is based on standard unit costs;

(f) ensure the protection of the Union budget by making general and systematic use of digital and automated systems for reporting, monitoring and audit and urgently establish an integrated and interoperable system building on but not limited to existing tools and databases;

(g) propose rules on the transparency of umbrella organisations or partner NGOs that pass on Union funding to their member organisations that are similar to the provisions concerning final beneficiaries, beneficial owners and sub-contractors in Annex XVII of the Common Provisions Regulation;

(h) increase resources dedicated to preventing and combating gender-based violence in relation to citizens, equality, rights and values, especially in light of the escalation of violence against women;

(i) support Parliament's pilot projects that address young people's needs and that ensure intergenerational justice;

(j) encourage Member States to develop special initiatives that enable and simplify access to culture and mobility for Europe's youth, and to seek innovative solutions to make travelling by environmentally friendly transport across the Union more affordable;

(k) investigate where exactly the Union funds have been invested in the AMIF programmes and which specific improvements they brought about; requests a corresponding report from the Commission for each of the Member States concerned;

(l) implement measures to ensure complementarity and better coordination between AMIF and EASO/Frontex (e.g. in the area of forced returns or support to asylum authorities);

(m) use development aid as a tool to facilitate better cooperation with migrants' countries of origin;

(n) thoroughly verify the use of Union funds by third entities, their affiliates, and/or natural persons to ensure that no funds are allocated or linked to any cause or form of terrorism and/or religious and political radicalisation; make sure that individuals or groups affiliated, linked to or supporting terrorist organisations are excluded from Union funding; ensure that those Union funds are proactively recovered, and recipients involved are excluded from future Union funding;

(o) immediately freeze and place part of the Union funds in a reserve in the event that an irregularity is discovered by the Union with regard to any eligible entity, affiliate and/or natural person being linked to any cause or form of terrorism and/or religious and political radicalisation, and only release these Union funds from the reserve when sufficient evidence has been gathered by the Union to ensure compliance with Union regulations;

(p) provide increased disclosure and transparency on any investigations it or its entities like the European Anti-fraud Office (OLAF) conducts following irregularities with regard to Union funding, in particular when such investigation concerns Union funding being linked to any cause or form of terrorism and/or religious and political radicalisation;

Global Europe

166. Notes that the MFF heading 4 'Global Europe' accounts for 6,6 % or EUR 11,4 billion of the Union budget: of this amount, EUR 3 billion (26,7 %) is spent on the Development Cooperation Instrument (DCI), EUR 2,7 billion (23,2 %) on the European Neighbourhood Instrument (ENI), EUR 1,9 billion (16,9 %) on the Instrument for Pre-Accession Assistance (IPA), EUR 1,9 billion (16,8 %) on Humanitarian Aid, and the rest on other actions and programmes;

167. Notes that the Court examined a sample of 75 transactions, designed to contribute to the overall statement of assurance rather than to be representative of spending under this MFF heading; notes that the Court also examined the regularity of information in the AARs of the Directorate-General for International Partnerships (DG INTPA) and the Directorate-General for Neighbourhood Policy and Enlargement Negotiations (DG NEAR), as well as the AMPR;

168. Takes note that the Court did not audit sufficient transactions to estimate the level of error for this MFF heading; is worried that of the 75 transactions examined, 28 (37,3 %) were affected by errors; notes with concern that some international organisations provided only limited access to documents, and some questioned the Court's mandate;

169. Notes with concern that the general categories of findings for 'Global Europe' are ineligible costs, costs not incurred, public procurement errors and absence of supporting documents; is worried that the Court has again detected several major factors that distorted DG NEAR's residual error rate (RER) study; criticises that the regulatory framework governing the RER study and the contract between DG NEAR and the RER contractor do not address or mention the risk of fraud; notes with concern that there is no procedure requiring the contractor to report to the Commission cases of suspected fraud against the Union budget detected during its RER work;

170. Welcomes the Court's report on the performance of the Instrument for Pre-accession Assistance II (IPA II), representing 12,6 % (EUR 5,6 billion) of the total payments made up until the end of 2020 for this MFF heading; based on the Commission's performance information, including the 2020 AMPR, programme statements for the 2022 draft budget, and the 2020 AAR of DG NEAR; and key evaluations and other reports;

171. Notes with great concern that most indicators are either not on track or their progress is unclear; underlines that the sector approach was a strategic choice in order to improve IPA II's performance; regrets that it could not be applied consistently; regrets that indirect management by beneficiary countries sometimes had an adverse effect on operational efficiency;

172. Welcomes that IPA II has responded flexibly to help mitigate crises; notes with concern that there are some gaps in IPA II's performance information; notes the Court's observation that the implementation of political reforms is generally slow, as well as its conclusion that their progress depends not only on IPA II support, but also on other contextual factors such as the political will of the IPA II beneficiary concerned; notes with concern that the Court has found that Union support has been more effective in promoting fundamental reforms than in securing their implementation;

173. Recalls that development and cooperation policy aim to eradicate poverty and reduce inequality and that funds should reach only their intended beneficiaries;

174. Insists on the importance of Parliament's active participation in the development of partnership and cooperation agreements with third countries; stresses that future partnership agreements should be subject to parliamentary scrutiny and based on the principles of solidarity, shared responsibility, respect for human rights, the rule of law and international humanitarian law;

175. Deplores that problematic and hateful material in Palestinian school textbooks has still not been removed and is concerned about the continued failure to act effectively against hate speech and violence in school textbooks and especially in the newly created study cards; reiterates its position that all text books and materials supported by Union Funds which are used in schools must be in line with UNESCO standards of peace, tolerance, co-existence and non-violence; moreover, insists that salaries of teachers and education sector civil servants that are financed from Union funds such as PEGASE be used for drafting and teaching curricula which reflect the UNESCO standards of peace, tolerance, coexistence, and non-violence, as was decided upon by Union education ministers in Paris on 17 March 2015; and Parliament decisions on discharge in respect of the implementation of the general budget of the European Union for the financial years 2016, 2018 and 2019; requests therefore the Commission to closely scrutinise that the Palestinian Authority (PA) and relevant experts to modify the curriculum expeditiously;

Recommendations

176. Calls on the Commission to:

(a) take steps so that international organisations provide the Court with complete, unlimited and timely access to documents necessary to carry out its task in accordance with the TFEU;

(b) establish a procedure to ensure that partner organisations base their allocation of shared costs on expenditure actually incurred;

(c) develop the *ex post* controls by a better implementation of new technologies and IT tools as well as increasing the on-the-spot missions;

(d) ensure the protection of the Union budget by making general and systematic use of digital and automated systems for reporting, monitoring and audit and urgently establish an integrated and interoperable system building on but not limited to existing tools and databases;

(e) establish obligations for the RER study contractor to report to the Commission any suspected fraud against the Union budget detected during its work on the RER study;

(f) encourages the further development of balanced trade agreements and to remain attentive to investments made by foreign powers;

(g) pay close attention to the complicated situation in Belarus; underlines the importance of reviewing Union funding and ensuring that it is not directed to the Lukashenko regime, but towards supporting civil society in Belarus;

(h) fully introduce the principle of conditionality and regular *ex ante* and *ex post* checks on the regularity and performance of the Union's funds supporting third countries and ensure a legal framework that provides for these support instruments to allow for full recovery of funds in case any irregularities are discovered;

(i) continue to support the COVAX programme in order to speed up vaccination against COVID-19 in developing countries;

(j) ensure that the delivery of external aid is subject to the rule of law and respect for human rights in recipient countries;

(k) simplify rules and procedures, develop compulsory training sessions and practical information for applicants, in particular new applicants, and improve the assistance and guidelines for SMEs, universities, NGOs, spin-offs, start-ups, administration and payment agencies and all other relevant stakeholders;

(l) ensure that the applicable provisions of the Rule of Law Conditionality Regulation are strictly applied to the new IPA III funds and Economic and Investment Plan for the Western Balkans, as an indispensable part for distribution of funds in the 2021-2027 period;

(m) draw up a financial support plan for Ukraine to enable it to recover from the illegal aggression by Vladimir Putin's regime;

Administration

177. Notes that payments under MFF heading 5 on 'administration' amounted to EUR 10,3 billion in 2020 (6,0 % of the MFF). The Commission represents EUR 6,3 billion (60,0 % of the payments under this heading) with expenditure on human resources representing 68 % of this amount;

178. Notes that the Court examined only 48 transactions designed to represent the full range of spending under this heading spread over a number of institutions and also examined a selection of supervisory and control systems of the European Ombudsman and the Council;

179. Notes that the Court also examines the regularity of the information in the annual activity reports of the Commission, including those of its directorates-general and offices primarily responsible for administrative expenditure; notes with satisfaction that the Court estimates that the level of error in spending on 'administration' was not material;

180. Notes that the Court found five errors in their sample for the Commission, out of which four related to allowances to staff and one concerned a minor overpayment for software licences;

181. Recalls that the Paymaster Office (PMO) of the Commission is responsible on the basis of a service-level agreement for the verification of the legal conditions for the installation allowance and the payment authorisation of both installation and residence allowance of EU high-level public office holders provided for in the Council Regulation (EU) 2016/300 ([10]) determining the emoluments of EU high-level public office holders;

182. Expresses its concern over the very high approval rate of transfer requests into private sector positions for former Commission staff, as this increases the likelihood of the occurrence of conflicts of interest; urges the Commission to review its policy in this regard;

183. Notes that in 2020 the Commission received 8 001 initial and 309 confirmatory applications for access to documents, as well as that fully or partially access was granted in 81 % of the initial cases, and wider or even full access was further granted in more than 37 % of the cases reviewed at confirmatory stage;

184. Notes that the Union institutions have different rules for the use of official vehicles; is of the opinion that these rules should be harmonised and the own contribution of the users should be adequately increased in relation to the costs and to properly reflect the monetary advantage of such use;

([10]) Council Regulation (EU) 2016/300 of 29 February 2016 determining the emoluments of EU high-level public office holders (OJ L 58, 4.3.2016, p. 1).

185. Invites the Commission to take appropriate measures to implement all of the Court's recommendations and to report to Parliament on the developments by 30 June 2022;

186. Notes with concern the lack of understanding within the decision-making and approval forums at the health insurance scheme JSIS when it comes to new treatments, medical trends and not-yet-approved drugs particularly linked to novel appearances of nervous system diseases, autoimmune disorders as well cancer diseases; requests that the relevant bodies within JSIS duly and regularly take into account recent medical developments and knowledge gains when updating the list of eligible treatments and drugs; requests JSIS to show more flexibility when assessing clinical pictures as well as subsequent treatment and therapies that might help a patient; recommends the introduction of expert groups, which can assess and approve not-yet-approved treatments, drugs, and medications to improve the treatment quality of applicants, decrease bureaucratic burden, and accommodate the most recent medical information when handling reimbursement claims; underlines that the Union is at the forefront of medical innovation and technology and is therefore of the opinion that this standard should also be applied for the medical treatment of persons under JSIS;

187. Is concerned, however, about the serious lack of transparency from the Commission regarding buying and distributing of vaccines in the Union during the COVID-19 crisis in 2020; notes with regret the case of the Commission refusal of public access to text messages exchanged between the Commission President and the CEO of a pharmaceutical company on the purchase of a COVID-19 vaccine; draws attention that based on its findings during the inquiry on this case, the Ombudsman considers that it constituted maladministration;

188. Takes note that as a consequence of the COVID-19 pandemic the Commission spent less budget amounts on missions, conferences and meetings as well as training in 2020 than the amounts budgeted for in the 2020 budget; takes note that part of the savings as well as appropriations from other areas of administrative expenditure were redirected to pandemic-related needs such as ICT equipment, including for the provision of home office equipment to all staff, and expenditure of the medical service for the COVID-19 vaccination campaign, including sanitary measures in the childcare centres;

189. Stresses that all Union institutions, and especially the Commission, must respect the highest data protection criteria both in the processing of public tenders and in the good or service to be procured, which requires specialised knowledge on the part of the officials in charge;

European Schools

190. Notes with satisfaction that the Court did not find material errors in the final consolidated annual accounts for 2020; notes furthermore with satisfaction that the Court notes that the quality of the schools' accounts has improved compared to previous years even if the external auditor continues to find issues;

191. Is however concerned, that the Court still finds weaknesses in the internal control systems, both in the area of recruitment and in the area of procurement;

192. Urges the European Schools to swiftly follow up on the recommendations of the Court concerning the specific weakness found in procurement and recruitment;

193. Emphasises, with regard to the European schools, the importance of respecting the annuality principle and of respecting payment deadlines, procurement rules and transparency in recruitment procedures;

Human resources

194. Welcomes the initiatives taken by the Commission to ensure gender equality and recalls the Commission President's commitment to reach gender equality at all levels of management by the end of the current Commission mandate, which is fully supported by Parliament;

195. Underlines its request for the Commission to ensure a fair geographical balance of its members of staff at all levels, especially at middle and senior management levels where strong imbalances persist, while at the same time fulfilling the requirements in the Staff Regulation in relation to competences and merits of candidates;

196. Echoes the difficulties encountered by the Union institutions installed in Luxembourg to recruit staff according to their needs and recalls the Eurostat study showing that the disparity in purchasing power between Luxembourg and Brussels (25,4 %) exceeded the 5 % threshold even when housing was excluded from the calculations;

197. Insists that Commission implements a more transparent appointment procedure for all posts especially management related posts, particularly in the context of the new HR Strategy;

198. Reminds the Commission of the potential risks of Commissioners engaging in new activities and calls for the Commission to keep a clear attention on those cases;

199. Acknowledges that, during 2020, the COVID-19 pandemic had an impact on the internal functioning and the management of the Commission's budget;

200. Echoes the Court's conclusion that 'any unethical behaviour by staff and members of EU institutions and bodies is unacceptable. Such behaviour – even if it is only alleged – attracts high levels of public interest and reduces trust in the Union. Unethical behaviour is also linked to the risk of corruption and fraud';

201. Reiterates Parliament's concern regarding the termination of the contract with the restaurant service provider, which led to the layoff of 400 workers;

202. Recall Parliament's concerns about the increasing number of contract staff hired in the Commission, and the risks related to the transfer and then loss of knowledge when their contracts expire, without forgetting the perspective and job security of the contract agents;

Recommendations

203. Calls on the Commission to:

(a) follow up on the Court's recommendation to improve its system for managing statutory family allowances, including through reinforced consistency checks on staff declarations of allowances received from other sources;

(b) review the mechanism for verifying the legal conditions of the installation allowance to request other documents as evidence to the greatest extent possible with respect to proportionality and privacy, based on the opinion that a rental contract for or a purchase contract of a property shall not be considered sufficient evidence in the sense of Article 4 of Regulation (EU) 2016/300, as such property may be destined for other uses than primary residence;

(c) continue its work in order to ensure gender equality at all levels of management by the end of the current Commission mandate and to report gender-disaggregated data;

(d) continue its work to ensure a fair geographical balance of its staff at all levels while at the same time fulfilling the requirements in the staff regulation regarding competences and merits of candidates;

(e) continue to build a more diverse and inclusive work environment and culture by taking actions in favour of people with disabilities and to assess the possibilities of further strengthening and integrating the principle of equal opportunity in recruitment, training, career development and working conditions as well as raising staff awareness of these aspects;

(f) follow up on the possible reasonable improvements and modifications that could be made to institutions' buildings (access, adequate office equipment) for people with reduced mobility or other disabilities;

(g) propose a harmonised set of rules for the use of official vehicles for all Union institutions, bodies and organs including an adequate increase of the own contribution of the users in relation to the costs, which properly reflects the monetary advantage of such use;

(h) implement the Ombudsman's recommendation in the case of the Commission's refusal to allow public access to text messages exchanged between the Commission President and the CEO of a pharmaceutical company on the purchase of a COVID-19 vaccine (Case 1316/2021/MIG);

(i) address the long-standing and serious problem of salary indexation in Luxembourg by adopting a delegated act to correct the relevant provision of the staff regulation;

(j) ensure that JSIS shall provide a coherent and individual explanation for declining a reimbursement request; regrets the culture of declining a reimbursement request by PDF without the possibility of challenging the decision in person; calls on the PMO to introduce the possibility for doctors in charge of a treatment of an applicant to talk to the responsible JSIS unit or expert group to explain the treatment and medical benefits; further expresses its wish to improve the user-friendliness of the application enabling a quicker and more direct follow-up of individual requests;

(k) integrate in the internal management strategy the lessons drawn from the outbreak of the COVID-19 pandemic, in terms of business continuity and crisis management approaches, IT responsiveness, resiliency of the organisation, duty of care towards its staff, effectiveness of internal communication and flexibility of working processes;

(l) be at the forefront of protecting whistle-blowers, paving the way for a more uniform regulation among all institutions, based on best practices and on higher standards;

(m) strongly recommends a review of the nomination and appointment procedures for the Union institutions and bodies with a view to strengthening and respecting both the opinions expressed by the Commission and Parliament, and the democratic participation of relevant stakeholders;

(n) strengthen and optimise the collaboration with the European Data Protection Supervisor in the area of public procurement, particularly in the training of public procurement officers;

(o) make the Commission special advisers status more transparent with a clear definition of their tasks and missions, via a revision of the current rules on Special Advisers;

204. Calls on the central office of the European Schools to follow up on the recommendations from the Court.

DECISION (EU, Euratom) 2022/1698 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the general budget of the European Union for the financial year 2020, Section III – Commission

THE EUROPEAN PARLIAMENT,

— having regard to the general budget of the European Union for the financial year 2020 ([1]),

— having regard to the consolidated annual accounts of the European Union for the financial year 2020 (COM(2021) 381 – C9-0258/2021) ([2]),

— having regard to the Commission's report on the follow-up to the discharge for the 2019 financial year (COM(2021) 405), and to the detailed replies to the specific requests made by the European Parliament,

— having regard to the Commission's 2020 Annual Management and Performance Report for the EU Budget (COM(2021) 301),

— having regard to the Commission's annual report to the discharge authority on internal audits carried out in 2020 (COM(2021) 292), and to the accompanying Commission staff working document (SWD(2021) 132),

— having regard to the Court of Auditors' annual report on the implementation of the budget for the financial year 2020, together with the institutions' replies ([3]), and to the Court of Auditors' special reports,

— having regard to the statement of assurance ([4]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 15 March 2022 on discharge to be given to the Commission in respect of the implementation of the budget for the financial year 2020 (06001/2022 – C9-0061/2022),

— having regard to the Council's recommendation of 15 March 2022 on discharge to be given to the executive agencies in respect of the implementation of the budget for the financial year 2020 (06004/2022 – C9-0103/2022),

— having regard to Articles 317, 318 and 319 of the Treaty on the Functioning of the European Union,

— having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,

— 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 966/2012 ([5]), and in particular Articles 69, 260, 261 and 262 thereof,

— having regard to Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes ([6]), and in particular Article 14(2) and (3) thereof,

— having regard to Rule 99 of and Annex V to its Rules of Procedure,

([1]) OJ L 57, 27.2.2020.
([2]) OJ C 436, 28.10.2021, p. 1.
([3]) OJ C 430, 25.10.2021, p. 7.
([4]) OJ C 430, 25.10.2021, p. 7.
([5]) OJ L 193, 30.7.2018, p. 1.
([6]) OJ L 11, 16.1.2003, p. 1.

— having regard to the opinion of the Committee on Foreign Affairs, the Committee on Development, the Committee on Employment and Social Affairs, the Committee on the Environment, the Committee on Transport and Tourism, the Committee on Regional Development, the Committee on Culture and Education, the Committee on Civil Liberties, Justice and Home Affairs, the Committee on Women's Rights and Gender Equality,

— having regard to the letter from the Committee on Agriculture and Rural Development,

— having regard to the report of the Committee on Budgetary Control (A9-0127/2022),

1. Approves the closure of the accounts of the general budget of the European Union for the financial year 2020;

2. Sets out its observations in the resolution forming an integral part of the decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section III – Commission and executive agencies;

3. Instructs its President to forward this decision to the Council, the Commission, the Court of Justice of the European Union, the Court of Auditors and the European Investment Bank, and to the national parliaments and the national and regional audit institutions of the Member States, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

DECISION (EU) 2022/1699 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section IV – Court of Justice of the European Union

THE EUROPEAN PARLIAMENT,

— having regard to the general budget of the European Union for the financial year 2020 ([1]),

— having regard to the consolidated annual accounts of the European Union for the financial year 2020 (COM(2021) 381 – C9-00261/2021) ([2]),

— having regard to the annual report of the Court of Justice of the European Union to the discharge authority on internal audits carried out in 2020,

— having regard to the Court of Auditors' annual report on the implementation of the budget concerning the financial year 2020, together with the institutions' replies ([3]),

— having regard to the statement of assurance ([4]) 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 2020, 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) 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 966/2012 ([5]), 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 opinion of the Committee on Legal Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0066/2022),

1. Grants the Registrar of the Court of Justice discharge in respect of the implementation of the budget of the Court of Justice of the European Union for the financial year 2020;

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 Court of Justice of the European Union, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ L 57, 27.2.2020.
([2]) OJ C 436, 28.10.2021, p. 1.
([3]) OJ C 430, 25.10.2021, p. 7
([4]) OJ C 436, 28.10.2021, p. 207.
([5]) OJ L 193, 30.7.2018, p. 1.

RESOLUTION (EU) 2022/1700 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

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 2020, Section IV – Court of Justice of the European Union

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 2020, Section IV – Court of Justice of the European Union,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Legal Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0066/2022),

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

1. Notes with satisfaction that the Court of Auditors (the 'Court') identified no significant weaknesses with respect to the audited topics relating to human resources and procurement for the Court of Justice of the European Union (the 'CJEU');

2. Emphasises the fact that, on the basis of its audit work, the Court concluded that the payments as a whole for the administrative expenditure of the institutions, including that of the CJEU, for the financial year 2020 were free from material error;

3. Welcomes the fact that no specific issues relating to the regularity of the transactions were detected by the Court;

4. Is aware that Chapter 9 'Administration' of the Annual Report of the Court is focused on expenditure on human resources, buildings, equipment, energy, communication and information technology, and that the Court indicates that such spending is low-risk;

Budgetary and financial management

5. Notes that the CJEU's budget is mostly administrative, with a large amount being used for expenditure related to human resources, buildings and furniture, equipment and miscellaneous running costs; notes that it amounted to EUR 436,6 million in 2020 (compared to EUR 429,5 million in 2019 and EUR 410 million in 2018);

6. Notes with satisfaction the high budgetary implementation rate (99 %) for the financial year 2020 (which is slightly higher than the rate of 98,7 % reached in 2019);

7. Observes that almost 75 % of the appropriations used by the CJEU in 2020 were dedicated to the expenditure of members and members of staff (expenditure under Title 1), with almost all of the remaining balance relating to expenditure on infrastructure (Title 2), in particular the areas of buildings and IT (over 25 %);

8. Welcomes the very proactive approach in the management of the available appropriations and the continuous monitoring to identify both additional needs and additional savings, which resulted in timely transfers to deal with additional expenditure caused by the COVID-19 pandemic and to finance, as part of the end-of-year mopping-up transfer, an advance payment under a lease-purchase contract related to buildings;

9. Notes the reduction of the average payment time in 2020 compared to 2019 (25,53 days compared to 32,45 days) and a significant increase in the percentage of invoices received electronically in 2020 (74 % compared to 60 % in 2019);

10. Acknowledges that during 2020 the COVID-19 pandemic had an impact on the budget of the CJEU; observes that additional costs were incurred in order to purchase IT equipment, due to generalised teleworking for staff, as well as personal protective equipment (PPE) and disinfectant; observes that, as a result, savings were realised on several budget lines, in particular the budget lines related to translation, freelance interpretation, professional training, missions, buildings (cleaning, security and surveillance), furniture, protocol-related activities, meetings and conferences; notes, in particular, that a significant number of training activities, budgeted to cost EUR 170 000, could not take place;

11. Notes that the CJEU made 14 budget transfers pursuant to Article 29 of the Financial Regulation, representing a total of EUR 20,4 million or 4,7 % of the final appropriations; observes that the largest transfer covered an advance payment under a lease-purchase contract related to buildings with the aim of reducing the financial burden of future charges concerning the 5th extension to the buildings of the CJEU; notes that other transfers were made to purchase PPE for members and staff of the CJEU, representatives of parties and visitors;

12. Is aware that a large proportion of the appropriations carried over from 2019 to 2020 was used (84,78 % or EUR 20 816 958,83, compared to 87,21 % in 2019);

13. Notes that the overall gender ratio of the staff of 61 % women and 39 % men remained unchanged in 2020 compared to 2019; observes that the number of women employed is higher than the number of men employed in almost every staff category (officials, temporary agents and contract agents); notes, furthermore, that the gender ratio of AD members of staff is 54 % women and 46 % men, with women occupying 40% of senior management posts and men occupying 60 % of those posts; welcomes that for middle management the percentage of women increased from 39 % in 2019 to 41 % in 2020; congratulates the CJEU on the actions it undertook with the aim of achieving gender equality, such as mentoring and talent management and encouraging women to apply for senior and middle management posts;

14. Acknowledges that the additional expenditure related to the COVID-19 pandemic for the financial year 2020 amounted to EUR 3 million and that savings amounted to EUR 8,5 million, meaning that the net amount of the savings can be estimated at EUR 5,5 million;

15. Observes that the CJEU only used the negotiated procedure without prior publication once, for acquiring architectural services for the CJ10bis building project (contract amounting to EUR 231 500); notes that the Court verified without remarks the public procurement procedures organised by the CJEU to acquire PPE and did not identify any specific issues concerning the CJEU with respect to the regularity of the underlying transactions;

Internal management, performance, internal control

16. Welcomes the report on the functioning of the General Court required by Article 3(1) of Regulation (EU, Euratom) 2015/2422 of the European Parliament and of the Council [1]; acknowledges the fact that it had to be drafted in the context of the COVID-19 pandemic which hindered consultation and coordination with a large number of contributors; stresses that, according to that report, the reform of the Union's judicial architecture was necessary to reduce both the volume of pending cases and the excessive length of proceedings; notes that the incorporation of new judges and their members of staff required some structural, organisational and procedural changes; notes that the analysis contained in the report highlighted certain positive trends, such as (i) a significant reduction in the length of proceedings; (ii) a more intensified investigation of cases; and (iii) more frequent referrals of cases to extended chamber formations; is aware that no definitive conclusions can be drawn as of yet with regard to the reform of the General Court, given that so little time has passed since its last phase and that 2020 cannot be regarded as a representative year;

[1] Regulation (EU, Euratom) 2015/2422 of the European Parliament and of the Council of 16 December 2015 amending Protocol No 3 on the Statute of the Court of Justice of the European Union (OJ L 341, 24.12.2015, p. 14).

17. Notes with satisfaction that the CJEU has managed to maintain a high level of productivity despite the COVID-19 pandemic; observes a minor decrease in the number of cases pending before the CJEU (1 045 cases on 31 December 2020 compared to 1 102 cases on 31 December 2019, thus a decrease of 57 cases); acknowledges that such decrease was a result of the slowdown in the activity of the national courts and tribunals at the beginning of the COVID-19 pandemic, which naturally affected the number of new references for a preliminary ruling (556 in 2020 compared to 641 in 2019), together with the decline in the number of appeals against decisions of the General Court (131 in 2020 compared to 266 in 2019);

18. Observes, however, an increase in the number of cases pending before the General Court (1 497 cases were pending on 31 December 2020 compared to 1 398 on 31 December 2019); understands that such increase can be explained by the fact that the General Court is required to grant any reasoned request for a hearing coupled with the backlog of cases as a result of the period of time in which it was impossible to hold hearings; welcomes that the General Court used the decrease of 14,4 % in the number of cases completed in 2020 (748 compared to 874 in 2019) to catch up on postponed hearings, thanks to the new remote hearing system set up by the CJEU;

19. Notes that the average duration of proceedings, both at the Court of Justice and at the General Court, in 2020 was 15,4 months; notes that at the Court of Justice the average duration of proceedings was slightly longer in 2020 than in 2019 (14,4 months) while at the General Court the reform provided for by Regulation (EU, Euratom) 2015/2422 and the accompanying measures resulted in a decrease in the length of proceedings (15,4 months in 2020 compared to 16,9 months in 2019 and 20 months in 2018), despite the challenging context of the COVID-19 pandemic;

Human resources, equality and staff well-being

20. Notes the CJEU's very high occupation rate of establishment plan posts, approximately 97 % in 2020; understands that an active recruitment policy has been implemented via anticipation and forecasting of vacancies and the use of available external and internal reserve lists and, in 2020, in response to the challenges caused by the COVID-19 pandemic, by virtual selection procedures and an enhanced digital workflow for approval of recruitment proposals and contract extensions of temporary and contract staff;

21. Notes that at the end of 2020 there were 2 239 members of staff (60 % officials, 32 % temporary agents and 8 % contract agents), compared to 2 256 at the end of 2019 (62 % officials, 30 % temporary agents and 8 % contract agents);

22. Reiterates the importance of addressing the lack of gender balance within the college of judges and the commitment of Parliament's Committee on Budgetary Control to achieving gender balance; is aware of the fact that the members of the Court of Justice and of the General Court are appointed by common accord of the governments of the Member States and that the CJEU has no say over the selection of judges or advocates general just as neither the Council nor Parliament have any role in this respect; expresses its disappointment, however, that the structural reform finalised in 2019 has had little impact on that issue; calls on the President of the General Court to draw the attention of the governments of the Member States to the importance of ensuring gender balance in the appointments at the time of partial renewal of the General Court;

23. Emphasises the difficulties encountered by the Union institutions located in Luxembourg in recruiting the required staff; points to the indexation of salaries in Luxembourg as one of the main factors; encourages the institutions concerned to have a coordinated and single approach towards the Commission with respect to that issue;

24. Notes that the flexible working arrangements available at the CJEU include part-time work, parental leave, family leave, flexitime and telework; observes the imbalance still existing across the users of such working arrangements in favour of female members of staff; recommends that the CJEU engages in more intense communication on the viability and benefits of those arrangements and take steps to ensure that making use of the available flexible working arrangements does not penalise in any way the career progress of the employees concerned;

25. Welcomes the additional measures adopted in 2020 to improve staff well-being during the COVID-19 pandemic, including increasing the number of hours allowed for consulting psychologists; stresses the importance of guiding and involving managers in protecting the well-being of members of staff and their right to disconnect to preserve the work-life balance as remote working arrangements are integrated in the culture of the CJEU;

26. Notes that in 2020 there were 27 possible cases of burnout, which may include cases without a direct or indirect link to workload or working conditions; welcomes the support offered by the CJEU medical service to the members of staff concerned, as well as the hiring of a psychologist in 2019 to actively help the staff experiencing difficulties; appreciates that a series of training courses for all managers were based on the concept of human management, including modules focused on self-knowledge and emotion management designed to improve mental health in the workplace; welcomes the training courses provided in the fields of conflict management and burnout prevention, which were offered in a virtual format for all staff; remains concerned, however, by the high number of burnouts occurring at the CJEU in recent years; calls on the CJEU to continue to carefully monitor the impact of the ever-increasing workload on its staff well-being, including making use of staff satisfaction surveys, in order to understand where the problems might come from and to explore possible solutions;

27. Praises the CJEU for the attention devoted to members of staff teleworking which, as well as the provision of IT tools, included the provision of ergonomic office chairs with the intention of providing additional equipment during the course of 2021; observes that such intention is part of the measures aiming to strengthen the long-term integration of teleworking into the CJEU working arrangements; notes that all the equipment provided to members of staff for teleworking remains the property of the CJEU and is to be returned at the request of the administration or, in any event, on termination of service;

28. Notes that the CJEU employs staff from all Member States, and that only two nationalities are missing in middle and senior management; calls on the CJEU to obtain relevant information from interinstitutional exchanges and to use all available means and remove any barriers to encourage applications from candidates whose nationality is underrepresented in order to achieve an acceptable geographical distribution;

29. Notes that an administrative inquiry was launched in response to one complaint lodged in 2020 alleging moral and sexual harassment; is aware that at the end of the administrative enquiry and on the basis of its conclusions, the appointing authority decided that there had been no harassment, neither moral nor sexual;

30. Welcomes the organisation of staff awareness-raising actions, including webinars and lunchtime talks, on aspects relating to equal opportunities, diversity and inclusion; notes with satisfaction that the CJEU's equal opportunities and diversity representatives are involved in interinstitutional groups and in an EPSO working group on diversity in recruitment procedures, with a view to sharing good practices and to implementing a common harmonised approach aimed at strengthening inclusion within Union institutions; notes that the CJEU's training and development unit has taken over responsibility for leading the work of the equal opportunities and diversity cell as of May 2021;

31. Notes with satisfaction that, out of the 223 trainees engaged in 2020, the percentage of paid trainees at the CJEU increased to 72 %, compared to 48,5 % in 2019; is aware that 2020 was the second year of implementation of a paid traineeship scheme in the members' cabinets; acknowledges the progress made and calls on the CJEU to make sure that all of its trainees receive a decent remuneration on a par with that of the other Union institutions, except for trainees that receive payments from other sources;

32. Notes that, following a report in 2019, an internal inquiry was ordered under the CJEU's internal rules on whistleblowing which found that, based on the information available, it was not possible to conclude that the accusations were founded; is aware that national proceedings in relation to the alleged facts are ongoing; calls on the CJEU to monitor the final decision of the national proceedings in case it is necessary to reopen the internal inquiry and to inform the discharge authority about the state of the inquiry;

Ethical framework and transparency

33. Points out, in accordance with the requirements laid down in Article 19 of the Treaty on European Union and Articles 253, 254 and 255 of Treaty on the Functioning of the European Union (TFEU), that independence is the primary condition for the performance of the duties of a judge or advocate general;

34. Welcomes the report addressed to Parliament's Committee on Budgetary Control regarding the prevention of conflicts of interest of the members of the CJEU; notes with satisfaction that the system currently in place combines preventive mechanisms applicable both on a general basis and upon the assignment of cases; notes that the members' declaration of interest assumes a prominent role in the prevention regime and welcomes the code of conduct adopted in 2021 that increases the content of the declaration of interest; highlights that the prevention regime applies both to the entire duration of the term of office and to the period following the term of office, and that it includes both a cooling off period of three years and a number of absolute incompatibilities with no temporal limitation;

35. Acknowledges the CJEU's response to Parliament's request for an independent third party to revise the declarations of financial interests of its members and to assess the existence of conflicts of interest; understands that a third party would revise the declarations at the time of their filing, whereas a conflict of interest will only emerge when the member is assigned an actual case; understands, likewise, that the President carries out a broader case-by-case analysis before assigning cases, not only to ensure the quality and impartiality of justice but also to achieve an optimal distribution of the workload among members; believes, taking all of the above into consideration, that the CJEU would benefit from an independent third party implementing *ex post* controls on those decisions;

36. Reiterates the importance of adopting a revised general code of conduct for members of staff, integrating provisions on 'revolving doors' for senior members of staff, conflicts of interest, outside activities, occupational activities after leaving the service, gainful employment of spouses and publications; notes that according to the CJEU a general revision would be completed by the end of 2021 and asks to be duly informed of its completion;

37. Invites the CJEU to launch surveys concerning staff awareness on the ethical framework and whistleblower procedures to identify where more action is needed; observes that six training courses entitled 'Rules of good conduct' had a relatively small turnout of 70 members of staff and, thus, recommends the CJEU to find ways to increase staff participation in training courses on the ethical framework of the CJEU;

38. Acknowledges the efforts made by the CJEU to increase transparency and accessibility with respect to information about the external activities of its members; is aware that the CJEU is developing a tool which would allow, without burdening the resources of the services, the multilingual publication of information on such activities, to be maintained while integrating additional information requested by Parliament; notes that that tool is expected to be operational at the beginning of 2022 and calls on the CJEU to inform the discharge authority about the progress achieved;

39. Welcomes the intention of the CJEU to develop the form in which members are presented on its website by including additional elements such as honorary positions or titles awarded and memberships in foundations and similar bodies in various fields; notes the CJEU's statement that such information would be made available on its website by the end of 2021; recommends the CJEU to take advantage of that revision of its website to make it more user-friendly;

40. Encourages the CJEU to pursue innovative solutions in an effort to be more transparent towards the public, by broadcasting its public hearings and by making their recordings available online; believes that such improvement in transparency would be in line with Article 15 TFEU and would benefit all who work or study in the legal field in the Union;

Digitalisation, cybersecurity, data protection

41. Regrets that the Court of Justice and the General Court were forced to cancel or postpone all hearings scheduled to take place between mid-March and early June 2020 because of the COVID-19 pandemic and the lack of IT infrastructure and necessary conditions in place in order for those hearings to take place; notes that the Court of Justice decided to replace a number of hearings with questions requiring a written answer; observes that a similar solution could not be implemented at the General Court as the rules of procedure provide that a hearing must be held when a main party submits a reasoned request to that effect; praises the deployment of human, technical and financial resources to design and implement a single, secure videoconferencing system with potentially simultaneous interpretation for the 24 official languages for the benefit of parties' representatives unable to travel to Luxembourg due to travel restrictions imposed in the Member States; congratulates the CJEU on winning the European Ombudsman's Award for Good Administration in the category of excellence in innovation/transformation for its system for remote hearings;

42. Notes with interest the high rate of utilisation of e-Curia in 2020 which increased during the COVID-19 pandemic and translates into an increase of 12 % in the number of accounts (7 378 accounts by the end of 2020 compared to 6 588 by the end of 2019) and high percentages of procedural documents lodged before the Court of Justice and the General Court (79 % and 95 % respectively); highlights that the confidence of the users in that system and the growing interest of all parties concerned in the utilisation of digital tools led to a significant increase of the accounts opened by national courts and tribunals (from 45 accounts at the end of 2019 to 121 at the end of 2020); encourages the CJEU to further develop e-Curia;

43. Notes that the teleworking imposed as a consequence of the COVID-19 pandemic has drastically accelerated the digitalisation and simplification of workflows and decision-making processes in both administrative and judicial activities, something that has been welcomed by members of staff; observes that the accelerated digitalisation of mail due to the pandemic resulted in savings in postal charges that were part of the budget surplus that was transferred to other use;

44. Observes the increased investment in IT projects and equipment (EUR 13,5 million in 2020 compared to EUR 9 million in 2019); welcomes the implementation of SIGA (an integrated case management system) and HAN (an administrative document management system) despite the pandemic-related challenges; notes the signing of the contract for the SIGA project in 2020; welcomes the increased use of other instruments such as electronic signatures (EU SIGN, provided by the Commission) for both administrative and judicial documents;

45. Notes with interest the implementation of a media monitoring tool within the communication directorate, based on close collaboration with the joint research centre of the Commission;

46. Recalls its concerns about the human rights implications of using artificial intelligence (AI) in judiciary systems; welcomes the reference to the European Ethical Charter on the Use of Artificial Intelligence in Judicial Systems and their environment by the European Commission for the Efficiency of Justice as well as the fact that tasks performed using AI should always be monitored and resolved by a human operator; stresses that the increase in the number of cases must not impede the quality of the legal analysis of the CJEU; asks the CJEU to inform Parliament about the operators of the AI tools used; warns the CJEU of the risks to privacy and security when using external cloud computing services;

47. Notes that 2020 was a challenging year for cybersecurity in the Union institutions but that the CJEU successfully prevented any major incident as the vast majority of the attacks were blocked automatically at different levels by the defence systems in place;

48. Stresses the important role played by the CJEU as part of the steering board of the Computer Emergency Response Team for the EU institutions, bodies and agencies (CERT-EU) and as a member of the Interinstitutional Committee for digital transformation (ICDT), involved in the implementation of the EU Cybersecurity Strategy;

49. Welcomes the launch of awareness-raising courses regarding data protection, embedded in the induction programme for newcomers and offered to heads of departments and members, regarding good practices when handling personal data, as well as the dissemination within the CJEU of brochures and presentations on good practices and the rights of persons concerned;

50. Observes that two investigations were opened by the European Data Protection Supervisor (EDPS) in 2020, one on the use of cookies on the CJEU's website (concluded by the EDPS on the basis of the adequacy of the measures adopted in the meantime by the CJEU) and one (still pending) on the use of third-party web services by the CJEU (such as YouTube, Twitter, LinkedIn, Google Play and Apple) and the obligation to make available the essence of a joint controller agreement; welcomes the follow-up actions undertaken to align the CJEU with the recommendations of the EDPS;

51. Welcomes the CJEU's initiative to increase its accessibility to the public by offering a programme of remote visits to the CJEU that include a guided tour through its premises and a meeting with one of the judges or advocates general; asks the CJEU to inform Parliament about the cost of that initiative, the envisaged reach of participants, the provisions put in place to protect the personal data of the participants and the details of the implementation;

Buildings and security

52. Notes that 100 % of expenditure under the budgetary item 'Lease-purchase' (EUR 54 781 083) was implemented, corresponding to the charges payable under the contracts concluded with the Luxembourgish authorities for the purchase, renovation and construction of the various buildings of the CJEU, the prepayment under the lease-purchase contract for the project for the 5th extension of the buildings of the CJEU and a partial advance payment on one of the loans agreed for the financing of that project;

53. Notes that for item 2022 'Cleaning and maintenance' a budget surplus (EUR 190 000) was established, in particular due to generalised teleworking as a result of the COVID-19 pandemic, which made it possible to finance a part of the end-of-year mopping-up transfer;

54. Welcomes the consideration given to the recommendations issued by the Equal Opportunities Joint Committees of EU institutions on improvements for people with reduced mobility or other disabilities, among others to create contact points in universities to inform students with disabilities about job opportunities in Union institutions, on the alignment of the approach of the Union institutions in terms of medical care and coverage, and on more systematic support in terms of logistics;

Environment and sustainability

55. Welcomes the many actions adopted to implement programmes under the Union eco-management and audit scheme (EMAS) and define the strategy for reducing the carbon footprint of the CJEU while developing clean sources of energy, for example by installing photovoltaic panels on all CJEU buildings; encourages the CJEU to continue to take measures to reduce its environmental footprint;

56. Welcomes that the CJEU is committed to fostering a reasonable and responsible use of paper and to reducing its consumption, and that paper consumption has decreased drastically (a reduction of 63,7 % compared to 2015 and 56 % compared to 2019); notes, however, that in 2020 white paper still represented a budget of EUR 640 000; welcomes that the CJEU since 2020 has had a practice of using only paper originating from sustainably managed forests, which is a criterion of excellence in paper management according to the Sectoral Reference Document published by the Commission; asks the CJEU to continue its efforts towards becoming a paperless institution;

57. Welcomes the participation of the CJEU in Parliament's offsetting of greenhouse gas emissions' scheme, the purpose of which is to offset the calculated carbon emissions of the participating institutions by purchasing carbon credits on the voluntary market in order to finance external environmental projects in the African, Caribbean and Pacific regions; notes that in 2020, the scheme enabled the funding of Gold Standard certified wood-fired stoves and landfill gas recovery projects in order to offset 23 000 tons of CO_2 equivalent;

58. Welcomes that the sustainable mobility strategy set up by the CJEU consists not only of raising awareness actions but also of concrete activities like participation in the European Mobility Week and in the vel'OH! self-service bike facility, granting a subsidy for annual cross-border public transport, the installation of charging stations in the CJEU's car parks, factoring in relevant considerations in the management of the member's car fleet and offering a number of well distributed bike racks together with showers and lockers;

59. Stresses the importance of integrating environmental criteria into all stages of the procurement process; welcomes the CJEU's participation in the inter-institutional Green Public Procurement helpdesk to help the members of staff responsible to select and purchase goods, services and works with the lowest possible environmental impact throughout their life cycle, often including clauses on the promotion of equal opportunities;

60. Observes that the annual environmental declaration of the CJEU includes an indicator on green public procurement to enable the evaluation of the degree to which clauses on environment protection are incorporated into procurement documents;

Communication and multilingualism

61. Welcomes the interest of the CJEU on social media and other platforms to ensure greater dissemination of information; is aware of the increased number of views on the CJEU's YouTube channel (an increase of 42 % compared to 2019) and of the success in the use of LinkedIn (followers tripled from 30 000 in 2019 to more than 90 000 in 2020);

62. Welcomes the decision to publish its register of processing activities on the Curia website, which came into effect in January 2021;

63. Invites the CJEU to further explore the use of neural translation through specific engines, as well as other options, together with the Commission, the Translation Centre for the Bodies of the European Union and the World Intellectual Property organisation, including the possibility of installing servers on the premises of the CJEU on which translation tools could run which would overcome some of the restrictions on the most confidential documents;

64. Notes that the CJEU has succeeded in adapting its internal communication procedures from May 2020; points out that a weekly average of over 150 internal or interinstitutional videoconferences or audioconferences were organised as a result;

Inter-institutional cooperation

65. Welcomes the logistical support provided to the European Public Prosecutor's Office, whose offices are located in front of the offices of the CJEU, in order to facilitate its installation in Luxembourg;

66. Welcomes the cooperation between the GIS (Inter-institutional Security Group) and the legal services of the Luxembourg-based Union institutions, on the one hand, and the Luxembourgish authorities and law enforcement agencies, on the other hand, regarding security background checks on the staff of contractors;

67. Notes the annual financing agreements concluded with the translation services of other Union institutions and agencies which provides for the financing of IT tools (eTranslation, Euramis, DocFinder, IATE and Quest 2); notes furthermore the conclusion or renewal of a number of service level agreements (HAN, DIGITEC, a media monitoring system, and, with the Paymaster Office of the Commission);

COVID-19 pandemic

68. Stresses that the COVID-19 pandemic significantly influenced all the activities of the CJEU, both jurisdictional and administrative, and that the CJEU was challenged by the necessity to ensure the protection of individuals while guaranteeing the continuity of the public service of Union justice; highlights that the CJEU approach has been to protect the health of members, staff and visitors to ensure the continuity of judicial activity;

69. Understands that the two major changes introduced to the existing flexible working arrangements were the introduction of generalised teleworking and the suspension of the flexible working regime based on the recording of the time spent in the CJEU's buildings;

70. Welcomes the structure and procedures of the CJEU established for crisis situations, based on the crisis unit as a decision-making entity and on the crisis management centre as an implementing body; notes that two additional task forces were set up to examine the measures in place to ensure protection of members of staff whose tasks could not be carried out remotely and the design of a single secure videoconferencing system;

71. Welcomes the CJEU internal auditor's report of December 2020, addressed to the administrative committee of the CJEU, presenting the results of the review of the management of the crisis caused by the COVID-19 pandemic and being integrated into the design of a new emergency and business continuity plan drawing on the lessons learned from the crisis;

72. Believes that the CJEU adopted and endorsed all the relevant measures to (i) safeguard its staff during the COVID-19 pandemic; (ii) reduce the risk of burnout (specifically webinar sessions on topics related to managing work and private life, communication in times of crisis, management and neuroscience, and stress management); (iii) raise awareness on the right to disconnect and the risk of over-performance; and (iv) monitor the situation (via surveys concerning well-being at work, perception of the situation by the staff and level of satisfaction);

73. Notes that collaboration with national magistrates via seminars, visits and other official events were substantially affected by the pandemic outbreak, resulting in disruption and cancellations due to sanitary restrictions; encourages the CJEU to continue to explore technical solutions to enhance that collaboration also beyond the context of the pandemic;

74. Encourages the CJEU to fully integrate in its internal management strategy the lessons drawn from the COVID-19 pandemic, in terms of business continuity and crisis management approaches, IT responsiveness, resiliency of the organisation, duty of care towards its staff, effectiveness of internal communication and flexibility of working processes.

DECISION (EU) 2022/1701 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section V – Court of Auditors

THE EUROPEAN PARLIAMENT,

— having regard to the general budget of the European Union for the financial year 2020 ([1]),

— having regard to the consolidated annual accounts of the European Union for the financial year 2020 (COM(2021) 381 – C9-0259/2021) ([2]),

— having regard to the Court of Auditors' annual report to the discharge authority on internal audits carried out in 2020,

— having regard to the Court of Auditors' annual report on the implementation of the budget concerning the financial year 2020, together with the institutions' replies ([3]),

— having regard to the statement of assurance ([4]) 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 2020, 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) 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 966/2012 ([5]), 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 report of the Committee on Budgetary Control (A9-0061/2022),

1. Grants the Secretary-General of the Court of Auditors discharge in respect of the implementation of the budget of the Court of Auditors for the financial year 2020;

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 Council, the Commission and the Court of Auditors, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ L 57, 27.2.2020.
([2]) OJ C 436, 28.10.2021, p. 1.
([3]) OJ C 430, 25.10.2021, p. 7.
([4]) OJ C 436, 28.10.2021, p. 207.
([5]) OJ L 193, 30.7.2018, p. 1.

RESOLUTION (EU) 2022/1702OF THE EUROPEAN PARLIAMENT

of 4 May 2022

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 2020, Section V – Court of Auditors

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 2020, Section V – Court of Auditors,

— 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 (A9-0061/2022),

A. whereas the mission of the Court of Auditors (the 'Court') is centred on enhancing citizens' trust and responding effectively to current and future challenges facing the Union by carrying out independent, professional and impactful audit work, assessing the economy, effectiveness, efficiency, legality and regularity of Union action in order to improve accountability, transparency and financial management;

B. whereas, without prejudice to the provisions of Article 287 and 319 of the Treaty on the Functioning of the European Union (TFEU), since the close of the financial year 1987 the Court has had its revenue and expenditure accounts audited by an independent external auditor every year and, since the report on the financial year 1992, the external auditor's reports have been published in the *Official Journal of the European Union*;

C. whereas management accountability towards the budgetary authorities is provided via the annual activity report of the Secretary-General of the Court, the purpose of which, in accordance with Article 74(9) of the Financial Regulation, is to provide information about the management of resources, including the systems, and about the efficiency and effectiveness of the Court's internal control systems;

D. whereas in the context of the discharge procedure, the discharge authority wishes to stress the particular importance of further strengthening the democratic legitimacy of Union institutions by improving transparency and accountability, and implementing the concept of performance-based budgeting and good governance of human resources;

1. Is aware that the annual accounts of the Court are audited by an independent external auditor in order to apply the same principles of transparency and accountability that the Court applies to its auditees; notes with satisfaction the independent external auditor's opinion that the financial statements give a true and fair view of the Court's financial position;

2. Notes that the Court's follow-up to the 2019 discharge resolutions provided only general responses to Parliament's remarks; reiterates that appropriate and comprehensible follow-up is essential to enable Parliament's Committee on Budgetary Control to determine whether the Court has taken Parliament's recommendations into due consideration; asks the Court to simplify the structure of its next follow-up report and include all necessary responses while providing detailed and concrete explanations of the implementation of Parliament's recommendations, making explicit reference to each paragraph of this discharge resolution;

3. Notes that the Court is governed by Articles 285, 286 and 287 TFEU which provide that the Court shall draw up its own Rules of Procedure which shall require the approval of the Council, and that the Council shall determine the conditions of employment of the members of the Court and in particular their salaries, allowances and pensions; notes that the Court's competence to adopt rules on working methods is part of its internal organisation and that the Court's decision-making procedure is laid out in its rules of procedure; calls on the Court to keep the discharge authority informed on the ongoing and future amendments of its internal rules; notes that the Court's code of conduct ([1]) emphasises the core ethical values of the Court and its members and sets out various procedural obligations;

([1]) Code of Conduct for the Members and former Members of the Court (OJ L 46, 25.2.2022, p. 145).

Budgetary and financial management

4. Notes that the Court's budget continues to grow and amounted to EUR 152 million in 2020 (compared to EUR 147 million in 2019) which represents less than 0,1 % of total Union spending and around 1,4 % of total Union spending on administration; notes that the Court's budget is mostly administrative, with the majority of it being used for expenditure related to human resources, buildings and furniture, equipment and miscellaneous operation costs;

5. Notes that the overall execution rate for 2020 was 96 % (compared to 98 % in 2019) with an execution rate of 95,7 % for commitments and 90,1 % for payments on appropriations; notes that payments in 2020 amounted to EUR 137 132 964 compared to EUR 137 799 512 in 2019;

6. Notes that following the COVID-19 outbreak some budget lines were underutilised, such as missions (by 15,75 %), publications (by 42,75 %), interpretation costs (by 30,77 %), energy consumption, meetings, representation expenses and salaries; notes that the savings in salaries were also due to fewer recruitments and a smaller-than-expected salary increase; notes that, in contrast to the savings, the increase of costs related to IT (amounting to 30,77 %), medical service (amounting to 214,29 %) and security (amounting to 288,10 %); further notes that in the course of 2020, the Court effected 22 budgetary transfers between the mentioned budget lines, amounting to EUR 4 051 000 in total;

7. Acknowledges that in spite of the budgetary transfers, some appropriations were cancelled at year-end, mainly related to missions (EUR 2 160 144), publications (EUR 198 808), representation expenses (EUR 179 992), interpretation costs (EUR 162 104), vehicles (EUR 151 084) and meetings (EUR 106 005);

8. Understands that automatic carry-overs of appropriations from 2019 to 2020, a total of EUR 6 515 316, contributed to reaching a utilisation rate of 92,24 % (compared to 88,48 % in 2019);

9. Observes that in 2020, the Court awarded in total 18 contracts with a value greater than EUR 15 000, amounting to a total value of EUR 2 704 105, out of which four contracts, amounting to a total value of EUR 2 190 490, were above the relevant threshold in Article 4 of Directive 2014/24/EU of the European Parliament and of the Council ([2]);

Internal management, performance, internal control

10. Notes that 2020 was the last year of implementing the Court's 2018-2020 strategy and welcomes the progress achieved in a number of areas, in particular more resources allocated to performance audits, increased productivity across all types of audits, and intensified stakeholder interest in and media uptake of the Court's reports; notes the publication of the peer review report on the implementation of the 2018-2020 strategy; appreciates the participative approach adopted to prepare the 2021-2025 strategy, adopted in January 2021, that involved all the Court's members, managers and other staff through workshops, webinars and surveys to collect and discuss inputs;

11. Underlines that the priorities reflected in the Court's work programme should take the focus areas suggested by the discharge authority related to budgetary issues rather than policy issues into account; recalls the Joint statement by the Parliament and the Council on the reinforcement of the establishment plan of the Court of Auditors; recalls that Parliament and the Council consider it essential that the Court allocates sufficient resources for the implementation of its core activities and invited the Court to provide, in future budgetary exercises, an overview of the allocation of staff in the previous year; reiterates Parliament's request for a specific independent annual report on the Union institutions;

12. Acknowledges that the Court applies a set of key performance indicators to provide institutional stakeholders with information on performance levels, to inform management about progress made towards achieving strategic goals and to support decision-making; observes that in 2020 a total of 69 publications were issued (33 annual and special reports, 11 opinions, 6 reviews, 14 audit previews and 5 other documents), compared to 67 publications

([2]) Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC (OJ L 94, 28.3.2014, p. 65).

in 2019; welcomes the fact that the Court published for the first time ever an annual report on the overall performance of the Union budget which contributes to give more prominence to the results achieved by a sample of Union spending programmes and evaluates to what extend recommendations from the Court's special reports have been implemented by the auditees; welcomes the Court's initiative to consult key stakeholders, including Parliament's Committee on Budgetary Control, on the future strategy regarding the annual performance report;

13. Observes the number of opinions issued (11) of which the large majority relates either to amendments of existing rules in the 2014–2020 Multiannual Financial Framework (MFF) in the context of the Union's response to the COVID-19 pandemic or to legislative proposals for the 2021–2027 MFF and the 'NextGenerationEU' stimulus package; appreciates that the Court adapted its 2020 work programme to take account of changing circumstances and that the adoption included issuing two timely reviews of the Union's response to the COVID-19 pandemic;

14. Supports the Court's practice of monitoring the follow-up to its recommendations; notes that in 2020 the Court measured the implementation of the recommendations made in its 2016 reports and registered a partial or full implementation of 97 % of the 29 recommendations made in the annual report and 91 % of the 360 recommendations made in the special reports (compared to 96 % and 94 %, respectively, for the 2015 recommendations);

15. Welcomes the analysis carried out on the impact and perception of the Court's work by its relevant stakeholders, including Union institutions, bodies, offices and agencies, national authorities, NGOs, academia and media, based on the feedback received as part of the anonymised electronic surveys; highlights the feedback received in 2020 with 84 % of the respondents finding that the Court's reports are useful for their work and 75 % indicating that the Court's work had an impact (compared to 88 % and 81 %, respectively, in 2019);

16. Notes that the installation allowance for the member of the Court, governed by Article 4 of Council Regulation (EU) 2016/300 ([3]), is granted on the condition that the member of the Court provides evidence that a change in the place of residence was necessary in order to take up duties and that person 'shall reside either in the place where he is employed or at no greater distance therefrom as is compatible with the proper performance of his duties' as stated in Article 20 of the Staff Regulations; points out that, even if the mere declaration of an address has been accepted by the Paymaster Office of the Commission (PMO), a rental or purchase contract for a property should not be considered sufficient evidence in the meaning of Article 20 of the Staff Regulations, as such property may be destined for uses other than as a primary residence; is of the opinion that the mechanism for verifying the legal conditions of the installation allowance needs to be reviewed so that other documents can be requested as evidence, to the greatest extent possible with respect of the right to privacy;

17. Notes that members of the Court have provided either a rental or purchase contract for a property and a residence certificate issued by the Luxembourgish authorities; insists, however, that, since the entry into force of Regulation (EU) 2016/300, installation allowance should be paid only on production of evidence establishing the fact that members have 'settled at the place where they are employed' as set out in Article 5(3) of Annex VII of the Staff Regulations; is of the view that collecting an installation allowance should be considered to entail an obligation for the members to actually relocate their residence to Luxembourg on an effective and stable basis during their term of office and recalls, in this regard, that Article 5(4) of that Annex stipulates that 'an official who is entitled to the household allowance and does not settle with his family at the place where he is employed shall receive only half of the allowance to which he would otherwise be entitled'; notes that the Court recently adopted a modified code of conduct setting out in Article 10(1) the obligation to reside where the Court has its seat and asks the Court to report on the entry into force of the modified code of conduct;

([3]) Council Regulation (EU) 2016/300 of 29 February 2016 determining the emoluments of EU high-level public office holders (OJ L 58, 4.3.2016, p. 1).

18. Notes that Article 5 of Regulation (EU) 2016/300 entitles EU high-level public office holders such as members of the Court to a residence allowance equal to 15 % of their basic salary during their term of office; is aware of the fact that the said Regulation does not contain any condition for the disbursement of the residence allowance, but that it is based solely on the recipient being the holder of a high-level public office; acknowledges that such an approach follows the wording of that Regulation and understands that only the Council is competent to amend Regulation (EU) 2016/300; believes, nevertheless, that the residence allowance must be consistent with the installation allowance and, therefore, that logic dictates the same correlation with Article 20 of the Staff Regulations while respecting the distinct purpose of each allowance; stresses, in this regard, that the residence allowance must be interpreted in light of Article 10 of the Court's revised code of conduct on commitment and loyalty and Article 14 of Protocol No 3 on the Statute of the Court of Justice of the European Union, annexed to the Treaty on European Union and the TFEU, which provides that Judges shall reside at the place where the Court of Justice of the European Union (Court of Justice) has its seat;

19. Understands that the Court has no role in defining the rules and conditions for granting the installation and residence allowances and that the responsibility for the verification of the fulfilment of the legal conditions for the installation allowance and the payment authorisation of both installation and residence allowances stays with the PMO on the basis of a service-level agreement; notes that, upon the Court's request, the PMO in 2021 carried out an *ex post* control of the installation allowance and reported the results to the Court; observes that no irregularity was reported in 2021; regrets that some member of the Court fail to recognise that the residence allowance implies the effective residence at the place of employment, especially in cases where the installation allowance has been paid;

20. Appreciates that in accordance with Article 10(1) of its revised code of conduct the Court introduced an express legal obligation for its members to reside at the place where the Court has its seat, reflecting Article 14 of Protocol No 3 on the Statute of the Court of Justice, and that the members shall provide the Secretary-General (in addition to the PMO) with proof of residence in Luxembourg upon taking up office and every three years thereafter, which is in line with the interpretation expressed by Parliament, the principle of sound financial management and the ethical standards expected of the Court; deems that the revision of the code of conduct might substantiate the Court's recognition of the residence allowance being consistent with effective residence in Luxembourg, allowing the proper performance of the member's duties;

21. Notes the Court's Decision No 30-2019 on the management and use of its car fleet; is aware that the car fleet is leased from a supplier using an interinstitutional framework contract and that, in addition to the rental charge, the Court bears the costs related to the use of the cars (i.e. tolls, parking, fuel, electric charges, cleaning and other expenses) in connection with journeys covered by a travel order; notes that journeys without travel orders are also allowed when they are related to the performance of the duties of the members of the Court;

22. Observes that the Court allows its members to make private use of the car fleet without drivers for journeys not covered by mission orders in exchange for a contribution of EUR 100 per month; is concerned that the EUR 100 contribution system, designed to allow private use of the car fleet, could facilitate potential misuses of the car fleet and damage the reputation of the Court; notes the recent Court Decision No 10-2022 that reviews the management and use of the car fleet; is of the opinion that the EUR 100 contribution does not reflect the full cost of such use and that the new system introduced by the that decision is not reasonable or administratively efficient; calls on the Court to rationalise all uses of the car fleet that are reasonably necessary for the performance of the duties of its members and include those uses in the travel orders; reiterates its opinion expressed in previous discharge resolutions that the use of the car fleet outside of the strict performance of the duties of the members of the Court should not take place under any circumstance;

23. Notes that the Court offers its members language training in the interest of the Court, either through the interinstitutional framework shared with other Union institutions located in Luxembourg or directly from professional suppliers of language training; notes the Court's statement that for the period 2017–2021, members have followed intensive language courses outside the interinstitutional framework only for French, German and English; points out that conditions seem to apply only to the characteristics of the language training (i.e. two weeks per year, at least four

hours per day), not to the language selected by the requesting member; notes the Court's recent decision providing that members may follow language courses covering primarily the working languages of the Court (English and French) but also other official languages of the Union in the interest of the service;

24. Notes that it took until 2018 for a register of attendance to be set up to record the presence or absence of the members at all formal meetings of the Court and its chambers and committees; notes that for the first time, the Court's 2020 annual activity report includes information on attendance; is aware that such meetings constitute only a part of the members' activities, which also includes audit missions and promoting the work of the Court in the Member States, and agrees that the independence required of the members necessarily encompasses a certain degree of autonomy in organising their work; reminds, however, that the members have an obligation to devote themselves fully to the fulfilment of their mandate as enshrined in Article 10 of the Court's code of conduct and, therefore, calls on the Court to use the attendance register as a tool to proactively prevent potential cases of absenteeism; points out that according to the Court's 2020 Activity Report, the average 96 % attendance rate communicated by the Court refers exclusively to three physical meetings of the College of Members in 2020 rather than to general attendance at the workplace; reiterates the request made each year since the 2017 discharge that the register of attendance be extended to working days, missions, periods of leave and justified absences in order to represent an accurate mapping of the work carried out by the members; requests the Court to provide the discharge authority with annual updates of the register of attendance so it can be considered during the discharge procedure;

25. Notes that missions, which are essential to fulfil the role of the Court (i.e. to audit national bodies on the spot or to present the annual report to national parliaments), are limited by the annual budget and have to undergo comprehensive *ex ante* and *ex post* controls carried out on monthly samples; welcomes that Court Decision No 59-2017 delegated the role of authorising officer for all missions and expenses of members of the Court to the Secretary-General of the Court, while Court Decision No 61-2017 clarified the rules governing missions, in particular the obligation to demonstrate how the mission relates to the Court's work, and emphasises that missions must be clearly and unambiguously declared as such; notes that members of the Court also serve as contact points for national audit institutions and for providing information to citizens about the use of Union funds; notes with concern, however, that no limitation or condition applies to the duration or place of missions which potentially creates risks of inefficient time management; believes that particular attention should be paid to missions to third countries with regard to duration, added value and costs; calls on the Court to set appropriate rules to prevent any possible misuse of mission orders which may call into question the integrity, independence and objectivity of its members; points out in particular that members' missions must in general start or end in Luxembourg in accordance with the explicit residence obligation, except in cases of occasional and justified exceptions; expects that the members of the Court actively take part in audit missions and that their tasks and responsibilities must be specified to avoid any form of potential misconduct;

26. Notes that, under Court Decision No 60-2017, each of its members has an annual budgetary allocation to use for representation expenses, subject to *ex ante* controls and with reimbursements being made upon presentation of supporting documents; is surprised by the fact that Article 9 of that Decision provides that part of this allocation can be used, even in a limited manner, to cover invitations by the members to close collaborators (i.e. the member's private office, an audit team, chamber staff or staff of the same nationality as the member in question) without external participants, to promote team-building or to celebrate the achievement of a key working objective; recalls that in Article 1 of that Decision the Court defines 'representation' as professional interaction by members of the Court with external persons and that the current use is not in line with that definition; calls on the Court to rationalise and clarify the rules governing the use, conditions and ceilings of budgetary lines for representation, team-building and internal celebration purposes in order to respect the principles of sound financial management and transparency; notes the Court's recent decision providing that events without external participation will not be covered any longer by representation expenses; asks the Court to provide Parliament's Committee on Budgetary Control with annual overviews on the use of the budgetary allocation for representation;

27. Notes that in 2020 the Court's internal audit service reviewed the Court's risk management policy, issued reports or finalised the main audit work for a number of tasks and did not identify any shortcomings affecting the overall reliability of the internal control systems put in place to ensure the legality and regularity of the Court's financial operations in 2020; notes the assurance report by the Court's independent external auditor from December 2021 which concluded that the resources assigned to language courses, missions and representation have been used for their intended purposes and that the control procedures in place provide the necessary guarantees to ensure regulatory compliance; encourages the Court's internal and independent external auditors to include in their audit plan topics related to ethics, such as sound financial management and the ethical standards required of the Court, that acts as the independent guardian of the financial interests of the citizens of the Union, that go beyond what is audited by its internal audit service;

28. Understands that during most of 2020, the travel restrictions and sanitary measures caused by the COVID-19 pandemic limited the possibilities of the Court to carry out audit fieldwork on the ground; notes that in 2020 the auditors of the Court spent a total of 1 190 days in the field (compared to 3 605 days in 2019) and 627 days at the Union institutions, bodies, offices and agencies, international organisations and private audit firms (compared to 2 504 days in 2019); observes with interest the increased use of remote auditing, using communication and information technology such as secure data and document sharing; hopes that those working procedures will be consolidated by the Court in its ordinary audit procedure;

Ethical framework and transparency

29. Fully acknowledges the value of serious and fact-based investigative journalism to provide the necessary checks and balances for the proper financial and ethical functioning of Union institutions; is concerned by the findings in the media coverage of a number of ethical and financial management issues at the Court relating to its members; emphasises that the Court's audit work has never been called into question and that the Court is subject to several layers of control by its internal and independent external auditors and the discharge authority; is concerned, however, about the damage caused to the reputation and integrity of the Court which should be a model for the correct implementation of the Union budget and for the highest ethical standards; asks the Court to entrust a newly elected ethics committee, not appointed on a proposal by the Court's president, to examine the areas reported and assess the ethical adequacy of the existing rules, including the new system related to Article 73 of the Financial Regulation; trusts that the discharge procedure will, in close cooperation with the Court, identify areas for improvement and lead to the necessary reforms being undertaken, in particular of the Court's code of conduct; recalls the Court's role as the Union's independent external auditor and guardian of its finances and, thus, strongly reaffirms its belief that any unethical behaviour by the members of the Court has a huge impact on the reputation of both the Court and the Union as a whole, raising the question of who is watching over the Union's watchdog;

30. Deeply regrets that, following the coverage of a number of ethically and financially questionable practices, the Court declined to fully cooperate and engage equally with the members of Parliament's Committee on Budgetary Control with respect to the disclosure of key information and documents, even under conditions of confidentiality and data protection; recalls that a number of confidential documents were made available, on the Court's initiative, to the Chair of the Parliament's Committee on Budgetary Control and the Rapporteur of the 2020 discharge; believes that access to that information and those documents by all members of the Committee on Budgetary Control is essential to assess the allegations made in the media and enable members of Parliament to make an informed decision on granting discharge to the Court;

31. Recalls that the Court was established by the 1975 Budgetary Treaty to audit Union finances and, as the Union's external auditor, contributes to the improvement of the Union's financial management, while acting as the independent guardian of the financial interests of Union citizens; stresses that cooperation and mutual trust between the Court and Parliament, in particular its Committee on Budgetary Control, is central to the EU's budgetary control system; is convinced of the need to address Parliament's concerns contained in this and previous discharge resolutions and thereby restore the damage done to the Court's credibility by questionable internal practices; reiterates its willingness to accompany the Court in the necessary reform process;

32. Is deeply concerned about allegations regarding subletting by members of the Court of an apartment to members of staff of the Court, also in the context of a potential breach of the provisions of the relevant rental contract and the creation of an unethical set-up in the context of residential allowance; regrets that the Court refused to provide all the shadow rapporteurs in Parliament's Committee on Budgetary Control with information on the landlord, the amount of rent paid by the member of the Court renting the apartment and the amount of rent paid to that member by the subtenants employed by the Court;

33. Notes with concern that the total cost of the irregularities committed by Karel Pinxten, a former Member of the Court, as identified in the relevant report by the European Anti-Fraud Office (OLAF) is EUR 570 824; regrets that, following the Court's legal analysis, the Court could only request Karel Pinxten to reimburse EUR 153 408 on the grounds that there is no legal basis to recover his salary for days of 'unjustified absences'; stresses the reputational prejudice to the Court and to the Union as a whole caused by this kind of behaviour which, as indicated by the Court of Justice in its judgement of 30 September 2021 ([4]), was favoured by the vagueness of the internal rules and allowed by the shortcomings of the controls put in place; notes the Court's follow-up to this case during the OLAF investigation, which includes waiving immunity and a successful conclusion of the procedure under Article 286(6) TFEU, as well as the measures taken as a result;

34. Is aware that the Court and its internal auditor, as a consequence of the procedures involving Karel Pinxten, undertook a review of its control procedures from 2016 to 2019 and that no indication of similar cases was found; notes that the Court is of the opinion that it has dealt with the weaknesses detected in the audit; acknowledges that delegating the duties of authorising officer within the meaning of Article 73 of the Financial Regulation exclusively to the Secretary-General of the Court and no longer to each of its members has been instrumental in delivering on the principle of sound financial management; observes that the Court considers the system now in place to be fully viable and reliable;

35. Highlights the findings of the 2019 peer review of the Court's ethics framework, indicating that ethics should receive a prominent place in the Court's strategic documents, advising greater consistency and clarity in the rules as well as appropriate training, that awareness-raising activities should be strengthened, and that the Court's ethics control system should be further improved; notes that the peer review concluded that the Court's ethical standards are generally compliant with the code of ethics of the International Organization of Supreme Audit Institutions but that further improvement is needed; emphasises in that regard that supreme audit institutions like the Court are held to high expectations and, therefore, must act as model organisations and inspire confidence and credibility to which end the leadership must set the tone by its actions; notes that the Court is currently reviewing its ethics framework, including an assessment of the ethics-related risks by an external provider, which will evaluate the maturity level of the Court's ethics framework and assess the Court's ethics-related risks; points out that the conclusions of that review will serve to update the Court's ethic framework in early 2022 and asks the Court to keep the discharge authority informed without undue delay;

36. Welcomes the adoption of the new Code of Conduct for the Members and former Members of the Court of Auditors on 14 December 2020 ([5]) which is considerably more detailed and explicit than the Code of Conduct for the Members of the Court of 8 February 2012; notes that Members are now under obligation to submit an annual 'Declaration of Interests' but is concerned by the Court's lack of examination capacities, which is key in order to avoid conflicts of interest, and therefore invites the Court to reinforce the current system; emphasises the obligation for the Members of the Court to observe the highest standards of ethical conduct and the ethical values and principles that shall be observed, such as integrity, independence, objectivity, professional behaviour, dignity, commitment and loyalty;

([4]) Judgment of the Court (Full Court) of 30 September 2021, *European Court of Auditors* v *Karel Pinxten*, C-130/19, ECLI:EU:C:2021:782.
([5]) OJ L 30, 28.1.2021, p. 10.

37. Welcomes that the Court's code of conduct elaborates procedural rules for the obligations of the members of the Court regarding external activities and occupations after ceasing to hold office; agrees that Members should not engage in any external activity that is incompatible with their duties; welcomes the amendment made by the Court's College to Article 12(2) of its code of conduct, as encouraged by the discharge authority, that excludes the authorisation of unremunerated duties in the political sphere; notes that with this amendment the Court's code of conduct is now aligned with the code of conduct of the Court of Justice; stresses that the values of independence and objectivity are specifically and seriously compromised from the moment a member, during his or her term of office, maintains any concrete relationship with a political party, as clearly declared by the Court of Justice in its judgment of 30 September 2021;

38. Stresses that the president of the Court must be a model in avoiding any real or perceived conflicts of interest that could undermine the Court's impartiality and, therefore, condemns his missions carried out with a clear political purpose which are not in line with the ethical standards and principles expected from the Court; recalls, in this regard, Article 7(2) of the Court's code of conduct which states that 'Members of the Court shall be mindful of the importance of their duties and responsibilities; they shall, leading by example, take into account the public nature of their duties and shall conduct themselves in a way that maintains and promotes the public's trust in the Court';

39. Highlights that Article 6(2) of the ethical guidelines of the Court acknowledges that close relationships can make it difficult to adhere to the equal treatment principle, while Article 3(5) of its code of conduct prohibits spouses, partners and direct family from being part of the cabinets of the relevant member; is of the view that, beyond personal perception, the fact that the president of the Court shared an apartment with two full-time officials of his cabinet is unusual and unwelcome as that can generate the impression of a potential conflict of interest or a violation of the principle of equal treatment, even if the Court's Secretary-General is its appointing authority and the grading of the staff of members' cabinets is based on the years of experience; is of the view that members of the Court should not be allowed to share their residence with members of their cabinets; welcomes therefore the recent revision of the Court's code of conduct, as encouraged by the discharge authority, requiring contractual relationships between Members and staff of the Court to be notified to the ethics committee and providing that Members shall not enter into long-term rental, sub-rental, or loan agreements with staff of the Court, thereby increasing the standards of transparency and accountability beyond the legal requirements; welcomes the Court's intention to further specify the principles governing the living arrangements of its members; regrets the infringement of the right to privacy of the members of staff concerned caused by the publication of their names in the press, as well as the consequences they have suffered in their personal lives;

40. Welcomes that the code of conduct also provides for an organisational framework for its application, namely an ethics committee that shall consider any ethics matter it deems relevant to the standards laid down in the code of conduct and to its reputation; welcomes that the ethics committee is assisted by the legal service of the Court as that measure will help to avoid any legal risks related to its decisions; notes that according to the current rules of procedure of the Court, the members of the ethics committee are appointed by the Court on the basis of a proposal from the president; recalls, as indicated in the Court's Special Report 13/2019 on the ethical frameworks of the audited EU institutions, that the composition of ethical committees may have an impact on the perceived objectivity and independence and thus, urgently calls on the Court to reconsider the rules for appointment and composition of the ethics committee and suggests, following the Commission's Independent Ethical Committee, that the members of the ethics committee be external persons selected for their competence, experience, independence and professional qualities, in addition to no longer be appointed on a proposal from the president of the Court;

41. Notes that the Court publishes its Members' missions on its website's transparency portal but only for the current year; asks the Court to publish and permanently keep the information on all Members' missions carried out during the full duration of their mandate, including but not limited to the destination, name and position of the person met, purpose of the mission and cost; encourages the Court to join the Union Transparency Register on the basis of a service level agreement; encourages the Court to publish its members' agendas of public and professional engagements;

42. Notes that in 2020, the one OLAF case opened and the one complaint received by the European Ombudsman were both dismissed by the respective authorities; observes that in 2020 there was no whistleblowing case;

43. Calls on the Court to clarify the role of its ethics advisors as no reports on their activity is available; believes that, following the findings of the 2019 peer review, it would be beneficial to keep a record of the number and type of issues addressed and the advice given; notes that the ethics advisers are now required to report annually on their activities to the Court's Secretary-General, in accordance with the rules of confidentiality;

Human resources, equality, staff well-being

44. Notes that, at the end of 2020, the Court employed in total 925 members of staff, consisting of 669 officials, 158 temporary agents, 83 contractual agents and 15 seconded national experts (SNEs); observes that the average occupation rate in 2020 was 97,2 %; appreciates the continued good level of recruitment actions in 2020 with 62 new employees recruited, consisting of 18 officials, 21 temporary agents, 20 contractual agents and 3 SNEs (compared to 77 in 2019);

45. Echoes the difficulties encountered by the Union institutions installed in Luxembourg to recruit staff according to their needs; points out the indexation of salaries in Luxembourg as one of the main factors; encourages the relevant institutions to have a coordinated and single approach towards the Commission;

46. Welcomes that, overall, the Court employed equal proportions of women and men in the workforce in 2020, with 475 women and 435 men out of 910 employees; notes that women made up 51,63 % of the overall workforce including members of the Court and SNEs; observes an increase in the share of women in management, 34,82 % in 2020 compared to 30,43 % in 2019; observes that about a third of principal managers (17 out of 47) and directors (3 out of 10) are women;

47. Regrets that in 2020 the Court had only 8 female members compared to 18 male members, although appreciates that the share of women increased from 25,93 % in 2019 to 30,77 % in 2020; finds it unacceptable, however, that the Court has had only 16 female members out of a total of 112 members since its establishment in 1977 (85,7% male, 14,3% female); recalls that the Council appoints the members of the Court after consultation with Parliament and understands that the nomination procedure for the members of the Court is a complex framework that constitutes a challenge for achieving gender balance because national nomination is solely the responsibility of the Member State in question and only one candidate can be nominated at a time; notes that according to Article 286(2) TFEU, the Council adopts the list of members of the Court following proposals from Member States and after consulting Parliament; calls on the Court, however, to analyse the overall composition of the Court in order to inform the Council and the Member States involved so that gender balance in particular is considered in the nomination decisions;

48. Stresses that under Article 286 TFEU, the members of the Court must be chosen from among persons who belong or have belonged in their respective Member State to external audit bodies or who are especially qualified to hold the office in question, and whose professional competence and independence is beyond doubt; regrets that the Council repeatedly proceeds to nominate members to the Court despite a negative opinion by Parliament; is of the opinion that the nomination procedure of the members of the Court in Article 286(2) TFEU should be reformed and aligned to that of the judges of the Court of Justice established in Article 255 TFEU, where a panel gives an opinion on candidates' suitability; emphasises that Parliament should have a binding role in assessing the suitability of candidates for the Court; recalls that Parliament's resolution of 4 February 2014 on the future role of the Court provides a detailed analysis and valuable recommendations for a necessary revision of the procedure on the appointment of the members of the Court, which entails a review of the TFEU;

49. Remarks that the Court pursues geographical balance, that all the Member States are represented on the staff and that 21 Member States are represented in management positions; underlines in this regard that the Court has joined the Working Group on Diversity and Inclusion set up by EPSO which has put forward specific actions to increase the attractiveness of Luxembourg as a working place, including the programme to introduce a job for spouses, a housing allowance, a single common communication strategy and collaboration with European universities;

50. Notes with satisfaction the wide and varied range of activities carried out in 2020 to further equal opportunities (EO), namely a staff survey and five participatory workshops on the Court's EO policy and performance, the use of statistical analysis of EO data to examine how the working conditions affect different segments of staff, communication and awareness-raising activities, compulsory training for managers on non-discrimination and EO, training on unconscious bias for selection panellists, a revision of the vacancy notices and an *ex post* analysis of the annual promotion procedure to ensure there was no bias because of maternity or parental leave; welcomes the positive impact of the EO-oriented activities in 2020, for instance with respect to promotions with 50 % of eligible women and 46 % of eligible men being promoted and 51 % of promoted women and 45 % of promoted men taking parental leave; is aware of the Court's diversity and inclusion policy and action plan for 2021–2025;

51. Observes that the Court offers various flexible working arrangements to facilitate work-life balance, including, in particular, parental leave for parents with children up to 12 years of age, various types of special leave and arrangements for breastfeeding time; notes, likewise, the limited number of core hours during which all members of staff have to be reachable and the possibility to spread non-core hours over the working day, at the discretion of the member of staff, to accommodate business and private needs; acknowledges that the flexible arrangements available in 2020 were frequently communicated and updated to all members of staff; notes the continued lack of balance for some working arrangements as 83 % of members of staff requesting part time were women; believes that more intense communication is needed on the viability and benefits of those arrangements and on the fact that making use of the available working arrangements will not penalise in any way the career progress of the employees concerned;

52. Notes that teleworking was the default work regime in 2020; welcomes that, on that basis, the possibility of teleworking from outside the place of employment was provided, within a limit of five days per month, that additionally exceptional authorisations for full time telework outside the place of employment were granted on the basis of specific family and health circumstances, and that members of staff are currently still allowed a maximum of 30 days of teleworking per year from outside the place of employment (with a maximum of 10 consecutive days); welcomes the adoption in 2020 of specific measures to help staff to cope with the peculiar situation caused by the COVID-19 pandemic, namely up to two hours per day for childcare arrangements (used by 284 auditors out of which 160 men) and an extended maternity leave for the mothers who were heading to reinstatement during the full lockdown period;

53. Notes that three case of burnout were reported in 2020; supports the measures adopted to facilitate the access to psychological counselling for members of staff in need thereof; notes, further, that the Court paid attention to communication campaigns on the right to disconnect, including mandatory training, workshops on mindfulness, stress reduction and resilience building; recommends the Court, however, to go beyond self-awareness activities and to implement, through specific actions, the right to disconnect of members of staff; appreciates the establishment of a well-being team and the launch of surveys to monitor the satisfaction of the members of staff of the Court;

54. Notes that two cases of alleged psychological harassment were reported, but that the administrative investigations did not establish psychological harassment had occurred; notes, therefore, that in 2020 the Court reported no confirmed case of psychological or sexual harassment; appreciates that the Court has strengthened the number of contact persons in the network under the policy for maintaining a satisfactory working environment; supports the mandatory training for managers on the protection of staff against harassment and inappropriate behaviour, the workshop on conflict resolution with a focus on cyber-communication and the fact that the introductory sessions for newcomers includes modules about the internal policies on EO and anti-harassment;

55. Regrets that the Court chose to dismiss claims of sexual harassment allegedly committed by senior officials, based on the fact that they were published on the Court's intranet and not reported through the official channels; calls on the Court to further work on improving the harassment complaints reporting tool and internal ethical framework;

56. Notes that the Court welcomed 44 trainees in 2020 (compared to 55 in 2019, with the decrease explained by the cancellation of the May session due to the COVID-19 pandemic); observes that 42 out of 44 traineeships were paid and calls on the Court to make sure that all of its trainees receive a decent remuneration in the future;

Digitalisation, cybersecurity, data protection

57. Notes that the total IT budget in 2020 was EUR 10 093 000 which is an increase of 25 % compared to 2019 where the IT budget was EUR 8 085 000; remarks that the most significant project, accounting for almost 50 % of the increase and financed by special transfers, was the replacement of the full IT storage infrastructure; observes that the Court has invested EUR 358 000 in end-user IT equipment (laptops, screens, iPads, mobile phones and encrypted USB keys) which represents a 185 % increase compared to 2019; observes that EUR 6 390 000 was spent on IT services, mainly maintenance of applications, IT operations and services provided by other institutions; notes that several new IT projects were carried out in 2020 with an investment of EUR 1 603 000 (an increase of 23 % compared to 2019);

58. Observes with interest that following the COVID-19 outbreak, the whole audit lifecycle had to be performed digitally, including evidence gathering, adversarial procedures and interviews that were conducted via video call with interpretation, where needed, and that the outcome of the process was not affected as a result; welcomes the work carried out in 2020 by the ECALab interdisciplinary innovation laboratory team to explore technologies such as data mining, artificial intelligence and open data processing with the objective of further developing the digitalisation of the audit process; is aware that during 2020 the Court continued implementing the 'ECA audit goes digital' project, a cross-cutting project aimed at applying digital audit techniques for the financial audit of the Union agencies;

59. Notes that the voting procedure (including the secret vote), recruitment processes and procurement of goods and services were carried out digitally; understands that the adoption of an information classification policy, to be followed by implementing guidelines and a specific decision related to European Union classified information, and the set-up of a digital tool for dealing with sensitive documents contributed to facilitate the move towards full digitalisation; notes that the Court deployed a new security-monitoring and threat-hunting system, digital certificates issued by a public certification authority for email encryption to facilitate the exchange of sensitive files with external entities and threat protection software for corporate mobile devices;

60. Notes that, overall, the cybersecurity in place (covering the period 2018–2021) has been tested and is working effectively with more than 70 000 web threats blocked by the internet filter in 2020; observes that the Court also carried out several awareness initiatives to foster good practices when working remotely; welcomes that no serious security incident occurred during 2020; is aware that the Court is designing a new cyber-security plan (covering the period 2022–2024), envisaging the gradual move towards a Zero Trust Architecture;

61. Observes that guidelines and updates on data protection topics were provided to staff via a bi-monthly newsletter; appreciates that the Court was considered 'fully compliant' following the European Data Protection Supervisor's inspection of the register of the data protection officer of the Court;

Buildings and security

62. Notes that in 2020 the Court adopted permanent changes to workspaces in order to improve energy efficiency, to integrate modern space patterns, to increase physical security and to factor in the new hybrid way of working (teleworking and *in situ* working);

63. Calls on the Court, in the implementation of the renovation projects, to consult the staff representatives at every step of the process, including monitoring the satisfaction and well-being of the staff in the future, and, in particular, to consider the need for improvements for people with reduced mobility or other disabilities and to identify in advance solutions to facilitate their access;

Environment and sustainability

64. Notes that the Court participates in the Eco-Management and Audit Scheme (EMAS), which aims to ensure compliance with green procurement recommendations when purchasing goods and services at every stage of the procedure; welcomes that the Court participates in Parliament's Green Public Procurement, meaning that green criteria are part of the selection and eco-labels and fair trade labels are required, where appropriate, in addition to paying attention to human rights due diligence when assessing tenderers and contractors;

65. Notes that the total greenhouse gas output of the Court in 2020 was 14 % less than in 2014 when CO_2 emissions started to be measured; is aware that following the results of an external audit, the Court's EMAS certification has been renewed for the 2020–2022 period; further encourages the Court to install solar panels on all buildings in order to increase the Court's carbon efficiency;

66. Acknowledges that the Court is drafting its first sustainability report based on the Global Reporting Initiative standards and in line with the guidelines of the European Financial Reporting Advisory Group;

67. Understands that the working limitations caused by the COVID-19 pandemic resulted in electricity and water consumption falling considerably, by 30 % and 93 %, respectively, and that the average number of pages printed per staff at the Court's premises was close to zero; encourages the Court to build on the experiences gained during the pandemic to improve its campaign to reduce paper consumption;

Communication and multilingualism

68. Notes that in 2020 the Court recorded some 32 000 online articles and social media posts related to its publications or to the Court in general (compared to 51 000 in 2019), issued 68 press releases and held 22 press briefings (compared to 61 and 25, respectively, in 2019); understands that the identified decrease in media coverage for the Court's publications, other than audit reports, can be partially attributed to the reduced communication activities on social media channels from mid-March 2020 onwards;

69. Notes with satisfaction initiatives to reach stakeholders and citizens using the press and the media, such as virtual press briefings to expand the Court's presence in the national press and media landscape; highlights as a good practice the conference on Ethics and Integrity in Public Administration held in September 2020 as a follow-up discussion to the Court's Special Report 13/2019 on the 'Ethical frameworks of the audited EU institutions: scope for improvement';

Interinstitutional cooperation

70. Notes the intense interinstitutional cooperation achieved by the Court in 2020 despite the challenging situation, including in total 156 presentations of the results of its work: 52 to Parliament's committees, 57 to the Council's preparatory bodies and 47 to national parliaments (compared to 264 in 2019);

71. Notes the EU Network Audit, intended to be a new type of audit cooperation on matters related to the COVID-19 pandemic, that aims to share knowledge and experience and increase the visibility and impact of the relevant audit work of supreme audit institutions;

72. Notes the progress in the negotiation for the tripartite agreement with the European Investment Bank (the 'EIB') and the Commission to review the 2016 agreement governing the Court's access to documents and information held by the EIB in order to carry out its audits of operations funded or guaranteed by the Union budget and managed by the EIB;

73. Welcomes the preparatory negotiations carried out in 2020 to sign a working arrangement with the European Public Prosecutor's Office (the 'EPPO') in order to provide a structured framework for cooperation between the Court and the EPPO, aimed at further strengthening the protection of the Union budget; is aware that the said working arrangement was signed in September 2021;

74. Notes that in 2020 the Court reported six cases of suspected fraud to OLAF that were identified in the course of the Court's audit work (compared to 10 cases in 2019), all of which resulted in the opening of an investigation; observes with satisfaction that the percentage of the opened investigations following the Court's transmission of relevant information has increased in later years as a result of the more intense dialogue and coordination between the Court and OLAF;

COVID-19 pandemic

75. Believes that the Court adopted and endorsed a number of measures necessary to safeguard staff during the COVID-19 pandemic and appreciates the monitoring of the situation via surveys concerning well-being at work, perception of the situation by staff and levels of satisfaction;

76. Notes that the activation of the business continuity plan allowed undertaking the necessary swift actions, in coordination with the Luxembourgish authorities and the other Union institutions based in Luxembourg and including the swift revision of the rules of procedure of the Court when necessary; appreciates the effective coordination that occurred with other Union institutions, bodies, offices and agencies during the pandemic emergency, in particular the participation in the informal network of the business continuity managers of the Union institutions, bodies, offices and agencies and in the COVID-19 interinstitutional group that remains active;

77. Stresses that the Court swiftly amended its rules of procedure in order to enable the Court and its chambers and committees to adopt their decisions remotely in virtual or 'hybrid' meetings in exceptional circumstances constituting force majeure and to ensure the continuity of decision-making by the Court in such circumstances;

78. Is aware that as per 16 March 2020 a generalised home working regime was established and that that regime was constantly adapted, proving an effective management flexibility; encourages the Court to fully integrate in its internal management strategy the lessons drawn from the COVID-19 pandemic in terms of business continuity and crisis management approaches, IT responsiveness and resiliency of the organisation, duty of care towards its staff, effectiveness of internal communication and flexibility of the working processes.

DECISION (EU) 2022/1703 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section VI – European Economic and Social Committee

THE EUROPEAN PARLIAMENT,

— having regard to the general budget of the European Union for the financial year 2020 ([1]),

— having regard to the consolidated annual accounts of the European Union for the financial year 2020 (COM(2021) 381 – C9-0263/2021) ([2]),

— having regard to the European Economic and Social Committee's annual report to the discharge authority on internal audits carried out in 2020,

— having regard to the Court of Auditors' annual report on the implementation of the budget concerning the financial year 2020, together with the institutions' replies ([3]),

— having regard to the statement of assurance ([4]) 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 2020, 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) 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 966/2012 ([5]), 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 report of the Committee on Budgetary Control (A9-0079/2022),

1. Postpones its decision on granting 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 2020;

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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ L 57, 27.2.2020.
([2]) OJ C 436, 28.10.2021, p. 1.
([3]) OJ C 430, 25.10.2021, p. 7.
([4]) OJ C 436, 28.10.2021, p. 207.
([5]) OJ L 193, 30.7.2018, p. 1.

RESOLUTION (EU) 2022/1704 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

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 2020, 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 2020, 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 (A9-0079/2022),

A. whereas the European Economic and Social Committee (the 'Committee') represents and engages with social partners and civil society organisations from the Member States in the Union decision-making process and pursues its mission of better law making and strengthening Union democracy from the bottom up;

B. whereas the Committee's mission pursues three key objectives, namely (i) ensuring adequate links between Union policies and the economic, social and civic circumstances on the ground; (ii) promoting the development of a more participatory Union; and (iii) promoting the values on which European integration is founded;

C. whereas social partners and civil society organisations have been at the forefront of fighting the COVID-19 pandemic in the Union, discussing shortcomings and proposing specific measures, and, thus, can greatly contribute to the success of the implementation, monitoring and adjustment of the Union recovery plans;

D. whereas the consultation of the Committee by the Commission or the Council is mandatory in certain cases, and the Committee may also adopt opinions on its own initiative while enjoying a wide area for referral as defined by the Single European Act, the Maastricht Treaty and the Amsterdam Treaty, allowing it to be consulted by Parliament;

E. whereas, following the outbreak of the COVID-19 pandemic and given the situation in the Union, the Committee decided that all its work would take into account the impact of the COVID-19 pandemic on the economy and society in general;

F. whereas the Committee took advantage of its Liaison Group, a network of umbrella civil society organisations, to discuss the challenges they had faced in dealing with the COVID-19 pandemic, to summarise their requests related thereto and to call for a key role in designing the Union's recovery plan to be able to guide decision-makers in addressing the economic impact of the crisis;

G. whereas the COVID-19 pandemic meant it was necessary for the Committee to review and adapt its internal functioning and work methods in order to continue to fulfil its mission;

1. Notes with satisfaction that the Court of Auditors (the 'Court') identified no significant weaknesses in respect of the audited topics related to human resources (HR) and procurement for the Committee;

2. Emphasises the fact that, on the basis of its audit work, the Court concluded that the payments as a whole for the administrative expenditure of the institutions, including that of the Committee, for the financial year 2020 were free from material error; welcomes the fact that no specific issues relating to the regularity of the transactions were detected by the Court;

3. Is aware that Chapter 9 'Administration' of the Annual Report of the Court is focused on expenditure on HR, buildings, equipment, energy, communication and information technology and that the Court indicates that such spending is low-risk;

Budgetary and financial management

4. Notes that the Committee budget for 2020 amounted to EUR 142,5 million (a 4,22 % increase compared to the 2019 budget), of which EUR 130,9 million was spent or carried forward to 2021 as commitments;

5. Notes that the execution rate in 2020 was 91,8 % (compared to 98,1 % in 2019); is aware that, following the outbreak of the COVID-19 pandemic, several budget lines were impacted (members' travel costs and allowances, interpretation, staff missions and the organisation of events and hearings), in terms of both a reduced use of appropriations and necessary additional expenditure;

6. Notes that to address the remaining amounts in the budget lines affected by the outbreak of the COVID-19 pandemic, the Committee initiated transfers earlier in 2020, resulting in an exceptionally high total transfer amount of approximately EUR 12,5 million; observes, however, that the execution of appropriations carried forward from 2019 to 2020 was slightly lower than in 2019: 79,2 % (EUR 6,9 million) in 2020 compared to 82,1 % (EUR 7,1 million) in 2019;

7. Notes the decision of 28 April 2020 of the Committee's bureau on 'One-time increase in the IT co-financing allowance for Members' that entitled qualifying members (i.e. those who attended at least 50 % of the meetings to which they had been invited) to receive EUR 2 500 for each of the two annual instalments in 2020 (instead of EUR 1 500 for each of the two instalments in any other year); calls on the Committee to give information about this one-time increase in the section dedicated to members' travel expenses and allowances on its website; notes that the objective of that decision was to enable members to afford efficient and stable electronic means to communicate and attend meetings; points out that a portable PC was also offered to members; notes that the actual spending of the IT co-financing allowance for Members in 2020 was EUR 1 443 500, out of which EUR 578 000 represents that increase; draws attention, with regard to sound financial management, to the fact that the IT co-financing allowance is a flat-rate allowance not based on actual costs meaning that members are not asked to provide supporting documents in order to obtain that allowance;

8. Reiterates its regrets regarding the decision of 9 June 2020 of the Committee's bureau allowing members to claim the usual daily subsistence allowance for having participated in Committee meetings remotely; notes that the objective of that decision was to compensate members for the time spent in the performance of their duties and for the related administrative costs, but notes that it damages the reputation of the Committee in the eyes of the citizens; takes note that the Committee's proposal for a specific daily allowance for remote attendance of meetings (EUR 145 compared to the standard allowance of EUR 290) could not be put into practice until the Council's adoption of that proposal and its subsequent entry into force on 1 July 2021; understands that none of those decisions covered reimbursements in addition to the daily subsistence allowance, thus excluding the reimbursement of travel costs and allowances; notes that the total cost of the daily subsistence allowance in 2020 was EUR 4 440 099 of which EUR 2 270 700 was for remote participation and EUR 2 169 399 for physical participation; acknowledges that the budgetary authorities were notified of each relevant decision of the bureau; reiterates its call on the Committee to look into new remuneration practices to ensure fair and proportionate remuneration for members which is not based solely on reimbursements or allowances; asks the Council to align the Committee's decision-making powers regarding remuneration with that of the Committee of Regions;

9. Notes that the Committee's travel agency applies ceilings for travels between Brussels and the main European cities; asks the Committee what it does to encourage its members and its travel agency to adopt smart booking practices for travelling;

10. Notes that in 2020 the Committee, as the lead institution, organised eight calls for tenders open to competition with a value above EUR 15 000; observes that the tender for joint security guard services for the Committee and the Committee of the Regions (the 'CoR') amounted to approximately EUR 24 million, becoming the highest-value tender for the Committee in 2020;

Internal management, performance, internal control

11. Remarks that the integrated business analysis project (IBIP) was launched to identify the root cause of budget variances by carrying out a comparative analysis of the budget and the real costs related to activities such as meetings, events, conferences etc.; notes that the first part of the IBIP aims to capture and map underlying processes, which paves the way for the second part of the project that will focus on improvements and re-engineering of processes; asks the Committee to report on the costs and savings associated with the IBIP;

12. Notes that the Committee issued 131 opinions, position papers and information reports in 2020 (compared to 127 in 2019); takes into account that, due to the difficulties in adopting opinions via referrals within the tight interinstitutional deadlines at the beginning of the COVID-19 pandemic, the Committee adopted, prior to the approval of its amended procedure, 13 position papers in response to referrals to ensure an effective and timely contribution to the Union response; asks the Committee to for a report on its respect of interinstitutional deadlines and possible delays over the last five years;

13. Notes that the new organisational chart entered into force on 1 January 2020, introducing important changes such as the creation of a directorate for communication and interinstitutional relations and moving the legal service to be under the secretary-general of the Committee; is concerned that the reorganisation does not provide the legal service with the independence it requires to work efficiently; asks the Committee to reconsider its reorganisation;

14. Notes the adoption of Decision No 078/21 of the Committee establishing a procedure for consulting its legal service; is concerned about the weak and imprecise wording which states that the legal service 'is informed and/or consulted before measures relating to serious irregularities are adopted' as mere information is not sufficient; reiterates once more its firm call for internal procedures providing for the timely and mandatory consultation with the legal service on such irregularities and their related measures with the aim of mitigating the legal risk of decisions related thereto; reminds the Committee that the legal service must be able to assess independently all the decisions taken by the Committee's management and must be provided with sufficient resources and the requisite prerogatives to perform its tasks successfully in the interest of the Committee;

15. Notes the Committee's efforts in disseminating its opinions together with other reports and activities that also contribute to achieving its mission; acknowledges that the Commission's impact assessment regularly takes into account the Committee's opinions, but Parliament remains concerned by the impact of the Committee's work; calls, therefore, on the Committee to ensure that every opinion is shared with the members of the relevant committees of Parliament and to officially and systematically request a speaking slot at the presentation of Parliament's draft reports, in line with the cooperation agreement between Parliament and the Committee; invites the Committee to involve Parliament rapporteurs during the preparation of opinions, in order also to strengthen the political cooperation with Parliament; recommends that the Committee carries out a more quantitative and qualitative impact analysis of its opinions; urges, therefore, the Committee to reinforce the staff working in the areas of legislative work and inter-institutional relations;

16. Notes that in 2020, the Committee organised four training sessions on risk assessment for members of staff, including middle management, with a participation of around 15 % of the members of staff as well as coaching sessions for each directorate to help them assess the impact of risk scenarios on their annual objectives; notes that at the end of 2020, a register was set-up linking objectives, risks and control measures for each directorate;

17. Notes with concern that the shortage of staff in the Committee's internal audit sector (IAS) has a negative impact on the assurance that the internal auditor is able to provide; recalls that according to the Court's 2019 annual report, the Committee has not carried out a comprehensive risk assessment since 2014, and is concerned that the only global risk assessment is based almost exclusively on information obtained by the IAS; urges the internal audit committee to remedy that situation; notes that the drafting of a charter and an audit manual further defining working methods and procedures is ongoing; once again asks the Committee to report on the main findings of the internal audit report on ethics, already requested in 2019;

18. Notes that at the end of 2020 the Committee launched its annual exercise to assess compliance with the internal control standards and that the 2020 questionnaire was revised; recalls that two follow-up actions were postponed from the 2019 exercise to the 2020 exercise, namely (i) a formal assessment of sensitive functions, which was adopted in December 2021; and (ii) the implementation of a multiannual internal communication strategy; regrets, due to the crucial importance of that action, that the reflections on the communication strategy are still ongoing, and that the action was postponed to 2021; notes that, from the 2020 exercise, the registration and centralisation of procedures by all directorates was planned for 2021;

19. Appreciates that in addition to the multi-layered preventive controls, it is foreseen as part of the reimbursement process that all claims will be checked by a financial initiating agent and subsequently re-scrutinised by a functionally independent verification agent and that all payments will then be authorised by a duly entrusted authorising officer at managerial level;

Human resources, equality and staff well-being

20. Notes that at the end of 2020 the total number of staff employed by the Committee was 702, the same number as at the end of 2019, and that the occupation rate of its establishment plan posts was 95,6 %, which is slightly lower than in previous years; is concerned about the Committee's growing workload, which may affect the well-being of staff;

21. Regrets the number of long-lasting vacancies for middle and senior management posts (five vacancies of seven months or longer), of managers in 'ad interim' posts (two managers in 'ad interim' posts longer than seven months) despite the rules in place, and of managers in double posts 'in the interest of the service' (six managers in double posts longer than seven months); regrets that in 2020, two selection procedures were cancelled and republished, while one selection procedure was closed without appointment and is the subject of a complaint to the European Ombudsman (the Ombudsman); observes with concern that 23 positions are occupied after the expiration of the mobility deadline; is concerned that those situations may contribute to a negative perception of the Committee's HR management and thus increase the difficulties in recruitment; asks the secretary-general, as the highest administrative authority within the Committee, to carry out a complete assessment of the situation and report to the budgetary authorities;

22. Notes that in 2020 the Committee identified the inability to find adequate members of staff as an internal cross-cutting issue; encourages the Committee to explore ways of increasing the attractiveness of the Committee as an employer and the interest of potential applicants, and to enhance collaboration with the European Personnel Selection Office, i.e. to create a reserve lists of qualified candidates; is aware of the publication of detailed job descriptions in Sysper for all posts at the Committee's secretariat in order to increase transparency and support a more streamlined allocation of responsibilities; strongly appeals to the Committee's secretary-general to enhance transparency in appointing selection panels, especially in recruitment procedures for management positions, and to halt the creation of so-called 'equivalent' positions that makes accountability more opaque and creates suspicions about the compliance with the principle of equal treatment; calls for actions to respond to the career expectations of staff, such as a review of the Committee's mobility decisions, investing in training for staff and providing career counselling;

23. Notes that in recent years the percentage of staff making use of flexible working arrangements has fluctuated between approximately 29 % and 34 %, with a significant decrease in 2020 that can be explained by a combination of the measures related to the COVID-19 pandemic, in particular the mandatory confinement, and the exemption from working-time registration adopted by the Committee; notes with concern that the proportion of men using flexible working patterns in 2020 was one fifth, remaining approximately the same as the proportion in 2019; calls on the Committee to adopt validated good practices in this area, such as information sessions for newcomers, individual advice provided by equal opportunity officers or a dedicated space on the intranet, as well as to ensure that making use of the available working arrangements does not penalise in any way the career progression of the employees in question; welcomes that persons in registered partnerships can benefit from parental leave and flexible working-time possibilities for parents with young children;

24. Appreciates that teleworking was extended and rolled out to all members of staff, apart from members of staff carrying out critical tasks that requires presence on the premises; notes that staff received a regular newsletter with tips and tricks, in addition to specific self-care oriented actions, to help them cope with the long period of teleworking;

25. Notes that at the end of 2020, the 702 members of staff employed by the Committee were made up of 458 women and 244 men; observes that the percentage of women occupying middle management posts decreased from 48 % in 2019 to 47 % in 2020, including acting heads of unit; observes with concern a steeper decrease in senior management posts from 57 % in 2019 to 40 % in 2020, including deputy directors; points out that this trend goes against the increasing number of women at AD level or equivalent in non-management posts (63,3 % in 2020, compared to 62,2 % in 2019 and 60,6 % in 2018); disagrees with the inclusion of acting or deputy posts in the figures due to their temporary nature and because in a relatively small institution one appointment may distort the overall ratio;

26. Encourages the Committee to explore specific incentives and measures successfully implemented in other entities to promote women's access to management posts, such as the formal recognition of management responsibilities below head of unit level, mentoring support and pre-managerial training courses; recalls the several measures to enhance gender mainstreaming in political and administrative work that have been discussed and identified by Parliament's Committee on Women's Rights and Gender Equality; believes that the Committee should set more ambitious targets on gender balance to make the working environment fairer and more diverse and attractive; suggests the appointment in its HR department of an equal opportunity officer to facilitate actions on the ground in this regard;

27. Notes that the Committee employs staff from all Member States; observes that, as regards the geographical distribution of managers, only 15 % of managers were from EU-13 Member States in December 2020 (compared to 19 % in 2019); calls on the Committee to make significant progress and to take steps to reach geographical balance within its staff so that a proper representation of nationals from all Member States, including at management level, reflecting their diversity, is achieved, as indicated in Article 27 of the Staff Regulations;

28. Notes that, to safeguard personal data, no data on staff with disabilities is gathered but points out that a real assessment of the situation and the elaboration of adequate policies in that area is hindered as a result; notes that the Committee applies the reasonable accommodation principle to provide ergonomic furniture and IT equipment to create a suitable working environment; welcomes the fact that the joint buildings strategy of the Committee and the CoR takes disability fully into account;

29. Notes the evaluation of the action plan on equal opportunities and diversity 2017-2020 and expects that to provide valuable input for further suitable and concrete measures; calls on the Committee to also take into account the lessons learnt from the COVID-19 pandemic when drafting a new action plan;

30. Welcomes that, in 2020, the Committee finally adopted an individualised approach to prevent cases of burnout that, together with general measures, included proactive contact with the members of staff at risk, flexible working schedules (without time registration), a newsletter with tips and tricks, and specific communication actions; is disappointed that the Committee has not been able to quantify how many cases involving work-related burnout symptoms there have been among its members of staff; calls on the Committee to go beyond awareness-raising actions and adopt validated good practices in relation to, inter alia, workload management, communication and conflict solving training for managers or a return-to-work policy that takes into account the specificities related to that particular burnout;

31. Notes that the Committee hosted 48 long-term trainees, all awarded with a monthly grant (including 14 traineeships suspended because of the COVID-19 pandemic which then resumed in the autumn of 2020 and are counted twice); observes that all trainees were provided with adequate IT tools and benefited from the working arrangements in force for the members of staff of the Committee but regrets that, out of five short-term trainees, three were not entitled to any financial contribution whatsoever apart from insurance policy; reiterates the call on the Committee to make sure that all of its trainees receive a decent remuneration;

32. Recalls the investigation carried out by the European Anti-Fraud Office (OLAF) in 2018 and 2019 with regard to the harassment case involving the former president of Group I, opened after years in which the shortcomings of the internal proceedings and the unjustifiable inaction by the administrative hierarchy prevented a better resolution of the case; deeply regrets that the Committee's secretary-general still refuses to admit internal shortcomings and responsibilities, leading to a breach of duty of care towards the Committee's staff; acknowledges that the decision of the Committee's bureau of 9 June 2020 requested the said member to withdraw his candidacy for the Committee presidency and discharged that member from all staff management activities; stresses that OLAF issued disciplinary and judicial recommendations and that, following the latter, the Belgian prosecutor opened a criminal case; is aware that that member appealed the decision of the Committee's bureau to the Court of Justice but lost the action; highlights that the said member still does not acknowledge or regret his wrongdoings, which demonstrates a complete lack of self-reflection and respect for the victims concerned;

33. Is deeply concerned that the former president of Group I was appointed by the Council as a member for a new mandate; acknowledges that Article 302 of the Treaty on the Functioning of the European Union grants the Council the exclusive power to appoint Committee members after consultation with the Commission and on the basis of the list of candidates proposed by the Member States; acknowledges, therefore, that the Committee does not have a formal role in the decisions taken by the Council to appoint Committee members; regrets that the Committee cannot be consulted in the appointment of its own Members; emphasises that it is in the interest of the proper functioning of the Committee that the Council and Commission are properly informed about candidates during the appointing procedure; requests a revision of the appointment procedure to allow the Committee to take a more active approach with respect to the appointment of its members; welcomes the Committee's willingness to be more involved in the appointing procedure and to bring this to the attention of the Commission;

34. Notes the decision of the Committee's bureau of 9 June 2020 with regard to the Committee joining the procedure before the Brussels Criminal Court as a civil party; notes that the immunity of the member in question was waived in the previous mandate upon request by the Brussels Labour Auditor and urges the Committee to promptly adopt all the necessary measures to facilitate the pending action before the Belgian judicial authorities; expects that the concerned parties will be held to account and asks to be informed about the proceedings;

35. Is aware that settlement agreements have been reached with the two victims of moral harassment, who are still working at the Committee, but regrets that one of those victims still awaits the final execution of the settlement; takes note of the fact that in April 2022 the Committee declared to Parliament's Committee on Budgetary Control that the single pending point of the agreement is directly linked to an upcoming organigramme change to be decided with the Committee of the Regions, and that both parties agreed that the alternative solution embedded in the settlement agreement should not be triggered to date; calls on the Committee to promptly execute and report on the effective enforcement of those settlement agreements as legally required;

36. Regrets that since the virtual meetings between the two victims of serious misconduct and the president of the Committee in March 2021, the Committee has not yet reached settlement agreements with the victims, and regrets that the actions taken by the management of the Committee have been neither effective nor decisive; rejects the view of the Committee's secretary-general that the fact that those two victims are no longer working at the Committee is a valid justification for not having reached settlement agreements; reminds the Committee of the several communications that were sent by the victim that left the Committee in 2017; emphasises that that victim did not see any initial proposal from the administration until mid-2021, whereas the complaints to the secretary-general of the Committee date back to early 2019, and therefore strongly condemns the statement by the secretary-general indicating that the delay of the settlement was the fault of the victim; notes that the victim of serious misconduct who is a former Committee member made several requests to the president of the Committee during the virtual meeting in March 2021, including a request for a public apology from the Committee to the victims, full settlement of compensation for the victims and an external investigation into harassment within the Committee; deeply regrets that the victims who are in a vulnerable situation have again been forced to publicly deny the statements made by the Committee's secretary-general to Parliament; takes note that in April 2022 the Committee

declared to Parliament's Committee on Budgetary Control that the measures agreed during the said meeting have been implemented or are being implemented; notes the public statement of the President of the Committee of 13 April 2022 reiterating her official apology on behalf of the Committee to all the victims of the case;

37. Notes that the settlement agreements aim to cover moral damages, legal costs and impact on careers; is concerned that the individual negotiations at different stages of the case might result in imbalanced agreements for the victims because the cases are handled differently; urges the Committee to establish and execute suitable and fair settlement agreements for all the concerned victims as soon as possible; regrets that the Committee still fails to accept responsibility or conduct an external investigation to review the seriousness of the abuse, and urges the Committee, as was promised by the management of the Committee, to conduct such an investigation and to publicly apologise to all the victims of misconduct and moral harassment by the former president of Group I; urges the Committee to take all necessary measures immediately when a case arises and to put in place specific measures to prevent all potential cases of harassment in the future; recalls the importance of a compulsory training on the zero-harassment policy for staff;

38. Reminds the Committee that the victim who is a former member was also the whistleblower that alerted the Union institutions about the conduct of the former president of Group I; condemns that, contrary to Directive (EU) 2019/1937 of the European Parliament and of the Council ([1]) and the Committee's rules on whistleblowing ([2]), the Committee failed to protect the identity of the whistleblower; strongly disapproves that both the former president of the Committee and the former director of human and financial resources, now the secretary-general of the Committee, attempted to take legal action against the whistleblower;

39. Welcomes the new multi-layered system of communication offered to whistleblowers (direct superior, OLAF and an external authority) established in July 2021 together with the guidance and support of the ethics counsellors;

40. Notes with concern that while it is provisionally estimated in 2020 that compensation and legal fees would cost the Committee approximately EUR 150 000, it is not yet possible to exactly quantify the final total amount of funds spent in previous years or expected to be spent on this case in the future; urges the Committee, working together with its legal service, to adopt all necessary measures to finalise this case, including claiming back from the perpetrator the corresponding amounts compensated to the victims by the Committee; regrets the low expectations for recovering the amount of public money spent and asks the Committee to provide Parliament with a detailed estimate of the amounts it hopes to recover;

41. Recalls that Parliament refused to grant discharge to the Committee's secretary-general for the financial year 2018, on the grounds, inter alia, of a flagrant breach of the administration's duty of care and of inaction, along with financial consequences, and was deeply disappointed about the lack of decisive action, in particular preventive and corrective measures, by the then director of human and financial resources, now the secretary-general, of the Committee until discharge for 2018 was refused;

42. Recalls that Parliament had asked the president of the Committee, in the context of the 2019 discharge, to play an active role in negotiating a settlement with the victims, with the aim of reaching a fair and satisfactory agreement between all parties, and preventing any conflicts of interest and for the Committee to publicly apologise to the victims, something that, unfortunately, did not happen;

43. Regrets that there were six requests for assistance related to possible cases of harassment in 2020, which proves that the preventive measures in place need to be reinforced; is aware that three of those requests are related to the case of the former president of Group I, which was referred to the Belgian judicial authorities; notes that one case was closed and one other case is also before the Belgian judicial authorities; with concern, draws attention to the fact that one

([1]) Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law (OJ L 305, 26.11.2019, p. 17).

([2]) EESC Decision No 053/16 A of 2 March 2016, Art. 9(1).

request was still under enquiry internally in November 2021, which makes Parliament reiterate that, while due process and individual rights must be respected, the lapse of time operates against the victims and, thus, urges the Committee to advance the treatment of that request without further delay and to report on the handling of this case;

44. Is aware of the harassment case reported to the Committee by a whistleblower and transmitted to OLAF in August 2020 that concerns member of staff of the CoR working in the joint services and also contains allegations of mismanagement and financial irregularities; calls on the Committee and the CoR to jointly report to Parliament about the outcome of the investigation by OLAF, as well as any further internal verification or measure pending investigation;

45. Notes that the decisions on harassment and on whistleblowing were reviewed in 2020 and regrets that the new decisions, due to be adopted in 2021, were delayed; reiterates the importance of the principle of duty of care towards staff which includes the protection of whistleblowers and the prevention of any form of harassment, as well as clear and strong protection and support measures for victims; urges the Committee to apply uniform procedures for dealing with cases of harassment so that there are no differences between victims and to ensure equal treatment of the accused independently of factors such as the hierarchical level; reminds the Committee that the fact that the Staff Regulations cannot be imposed on a member of the Committee cannot be regarded as an excuse for inaction; takes note of the fact that in April 2022 the Committee declared to Parliament's Committee on Budgetary Control that the revised decisions on whistleblowing and on harassment entered into force on 15 December 2021 and 4 April 2022 respectively;

46. Is aware of three OLAF investigations involving the Committee, of which one closed in 2020 without finding evidence to indicate any responsibility on behalf of the member of staff concerned, and two are still ongoing, one of which was opened in 2019 and the other in 2020, as well as one selection case that was dismissed also in 2020 without the initiation of any investigation;

47. Reiterates that any unethical behaviour by staff and members of the Union institutions and bodies hinders the sound management of the Union's funds and negatively impacts citizens' trust in the Union as a whole; observes with concern that, while a far-reaching overdue revision of the internal ethical framework is in process, it is undeniable that a serious breach of the Committee's duty of care towards its members of staff has persisted for too long, creating a regrettable culture of impunity and harassment as a result of reprehensible managerial styles, illustrated by, among other elements, the recurrent emergence of requests for assistance and cases reported to OLAF; regrets that its unambiguous calls for an internal exercise of accountability have been consistently ignored and insists on the need for an external and independent investigation to determine the responsibility of the administrative hierarchy of the Committee; and, where applicable, apply Article 22 of the Staff Regulations; requests an external investigation to review the Committee's HR procedures and effectiveness thereof with a focus on addressing harassment claims and ensuring the well-being of staff;

Ethical framework and transparency

48. Notes the creation of an internal working group entrusted with a long overdue revision of the Committee's ethical framework as a whole; is aware that the working group drafted an action plan that was adopted in January 2021 and prompted revisions to the Committee's code of conduct; calls on the Committee to report to Parliament about the outcome of this analysis, the action plan and the implementing actions;

49. Notes that a dedicated group of members of the Committee was entrusted with the mandate to review the code of conduct for members, including reinforcing prevention measures and possible sanctions, following the new Committee term of office in October 2020; believes that the code of conduct has to be based on the experience learnt following the harassment case, refer to the principles endorsed by the General Court in its rulings and by the Ombudsman in her recommendations, and include a specific, quick complaint procedure that protects victims from the outset, along with a clear and enforceable sanction system; is aware that the new code of conduct was adopted in January 2021 and that a detailed brochure on its implementation has been made available to the members; calls on the Committee to use validated good practices to raise awareness among members and alternates and, in the long term, improve the internal culture of the Committee on ethical issues;

50. Points out that the new code of conduct includes an expulsion procedure according to which expulsion shall be decided by the assembly on the basis of a proposal put forward by the bureau and shall be notified to the Council so that a replacement procedure can be initiated; welcomes that the revised rules of procedures are aligned with the expulsion provisions as laid down in the code of conduct and is aware that the ongoing revision of the rules of procedures of the Committee is required to make use of that expulsion procedure feasible; calls on the Committee to inform Parliament about those revisions quickly and encourages the Committee to engage in explorative talks with the Commission on the possibility of amending the relevant provisions in force;

51. Is aware of the four complaints handled by the Ombudsman in 2020 that concerned lack of transparency, refusal of access to documents and, in two cases, omissions to reply to a request; notes that at least one of those enquiries concerned reimbursement and allowances; condemns the lack of transparency and urges the Committee to communicate fully and transparently on this matter;

52. Asks the Committee to further engage in awareness-raising actions regarding the ethical framework and whistleblowing procedures; welcomes the mandatory training course on ethics and integrity for all members of staff including newcomers following a decision adopted in 2021; calls on the Committee to make this training mandatory for members and managers; welcomes the creation of a post as coordinator on ethics within the Committee's Directorate for Human Resources and Finances supported by a new team of ethics counsellors; appreciates the signature of a new service level agreement with the Commission's Investigation and Disciplinary Office (IDOC) to professionalise administrative enquiries;

53. Acknowledges that the Agreement between the European Parliament and the European Commission on the transparency register for organisations and self-employed individuals engaged in EU policymaking and policy implementation ([3]) and the Interinstitutional Agreement of 20 May 2021 between the European Parliament, the Council of the European Union and the European Commission on a mandatory transparency register ([4]) allow for the voluntary involvement of Union institutions, bodies, offices and agencies; objects to the dismissal by the Committee of the use of the Transparency Register on the grounds that the Committee is a consultative body; urges the Committee to join the Transparency Register with a view to improving the transparency of its interactions with external interest representatives;

54. Notes that the setting up of an internal ombudsman is one of the key measures in the action plan adopted in 2021 to strengthen the Committee's ethical framework; points out that the decision to set up an internal ombudsman was presented as an agreement that had been welcomed by staff when, in actual fact, the Committee's staff committee had expressed a negative opinion on it; echoes the reservations expressed by the Committee's staff committee and legal service on the proposal with regard to the independence, impartiality and confidentiality of the internal ombudsman; questions the need for such an internal ombudsman in light of, on the one hand, the HR constrictions and, on the other hand, the existence of ethics counsellors, confidential counsellors and, in particular, the agreement with IDOC; urges the Committee to focus on enforcing the ethics-related mechanisms already in place while devoting adequate staff to its legislative work, focusing on the actual effectiveness of the measures adopted; recalls that the Ombudsman, in her Report on dignity at work in the EU institutions and agencies SI/2/2018/AMF, observes that finding investigators who are perceived to be impartial and fair can be particularly challenging in small institutions and recommends the use of external and independent investigators rather than in-house resources in order to guarantee independence and neutrality;

55. Reiterates its request for further improvements with respect to the external activities of the Committee's members following the Ombudsman's recommendation in her report 'Revolving doors – Implementation of Article 16 of the EU Staff Regulations in a range of EU institutions, bodies and agencies', Case SI/2/2017/NF; notes the decision of the Committee to carry out a detailed analysis to assess the degree of implementation of the various recommendations made by the Ombudsman in that report; invites the Committee to speed up the decision on the revision of the current framework on lobbying and advocacy in order also to reinforce its system to avoid potential conflicts of interest;

([3]) OJ L 277, 19.9.2014, p. 11.
([4]) OJ L 207, 11.6.2021, p. 1.

Digitalisation, cybersecurity, data protection

56. Acknowledges that the outbreak of the COVID-19 pandemic accelerated the already ongoing trend in the simplification and digitalisation of communication tools and administrative processes, like the adoption of 'paperless' financial circuits; believes that the tested improvements introduced in March 2020 should become structural and stay beyond the pandemic;

57. Notes that the budget for IT in 2020 was EUR 7 500 000 compared to EUR 4 900 000 in 2019, representing an increase of 53 %, largely due to unused appropriations transferred from other budget lines in order to further address the backlog in IT; recalls that budget transfers cannot replace the necessary structural funding of any IT service;

58. Notes that by the end of 2020, the Committee had provided a laptop to each member of staff while high quality headsets were provided on demand at a total cost of EUR 322 462; is aware that in January 2021 the Committee adopted a decision on the payment of a lump sum, at the request of eligible members of staff, to cover extraordinary costs related to the obligatory telework (563 requests were made amounting to a total of EUR 107 271);

59. Welcomes the specific deliverables related to cybersecurity set out in the Committee's digital strategy; appreciates the close cooperation with the Computer Emergency Response Team for the EU institutions, bodies and agencies (CERT-EU) as a cornerstone of the Committee's IT security;

60. Congratulates the Committee on the significant improvement of the members' portal, Phoenix and the Adonis document workflow tool and on the progress that was made regarding the hybrid cloud environment as the last component of the digital workplace; notes that the members' section of the Committee intranet was fully revamped to become a one-stop shop; welcomes the use of qualified electronic signature for signing electronically as well as other remote and digital tools;

61. Notes that in recent years, the focus of the internal audit at the Committee has been almost entirely on analysing and assessing the soundness of procedures and processes and to a lesser extent on auditing transactions; calls for a specific plan to promote remote or digital internal auditing at the Committee; notes that, at the request of the European Data Protection Supervisor, the Committee mapped the transfers of personal data to third countries and concluded that no activities were affected; notes the fact that the Committee signed the enrolment linking it to an interinstitutional framework contract with Microsoft and that it has no separate individual license agreements in place with Microsoft anymore; however, encourages the Committee to prioritise open source technology in order to retain control over its own technical systems, avoid dependency and vendor lock-in, provide stronger safeguards for user's privacy and data protection, and increase security and transparency for the public;

Buildings and security

62. Is aware that the Committee and the CoR are implementing their long-term building strategy focusing on geographical concentration and reorganisation of office allocations; notes that the responsible working group considered it essential to have an additional building with a capacity of around 200 people in order to be able to create good working conditions; notes that that analysis led the Committee and the CoR to negotiate taking over the rental contract for the B100 building from the European External Action Service and that the draft administrative agreement was approved by the bureaus of the Committee and the CoR in the last quarter of 2020; is aware that the COVID-19 pandemic caused a delay in the process;

63. Welcomes the improvements in key areas within the buildings strategy, namely refurbishment of existing buildings to create healthier workspaces aligned to ergonomic standards, increase the level of security, reduce electricity consumption and align with environmental obligations;

64. Notes that, following the takeover of the B100 building in September 2021, tests and asbestos abatement are ongoing; calls on the Committee and the CoR to periodically monitor the conditions of that building and to inform the staff at all times accordingly; recalls its resolution of 20 October 2021 with recommendations to the Commission on protecting workers from asbestos ([5]);

([5]) Text adopted P9_TA(2021)0427.

Environment and sustainability

65. Welcomes the integration of sustainability, environmental and accessibility standards, including those of the Union eco-management and audit scheme (EMAS), as part of the buildings strategy of the Committee and the CoR; notes that since the setting up of their environmental management system, the Committee and the CoR have taken various actions with the aim of improving the energy performance of their buildings and reducing their carbon footprint; welcomes the creation of the working group dedicated to the Green Deal and is aware that a study on the carbon neutrality of the Committee and the CoR by 2030 is on-going; welcomes the participation of the Committee in Parliament's offsetting of greenhouse gas emissions' scheme and that the Committee has a specific budget line to provide the respective appropriations; welcomes the fact that the electricity consumed by the Committee is exclusively provided by green energy from sustainable sources; further encourages the Committee to install solar panels on all buildings in order to increase carbon efficiency;

66. Notes a number of concrete actions taken to reduce paper use and urges the Committee to adopt a proper paperless policy; welcomes that the amount of paper used per person per day in 2020 decreased by 52 % compared to 2019 and by 81 % compared to 2015;

67. Welcomes the concrete measures put in place by the Committee to promote the use of sustainable travel modes, such as service bicycles, infrastructure for cyclists and a voucher system to access the car parks in exceptional circumstances; observes that the mobility policy includes a financial contribution for cyclists and for members of staff who have purchased public transport season tickets, while the members of staff benefitting from both contributions relinquish their right to use the parking facilities;

68. Notes the Committee's commitment to implement the 17 United Nations sustainable development goals (SDGs) and to be in line with these goals and the relevant Union strategies; highlights that the Committee has a Sustainable Development Observatory, aimed at promoting sustainability within the Union;

69. Congratulates the Committee for co-managing the Circular Economy Stakeholder Platform together with the Commission;

Communication and multilingualism

70. Notes that in October 2019, the Bureau adopted a new Committee logo which reflects the logos of the Union institutions; believes that this change will contribute to the visibility and cohesion of the image of the Union institutions, bodies, offices and agencies among citizens;

71. Welcomes that the Committee was able to adapt its communication strategy in the context of the COVID-19 pandemic, organising a number of major events and actions online to facilitate its outreach and its contact with stakeholders and citizens; highlights that in July 2020 the Committee, instead of its annual Civil Society Prize, launched a one-off prize called 'Civil Society Against COVID-19' to reward not-for-profit initiatives carried out by individuals, civil society organisations and private companies aiming to tackle the COVID-19 crisis and its consequences;

72. Underlines that all work in relation to the Committee's opinions and information reports are available in all official languages and that the Committee's website is compliant with the Union accessibility standards for public sector bodies;

73. Welcomes the involvement of the Committee in the Conference on the Future of Europe, assisting that democratic exercise in better reaching organised civil society; further encourages the Committee to assist its members in participating in local dialogues with citizens and civil society on European matters;

Inter-institutional cooperation

74. Welcomes the continuously increasing and effective bilateral cooperation between Parliament and the Committee; encourages both Parliament and the Committee to continue the regular meetings between their presidents and vice-presidents and to enhance the structured cooperation between the respective rapporteurs and both the political groups and the preparatory bodies in which their members are organised; believes that the Committee's political cooperation with Parliament, the Council and the Commission should be more systematic given the role of the Committee as the representative of social partners and civil society organisations;

75. Highlights that the service level agreements with four departments of the Commission (PMO, DG DIGIT, DG BUDGET and DG HR) were reviewed and additional services were added;

76. Highlights the adoption of the new administrative cooperation agreement between the Committee and the CoR that entered into force on 1 November 2021 which reinforces the governance of the cooperation and the control mechanisms to ensure efficient management of the joint services; notes with satisfaction that the Committee considers that the new agreement is more modern and simpler than the old agreement and instrumental in creating further synergies between the Committee and the CoR;

77. Reiterates the position expressed in the previous discharge recommendations on the need to fully implement the cooperation agreement signed between Parliament and the Committee and the CoR from which a total of 60 translators, including 36 from the Committee, were transferred to Parliament in exchange for access to the services of the European Parliamentary Research Service; stresses, in this regard, the Committee's staff shortage in political areas which negatively impacts the fulfilment of its mandate;

COVID-19 pandemic

78. Is aware that the COVID-19 pandemic significantly influenced the Committee's activity, in particular because its members travel to the Committee's premises to debate its opinions and resolutions; acknowledges the collective efforts that ensured continued support to the political activities of the Committee;

79. Notes that, in order to ensure business continuity, the Committee coordinated all preventive and protective measures put in place since March 2020 in a multilayer health prevention strategy, describing all physical, operational and medical measures taken, such as extended teleworking, IT and videoconferencing equipment, equipment for health and safety on the premises and the dematerialisation of processes;

80. Notes that the business continuity plan in place was deemed to be insufficiently fir-for-purpose due to the specific nature of the COVID-19 pandemic, and that the Committee therefore set up a dedicated task force headed by the HR director, which included a broad range of contacts both within the Committee and with other institutions; stresses the importance of putting in place business continuity exercises to prepare as much as possible against possible future disruptive events;

81. Values the approach of putting health and safety of members and staff first, while the organisation adapted to the continuously evolving situation; observes that a general teleworking derogation to work from abroad was adopted for staff members (i) stranded in their home country due to travel restrictions; (ii) with a dependent or sick relative abroad; or (iii) upon request under certain conditions; believes that the decision authorising teleworking from abroad had a positive impact on reducing psychological stress and absenteeism;

82. Welcomes that the Committee and the CoR worked closely together and continue to do so concerning alignment of measures like access to buildings, hygiene and cleaning protocols; stresses that coordination was facilitated by the mutual presence of business continuity officers in each COVID-19 management team;

83. Stresses that core activities were pursued throughout the COVID-19 pandemic, enabling the Committee to represent the social partners and civil society organisations in the Union decision-making process, supporting the Union institutions in the handling of the crisis situation at hand;

84. Welcomes the intention to take advantage of the lessons learned during the pandemic and to design a new teleworking/working hours' policy and observes that the social dialogue on this issue is currently ongoing; encourages the Committee to integrate in the internal management strategy the lessons learned from the pandemic outbreak in terms of business continuity and crisis management approaches, IT responsiveness, resiliency of the organisation, duty of care towards its staff, effectiveness of internal communication and flexibility of working processes.

DECISION (EU) 2022/1705 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section VII – Committee of the Regions

THE EUROPEAN PARLIAMENT,

— having regard to the general budget of the European Union for the financial year 2020 ([1]),

— having regard to the consolidated annual accounts of the European Union for the financial year 2020 (COM(2021) 381 – C9-0264/2021) ([2]),

— having regard to the Committee of the Regions' annual report to the discharge authority on internal audits carried out in 2020,

— having regard to the Court of Auditors' annual report on the implementation of the budget concerning the financial year 2020, together with the institutions' replies ([3]),

— having regard to the statement of assurance ([4]) 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 2020, 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) 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 966/2012 ([5]), 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 report of the Committee on Budgetary Control (A9-0063/2022),

1. Grants the Secretary-General of the Committee of the Regions discharge in respect of the implementation of the budget of the Committee of the Regions for the financial year 2020;

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 Committee of the Regions, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ L 57, 27.2.2020.
([2]) OJ C 436, 28.10.2021, p. 1.
([3]) OJ C 430, 25.10.2021, p. 7.
([4]) OJ C 436, 28.10.2021, p. 207.
([5]) OJ L 193, 30.7.2018, p. 1.

RESOLUTION (EU) 2022/1706 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

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 2020, Section VII – Committee of the Regions

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 2020, Section VII – Committee of the Regions,

— 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 (A9-0063/2022),

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;

B. whereas the Committee of the Regions (the 'Committee') represents and engages with local and regional authorities in the Union decision-making process and pursues its missions of better law making and strengthening Union democracy from the bottom up by sharing their opinions on Union legislation that directly impact regions and cities;

C. whereas local and regional authorities are responsible for one third of public spending and two thirds of public investment, along with holding competencies in key areas such as education, economic development and cohesion, the environment, social protection, health and services of general interest in many Member States;

D. whereas the consultation of the Committee by the Commission or the Council is mandatory in certain cases, the Committee may also adopt opinions on its own initiative while enjoying a wide area for referral as set out in the Treaties, allowing it to be consulted by Parliament;

E. whereas, following the outbreak of the COVID-19 pandemic and looking at the situation in the regions of the Union, the Committee focused immediately on informing the Union co-legislators of the concrete needs that national and local authorities were experiencing on the ground to fight the pandemic and its consequences;

F. whereas the Committee developed a COVID-19 action plan and launched a COVID-19 exchange platform to assist, inform, engage and represent regions and cities;

G. whereas the Committee in its resolution of 2 July 2020 adopted three political priorities for the 2020-2025 mandate, accompanied by three communication campaigns: '*Bringing Europe closer to people: Democracy and the future of the EU*'; '*Managing fundamental societal transformations: Building resilient regional and local communities*'; '*Cohesion, our fundamental value: Place-based EU policies*';

H. whereas the Committee identified nine flagship initiatives to make its action more strategic and impactful: (1) Recovery and Resilience Facility, (2) Health related COVID-19 response, (3) The Action Plan for the Implementation of the European Pillar of Social Rights, (4) CoR4Climate Pact, (5) The future of cross-border cooperation, (6) The New Pact for Migration and Integration, (7) Conference on the Future of Europe, (8) Long-term vision for Rural Areas, and (9) Strategic Committee's Budget – ensuring a fair share of the resources for the Committee;

I. whereas the outbreak of the COVID-19 pandemic made it necessary for the Committee to review and adapt its internal functioning and work methods in order to continue to fulfil its mission;

1. Notes with satisfaction that the Court of Auditors (the 'Court') identified no significant weaknesses in respect of the audited topics related to human resources and procurement for the Committee;

2. Emphasises the fact that on the basis of its audit work, the Court concluded that the payments as a whole for the administrative expenditure of the Union institutions, including the Committee, for the financial year 2020 were free from material error; welcomes the fact that no specific issues relating to the regularity of the transactions were detected by the Court;

3. Is aware that Chapter 9 'Administration' of the Annual Report of the Court is focused on expenditure on human resources, buildings, equipment, energy, communication and information technology and that the Court indicates that such spending is low-risk;

Budgetary and financial management

4. Notes that the Committee budget for 2020 amounted to EUR 101,5 million (a 2,8 % increase compared to the 2019 budget of EUR 98,75 million); notes that the Committee's budget is mostly administrative with the main part being used for expenditure related to human resources, buildings and furniture, equipment and miscellaneous operation costs;

5. Notes that EUR 94,1 million (92,7 %) of all appropriations was committed by the end of 2020 and that EUR 83,6 million (82,4 %) was paid; observes that EUR 7,4 million was uncommitted at the end of 2020 and thus was returned to the Union budget, which is considerably more than in 2019 where EUR 0,4 million (less than 0,5 %) was uncommitted; acknowledges that the uncommitted appropriations are mainly due to the COVID-19 pandemic and encourages the Committee to enhance the monitoring and management of the available appropriations;

6. Notes that COVID-19 related savings for 2020 are estimated at more than EUR 11 million, and were made mainly in the domains of members' meeting and travel allowances (EUR 120 046 carried forward to 2021), interpretation, missions and, to a lesser extent, building running costs; notes that the additional expenditure caused directly by the COVID-19 pandemic was rather limited, mainly in the domain of medical services (less than EUR 100 000) and staff salaries (more than EUR 400 000);

7. Notes that the Committee does not have one specific mopping-up transfer at the end of the year but carries out budget execution reviews at regular intervals during the budget implementation year; notes that in 2020 the Committee submitted five transfers of appropriations to the budgetary authority for approximately EUR 6,6 million (or 6,5 % of its budget) out of which only EUR 4,9 million was authorised by the budget authority and executed by the Committee, to a large extent from the domains that produced substantial savings (members meetings and travel allowances, interpretation and missions) into the domains that needed reinforcement (including IT, buildings, communication and external expertise);

8. Notes a negative trend in the overall execution rate for payments (82,4 % in 2020, 88,8 % in 2019 and 91,0 % in 2018); notes that in 2020 this was mainly due to the cancellation of a large number of meetings and events due to the travelling restrictions imposed as a result of the COVID-19 pandemic;

9. Notes that, due to the COVID-19 pandemic and the consequent travel restrictions, meetings from mid-March until mid-May 2020 were cancelled, while starting from mid-May remote and hybrid meetings were organised; notes the decision of the Committee's bureau to establish a flat-rate remote meeting allowance for its members of EUR 200 (compared to the standard flat-rate meeting allowance of EUR 323) to cover the expenses incurred while preparing for and participating in meetings,provided that the member was effectively prevented from attending the meeting physically and that attendance was authorised; observes that on 9 October 2020 the Bureau established a similar remote allowance for experts and speakers;

10. Notes that starting from 2020 members can have up to 100 % of their language course costs reimbursed (instead of 66 % as before), within a maximum amount of EUR 1 200 per year, in order to support their participation in remote meetings that do not always have interpretation services; notes that EUR 27 500 was transferred to the relevant budget line in 2020 to support that change; encourages the Committee to ensure a reasonable correlation between language training and the needs and duties of the requesting member;

11. Notes that in the area of public procurement, 18 calls for tenders above EUR 15 000 were organised, of which eight were awarded in 2020; notes that three procedures were cancelled because of the COVID-19 pandemic and that the remaining seven procedures were scheduled for contract signing in 2021; observes with satisfaction that six procedures were organised on behalf of the Committee by the joint services shared by the Committee and the European Economic and Social Committee (the 'EESC');

Internal management, performance, internal control

12. Welcomes the launch in 2020 of the Committee's reform programme, 'Going for IMPact!', the intention of which is to modernise its administration, to use its resources more efficiently and to boost its impact and outreach; notes that four clusters were identified in order to achieve those objectives and highlights the cluster on lessons learnt from the COVID-19 pandemic; appreciates the inclusive analysis of the Committee's priorities (including suggestions by staff), coupled with an exercise of administrative simplification; is aware that nine cross-service non-hierarchical task forces were created as a result and that a new organisational chart was presented on 7 December 2020;

13. Welcomes the intensive cooperation between the Committee and the Commission, as the input of the Committee, capturing the views of regional and local authorities, is important for a balanced policy assessment process, in particular with regard to the Fit for Future Platform, the REFIT Platform and the RegHub network, as well as the Committee's contribution to the action plan to implement the European Pillar of Social Rights and the Porto Social Summit in 2021; highlights that the Committee has set up a Committee-United Kingdom contact group to provide a framework for political cooperation;

14. Welcomes the Committee's commitment to strengthen its involvement in the entire political and legislative cycle of the Union, building on the cooperation with Parliament and the Commission; believes that more involvement by the Committee throughout all stages of the Union legislative process would be beneficial in order to place regional and local authorities at the heart of drafting and implementing Union policies, in particular in the aftermath of the COVID-19 pandemic;

15. Notes that the Committee adopted 8 resolutions and 48 opinions in 2020 (compared to 5 resolutions and 49 opinions in 2019); takes into account that, due to the difficulties in adopting opinions via referrals within the tight interinstitutional deadlines at the beginning of the COVID-19 pandemic, the Committee resorted to the adoption of own-initiative opinions, based on Commission documents, to effectively and timely contribute to the Union response to the pandemic;

16. Notes the Committee's efforts in disseminating its opinions together with other reports and activities that also contribute to achieving its mission; acknowledges that the Commission's impact assessment regularly takes into account the Committee's opinions; calls on the Committee to ensure that every opinion is shared with the Members of the relevant committees of Parliament and to officially and systematically request a speaking slot at the presentation of Parliament's draft reports, in line with the cooperation agreement between Parliament and the Committee;

17. Is aware that compliance and effectiveness exercises were carried out in 2019 and in 2020 to assess to what extent the Committee complied with the 16 internal control standards and to what extent their implementation was effective; underlines that the task force on 'Simplification of the administrative environment' elaborated a set of administrative simplification measures, many of which are currently being implemented; notes with satisfaction that an *ex post* control exercise was carried out in 2020 and that no major issues were identified apart from the need to update written procedures as a result of the new paperless working methods; notes that the central verification service of the Committee processed more than 13 000 files, and that 318 verified transactions (compared to 381 in 2019) were either corrected or rejected;

18. Is aware that the Committee, in order to comply with the Financial Regulation, contracted an external expert to carry out a cost-effectiveness analysis; appreciates that, to reduce any risk of inappropriate use of the budget, the Committee has created a centrally monitored internal control environment coupled with a partially decentralised financial model in a way that ensures that all financial transactions are subject to verification by an independent verifying agent; notes that the Committee launched a multi-annual action plan for a gradual revision and simplification of the existing internal control environment; asks the Committee to report on the progress of the implementation of that plan that started in 2021 and will continue in 2022;

Human resources, equality and staff well-being

19. Notes that the number of posts in the establishment plan amounts to 491 which the Committee considers to be insufficient; notes that the Committee resorts to hiring contract staff for mid- to long-term replacements and for specific projects which entails the risk of considerable loss of knowledge and expertise for the Committee when those contracts come to an end; supports the Committee as it continues to negotiate the enlargement of its establishment plan; notes that the occupation rate of the Committee's establishment plan is 96,3 %, thus reaching the target of at least 96 %; notes that at the end of 2020 the total workforce was 601 (including both statutory and non-statutory staff), compared to 610 at the end of 2019; encourages the Committee in this context to deepen its administrative cooperation with the EESC via the joint services arrangement to pool staff in order to continue to develop more synergies;

20. Observes that flexible working arrangements are accessible to the large majority of staff of the Committee, but that part-time work and parental leave are used by a limited number of staff of which women represent 77,5 % and 78,72 % respectively; is aware that the Committee provides awareness raising sessions for staff about the flexible working arrangements and recommends that the Committee engages in more intense communication on the viability and benefits of those arrangements and that it ensures that making use of the flexible working arrangements does not penalise in any way the career progress of the relevant members of staff; welcomes the staff survey on telework and work flexibility from which managers and other staff can draw lessons and build flexible work regimes for the future;

21. Notes that teleworking was already widely used before the COVID-19 pandemic, but that the necessary IT equipment, experience and teleworking culture were not yet present throughout the Committee; observes that IT services of the Committee deployed significant efforts to allow the entire organisation to operate fully remotely; remarks that staff were quickly trained on how to use the different online platforms;

22. Observes with satisfaction the absorption rate of the general internal competition completed in 2019 ('talent pool') with 100 % of the appointments for the AST/SC and AST group and 81 % of the appointments for the AD group coming from the laureates; welcomes the enhanced talent management strategy foreseen for 2022, which aims to implement a more dynamic internal mobility scheme;

23. Is concerned about the 12 possible cases of burnout reported in 2020, but acknowledges the Committee's personalised follow-up of absences to facilitate reintegration after a long-term absence; stresses the importance of the Committee's medical officer and social service worker to provide support and to be in contact with people in difficulty; encourages the Committee to keep the focus on primary prevention to reduce psychosocial risks and burnout as well as the annual medical visits;

24. Notes that the gender ratio in the Committee's staff in 2020 was 55,8 % women, compared to 56 % in 2019; regrets the unbalanced distribution in middle (32,4 % women) and senior (25 % women) management; underlines that this is a recurrent issue and reiterates the call for the Committee to continue its efforts to achieve gender balance at all hierarchical levels; notes that the target of 40 % women in management positions established in the equal opportunity action plan is currently in sight (37,5 % in March 2021); welcomes in particular specific incentives to actively encourage female applicants to managerial positions such as the formal recognition of management responsibilities below head of unit level, the mentoring programme launched in 2019 and the pre-managerial training courses; encourages the Committee to put in all the effort necessary in order to achieve its five-year strategy on equal opportunities and to be more ambitious in the annual action plans that implement the strategy; welcomes and encourages, in particular, actions that contribute to balanced gender representation on selection boards and more flexible working arrangements;

25. Notes that the Committee employs staff from all Member States with the exception of one Member State; welcomes the Committee's initiatives to increase the visibility of its vacancies, in particular using staff ambassadors and generating a positive 'employer branding'; calls on the Committee to continue to take steps to reach a proper geographical distribution within its staff, with a particular focus on the management level;

26. On a positive note, highlights that following the appointment of an equal opportunities officer in 2019, an inter-service task force was set up in 2020 to mainstream equal opportunities in all HR policies and to prepare the five-year strategy (2022-2027); congratulates the initiative of creating contact points for specific issues related to gender, the LGBTIQ community and disability in order to encourage bottom-up initiatives and contribute to making the Committee a more inclusive workplace;

27. Is aware of the harassment case reported to the EESC by a whistleblower and transmitted to the European Anti-Fraud Office (OLAF) in August 2020 that concerns a member of staff of the Committee working in the joint services and also contains allegations of mismanagement and financial irregularities; calls on the Committee and the EESC to jointly report to Parliament about the outcome of the investigation by OLAF as well as any further internal verification or measure pending investigation;

28. Welcomes the intensive discussions between the Committee, the staff representatives, all the relevant internal services and other members of staff involved in the decision on protecting the dignity of staff, managing conflict and combatting psychological and sexual harassment in the Committee and its accompanying guide, adopted in 2021; appreciates the organisation of staff awareness-raising actions and the Committee's zero tolerance approach towards harassment as well as the dedicated online training course; suggests that the Committee makes use of alternative communication activities on relevant topics related to equal opportunities, diversity and inclusion to prevent and manage conflict in the workplace; welcomes the constitution of an advisory board on harassment;

29. Notes that, to safeguard personal data, no data on staff with disabilities is gathered but points out that a real assessment of the situation and the elaboration of adequate policies in that area is hindered as a result; notes that, nevertheless, the Committee's equal opportunities policy includes a number of practical steps and concrete measures aiming to provide an inclusive working environment; welcomes the fact that the joint buildings strategy of the Committee and the EESC takes disability fully into account;

30. Notes that the Committee hosted 47 trainees in 2020, all awarded with a monthly grant and an additional EUR 100 lump sum in order to cover the costs related to teleworking; regrets that unpaid study visits were offered to eight trainees in addition to three short-term study visits which started in 2019 and continued into 2020; reiterates the call on the Committee to make sure that all of its trainees receive a decent remuneration;

Ethical framework and transparency

31. Welcomes the outcome of the first phase of the mediation process between the Committee and Mr McCoy, former financial controller and internal auditor, with the signing in December 2019 of a political agreement on principles governing the resolution of Mr McCoy's bona fide whistleblower case; recalls that, based on the 2017 discharge resolution, the appointment of a Member of Parliament as mediator took place and that all parties entered into a mediation process to bring the dispute between the Committee and Mr. McCoy to an end with the objective of reaching an amicable settlement; acknowledges that the Committee pursued the scheduled mediation meetings with Mr McCoy; is aware that the second stage of the mediation concluded on 9 July 2021 with the contribution of Parliament's mediator, Parliament's Committee on Budgetary Control, Mr. McCoy and the President and the Secretary-General of the Committee and the signing of a final financial settlement; is aware, lastly, that the Committee, after approval of the transfer by the budgetary authorities, successfully executed the agreed payment to Mr McCoy in November 2021; acknowledges the work done by successive rapporteurs and shadow rapporteurs for the Committee's discharge over the past twenty years who, along with the mediation process and the assistance of Parliament's Legal Service, contributed to the resolution of the long-stalled issue; truly regrets the considerable harm caused to Mr McCoy and states that this case should not have remained unresolved for more than eighteen years; expresses its sincere satisfaction with the conclusion of this case and supports the Committee's actions in order to ensure that such a situation cannot arise again;

32. Acknowledges that the Agreement of 16 April 2014 between the European Parliament and the European Commission on the transparency register for organisations and self-employed individuals engaged in EU policy-making and policy implementation ([1]) and the Interinstitutional Agreement of 20 May 2021 between the European Parliament, the Council of the European Union and the European Commission on a mandatory transparency register ([2]), while allowing the voluntary involvement of Union institutions, bodies, offices and agencies, do not cover the activities of regional and local authorities and the associations representing them; objects, however, to the view of the Committee that the use of the transparency register set up by those agreements has limited relevance and questions the validity of the Practical Guide on the interaction of staff with external entities (dating back to 2018); recalls the importance of a high level of transparency with respect to lobbying meetings which might influence the Committee in its advisory role to the Union institutions and thus, reiterates its call on the Committee to join the Interinstitutional agreement on a mandatory transparency register;

33. Regrets that only 66 staff members took part in one or more of the 13 training sessions on ethical issues organised in 2020; encourages the Committee to find ways to increase staff participation in such activities; notes with satisfaction the survey on staff ethics-awareness launched by the end of 2019 and its follow-up in the framework of the internal audit on the same issue; asks the Committee to keep on implementing the recommendations established in September 2020 and to report on the outcomes in due course;

34. Welcomes the entry into force on 26 January 2020 of the Committee's code of conduct and the fact that the Secretary-General is not aware of any breaches; regrets, however, that in January 2021 146 financial declarations from members and alternates had still not been submitted in spite of the obligation under the code of conduct to do so; encourages the Committee to obtain the missing financial declarations, making full use of the options provided by the code of conduct;

35. Notes with satisfaction that the Committee's intranet has pages dedicated to the ethical framework applicable to members of staff; welcomes its publication on the Committee's website too in addition to the Committee's code of conduct and the list of missing financial declarations; recommends that the Committee increases the visibility of those documents *vis-à-vis* the public;

Digitalisation, cybersecurity, data protection

36. Welcome that many work processes have been digitalised as a result of the COVID-19 pandemic and that all meetings have been held remotely or in a hybrid form since March 2020, while all members of staff have been equipped with the necessary IT tools to work from home; congratulates the Committee on the significant improvement of the members' portal, Phoenix and the Adonis document workflow tool; points out that continuous progress was made with respect to e-invoicing, e-procurement and paperless financial workflows, that a working group on electronic signatures was established, that new versions of the search engines were deployed to better support online meetings for the members while specific measures were drawn up, that an electronic voting system for Committee members was launched, that already existing applications were significantly adapted to better support Committee members and staff, and that the implementation of computer-aided translation tools progressed;

37. Notes that the COVID-19 pandemic pushed the Committee to substantially accelerate the implementation of a number of IT and videoconferencing projects in 2020 with a subsequent additional investment of some EUR 2,7 million; notes that the Committee spent EUR 6 392 372 on IT projects and equipment in 2020 (compared to EUR 4 033 320 in 2019); notes that as well as the Committee's digital strategy 2019, other projects were developed to digitalise the Committee's administration and ensure its efficiency; echoes the Committee's statement that its IT services have been structurally underfunded for years and that budget transfers cannot replace the necessary structurally sound funding of all IT services; notes, in particular, the Committee's concerns about the cost and overheads for smaller organisations of future common binding cyber-security rules for all Union institutions, bodies and agencies as referred to in its resolution of 10 June 2021 on the EU's Cybersecurity Strategy for the Digital Decade ([3]);

([1]) OJ L 277, 19.9.2014, p. 11.
([2]) OJ L 207, 11.6.2021, p. 1.
([3]) OJ C 67, 8.2.2022, p. 81.

38. Welcomes the creation of a deputy data protection officer to guarantee business-continuity and to reinforce the Committee's capabilities in that specific area; encourages the Committee to undertake awareness-rising actions and to organise training courses for members of staff handling personal data; notes that, at the request of the EDPS, the Committee mapped the transfers of personal data to third countries and concluded that no activities were affected; notes that the Committee signed the "enrolment" linked to an interinstitutional framework contract with Microsoft and that it has no separate individual licence agreements in place with Microsoft anymore; appreciates the Committee's active policy on open-source technology; encourages the Committee to further prioritise open-source technology in order to retain control over its own technical systems, avoid dependency and vendor lock-in, provide stronger safeguards for user privacy and data protection, as well as increase security and transparency for the public;

Buildings and security

39. Is aware that the Committee and the EESC are implementing their long-term buildings strategy focusing on geographical concentration and reorganisation of office allocations; notes that the responsible working group considered it essential to have an additional building with a capacity of around 200 people in order to be able to create good working conditions; notes that that analysis led the Committee and the EESC to negotiate renting the B100 building from the European External Action Service and that the draft administrative agreement was approved by the bureaus of the Committee and the EESC in the last quarter of 2020; is aware that the COVID-19 pandemic caused a delay in the process;

40. Highlights that following the exchange of the B68/TRE74 buildings of the Committee and the EESC for the Commission's VMA building, savings will begin to appear in 2023 due to the lower cost of renting the entire VMA building compared to renting the B68/TRE74 buildings and that those savings will be sufficient to cover the rent of the B100 building;

41. Welcomes the improvements in keys areas within the buildings strategy, namely the refurbishment of existing buildings to create healthier workspaces aligned to ergonomic standards, increase the level of security, reduce electricity consumption and align with environmental obligations;

42. Notes that the preparatory work for the implementation of the new eVisitors management system started in 2020 and that the eVisitors system was fully functional in November 2021, allowing the efficient management of invitations and online registration of external visitors; reminds the Committee that personal data of visitors should only be held for the time necessary to process the visit;

43. Notes that, following the takeover of the B100 building in September 2021, tests and asbestos abatement are ongoing; calls on the Committee and the EESC to periodically monitor the conditions of that building and to inform the staff at all times accordingly; recalls its resolution of 20 October 2021 with recommendations to the Commission on protecting workers from asbestos ([4]);

Environment and sustainability

44. Welcomes the integration of sustainability, environmental and accessibility standards, including those of the Union eco-management and audit scheme (EMAS), as part of the buildings strategy of the Committee and the EESC; notes that since the setting up of their environmental management system, the Committee and the EESC have taken various actions with the aim of improving the energy performance of their buildings and reducing their carbon footprint; is aware that a study of the carbon neutrality of the Committee and the EESC by 2030 is ongoing; welcomes the participation of the Committee in Parliament's offsetting of greenhouse gas emissions' scheme;

45. Welcomes the adoption by the Committee of the paperless policy in February 2020 and observes that, since then, most workflows have become fully paperless; welcomes that the amount of paper used per person per day in 2020 decreased by 52 % compared to 2019 and by 81 % compared to 2015;

([4]) Text adopted P9_TA(2021)0427.

46. Notes that the Committee has a sustainable mobility policy in place which is monitored through staff surveys every three years; observes with satisfaction that the mobility policy includes a 50 % reimbursement of public transport season tickets, service bikes for local professional travelling purposes, 237 bike racks, a number of parking spaces for hybrid or electric cars and the organisation of a number of awareness raising events every year;

47. Welcomes the interinstitutional framework contract that gives the Committee access to the Green Public Procurement Helpdesk, which is focused on sustainable development, environmental issues and social aspects of public procurement; notes that the Committee applies its environmental policy in each and every relevant procurement process, something that is also screened as part of the EMAS; welcomes the fact that the electricity consumed by the Committee is exclusively provided by green energy from sustainable sources;

48. Highlights the 'Green Deal Going Local" campaign with the aim of mobilising Committee members and the larger constituencies of local and regional authorities to take positive actions to encourage sustainable development and the green transition (i.e. urban greening, building energy efficiency, sustainable mobility etc.), taking advantage of reinforced cooperation with Parliament`s Directorate for Communication and with the active participation of Members of Parliament;

Communication and multilingualism

49. Recalls the importance of the Committee developing greater visibility in the media and on the internet and social media in order to make its work known; welcomes the external comprehensive evaluation of the Committee's communication strategy 2015-2020; understands that the COVID-19 pandemic forced a digital acceleration of public communication; stresses the importance of maximising the Committee's outreach through the creation of synergies between the Union institutions and the over one million regional and local elected politicians represented by the Committee; encourages the Committee to take advantage of the opportunities offered by its presence on social media and at the same time to explore the possible use of alternative open-source platforms;

50. Welcomes the involvement of the Committee in the Conference on the Future of Europe, assisting that democratic exercise in reaching the regional and local actors; further encourages the Committee to assist its members in participating in local dialogues with citizens on European matters;

51. Underlines the campaigns and activities carried out in 2020 targeting interest groups, in particular the memoranda of understanding and action plans with European and national associations representing local and regional interests that include clauses on cooperation and communication matters; understands that the COVID-19 pandemic forced the Committee to temporally pause its citizens' dialogues; recommends to move the citizens dialogues online to ensure the continuity of this important activity in bringing the Union institutions closer to the people of Europe;

52. Welcomes, in the area of communication, the two flagship events organised in 2020; remarks that the Committee has coordinated the European Public Communication Conference (EuropPCom) since 2011 and that in 2020 this event was held virtually in June and December, reaching about 2 500 communication experts; highlights the European Week of Regions and Cities, a recognised event involving over 10 000 participants and 800 partners, and the new Regional and Local Barometer, presented in October 2020 and acknowledges that both those initiatives contribute to the Conference on the Future of Europe, together with the project specifically created for that purpose, 'From local to European', launched at the end of 2020, involving 50 regions and cities in local, cross-border and transnational citizens' panels;

53. Asks the Committee to continue its efforts to improve the visibility of the studies it produces; underlines that, in addition to their publication online, there is a need for pro-active promotion of studies towards all stakeholders; encourages the Committee to reach out to Parliament to enhance cooperation, for instance through the organisation of joint meetings and events;

54. Calls on the Committee to provide support to local and regional authorities, including those who are not officially represented in the Committee, on matters related to Union opportunities and networking;

Interinstitutional cooperation

55. Welcomes the continuously increasing and effective bilateral cooperation between Parliament and the Committee; encourages both Parliament and the Committee to continue the regular meetings between their Presidents and Vice-Presidents and to enhance the structured cooperation between the respective rapporteurs and both the political groups and the preparatory bodies in which their members are organised; welcomes the decision by the Committee bureau in November 2020 to launch a European Network of Regional and Local EU Councillors which will be aligned with Parliament's pilot action Building Europe with Local Entities (BELE); notes, furthermore, the continuous collaboration on key political issues with the Commission through cooperation agreements and with the trio presidency of the Council via joint action plans; believes that the Committee's political cooperation with Parliament, the Council and the Commission should be more systematic given the importance of the Committee as the representative of Union citizens in regions and cities;

56. Highlights that the new global service level agreements concluded in 2020 with DG Budget, DG DIGIT and the Paymaster Office of the Commission have significantly reduced the number of agreements, paved the way for improvements in the timeliness of information sharing and extended the possibility of securing the use of new Union interinstitutional IT-applications;

57. Highlights the adoption of the new administrative cooperation agreement between the Committee and the EESC that entered into force on 1 November 2021 which reinforces the governance of the cooperation and the control mechanisms to ensure efficient management of the joint services; notes with satisfaction that the Committee considers that the new agreement is more modern and simpler than the old agreement and that it will be instrumental in creating further synergies between the Committee and the EESC;

58. Reiterates the position expressed in the previous discharge recommendations on the need to fully implement the cooperation agreement signed between Parliament and the Committee and the EESC from which a total of 60 translators, including 24 from the Committee, were transferred to Parliament in exchange for access to the services of the European Parliamentary Research Service; stresses, in this regard, the Committee's staff shortage in political areas which negatively impacts the fulfilment of its mandate;

COVID-19 pandemic

59. Is aware that the COVID-19 pandemic significantly influenced the Committee's activity, in particular because its Members ordinarily travel to the Committee's premises up to six times a year to debate its opinions and resolutions; acknowledges the collective efforts that ensured continued support to the political activities of the Committee;

60. Notes that the business continuity plan (BCP), in place since 2009, allowed an initial reaction but was revealed to be insufficiently fit-for-purpose; welcomes the in-depth revision of the BCP launched in late 2020 to take into account the lessons learned from handling the COVID-19 pandemic; understands that the pandemic revealed the impact of accumulated structural under-investments in some areas of the Committee's activities, especially with respect to IT; believes that those lessons learnt from the COVID-19 crisis, in particular, should remain an integral part of the Committee's future way of working;

61. Values the approach of putting health and safety of members and staff first while the organisation adapted to the continuously evolving situation; stresses that communication initiatives in the area of HR were a vector of stability and security for the staff during the COVID-19 pandemic; observes that staff were asked to not register their specific teleworking hours in order to have the necessary flexibility to combine work and personal responsibilities; notes, in addition, that staff having social or medical difficulties were allowed to telework from abroad under specific circumstances and that a general permission was also temporarily applied, resulting in 110 staff members exceptionally teleworking from abroad in 2020; welcomes the dialogue launched with the staff representatives, including a survey on telework;

62. Supports the Committee's approach, prioritising results over counting working hours, using trust based management and ensuring the right to disconnect, in particular by means of the new in-house email policy; welcomes additional measures such as the establishment of a group of volunteer staff members to help colleagues during the confinement period;

63. Notes the effort to disseminate information on psychosocial topics and topics related to the Joint Sickness Insurance Scheme of the Union institutions, bodies, offices and agencies; further notes the number of appointments in 2020, 246, with the social service, mainly related to stress, conflicts and personal or family problems and the positive results of the coaching for coping mechanism;

64. Stresses that core activities were pursued throughout the COVID-19 pandemic, enabling the Committee to represent the regional and local elected politicians in the Union decision-making process, thus supporting the Union institutions in the handling of the crisis situation at hand;

65. Encourages the Committee to integrate the lessons learned from the COVID-19 pandemic in its internal management strategy in terms of business continuity and crisis management, IT responsiveness, resilience of the organisation, duty of care towards its staff, effective communication and flexible working processes, in order to develop a result-oriented management style on which a healthy work-life balance can be achieved.

DECISION (EU) 2022/1707 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section VIII – European Ombudsman

THE EUROPEAN PARLIAMENT,

— having regard to the general budget of the European Union for the financial year 2020 ([1]),

— having regard to the consolidated annual accounts of the European Union for the financial year 2020 (COM(2021) 381 – C9-0265/2021) ([2]),

— having regard to the European Ombudsman's annual report to the discharge authority on internal audits carried out in 2020,

— having regard to the Court of Auditors' annual report on the implementation of the budget concerning the financial year 2020, together with the institutions' replies ([3]),

— having regard to the statement of assurance ([4]) 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 2020, 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) 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 966/2012 ([5]), 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 report of the Committee on Budgetary Control (A9-0068/2022),

1. Grants the European Ombudsman discharge in respect of the implementation of the budget for the financial year 2020;

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 Ombudsman, the European Council, the Council, the Commission, the Court of Justice of the European Union, the Court of Auditors, the European Data Protection Supervisor and the European External Action Service, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ L 57, 27.2.2020.
([2]) OJ C 436, 28.10.2021, p. 1.
([3]) OJ C 430, 25.10.2021, p. 7.
([4]) OJ C 436, 28.10.2021, p. 207.
([5]) OJ L 193, 30.7.2018, p. 1.

RESOLUTION (EU) 2022/1708 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

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 2020, Section VIII – European Ombudsman

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 2020, Section VIII – European Ombudsman,

— 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 (A9-0068/2022),

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

1. Notes with satisfaction that the Court of Auditors (the 'Court') identified no significant weaknesses in respect of the audited topics relating to human resources and procurement for the European Ombudsman (the 'Ombudsman');

2. Emphasises the fact that on the basis of its audit work, the Court concluded that the payments as a whole for the administrative expenditure of the institutions, including that of the Ombudsman were free from material error for the financial year 2020;

3. Welcomes the fact that no specific issue was detected by the Court on the regularity of the transactions and that no significant issue was detected following examination of the supervisory and control system of the Ombudsman;

4. Is aware that Chapter 9 'Administration' of the Annual Report of the Court is focused on expenditure on human resources, buildings, equipment, energy, communication and information technology and that the Court indicates that this spending is low-risk;

Budgetary and financial management

5. Notes that the Ombudsman's budget is mostly administrative, with a large amount being used for expenditure related to human resources, buildings and furniture, equipment and miscellaneous running costs; notes that it amounted to EUR 12 348 231 in 2020 (compared to EUR 11 496 261 in 2019 and EUR 10 837 545 in 2018);

6. Notes that the implementation rate in terms of commitments (including appropriations carried over from 2020 to 2021) is 94,91 % in 2020 (compared to 92,33 % in 2019) and that 93,16 % of the total appropriations were paid in 2020 (compared to 89,5 % in 2019 and 91,3 % in 2018); welcomes the increase in the implementation of the Ombudsman's annual budget despite the difficulties faced in 2020 due to the COVID-19 pandemic;

7. Notes that the Ombudsman reallocated approximately EUR 44 500 (or 0,4 % of its budget) through an internal transfer of appropriations not involving the budgetary authority and EUR 1,37 million (or 11,1 % of its budget) through two external transfers of appropriations involving the budgetary authority; notes furthermore that these reallocations were made possible by savings resulting from a decrease in expenditure as a result of the COVID-19 pandemic and reforms made to the Ombudsman's organisation chart;

8. Notes total payments of EUR 11 503 768,06 corresponding to 93,16 % of the 2020 budget (compared to 89,51 % in 2019); notes with satisfaction that in 2020, out of a total of 537 payments made, 99,4 % were executed on time, with an average payment time of 11,9 days, thus significantly below the maximum of 30 days allowed;

9. Notes the reduction in the appropriations carried over from 2020 to 2021 which amounted to EUR 215 895,65, representing 1,7 % of the 2020 budget, compared to those carried over from 2019 to 2020 (which amounted to EUR 323 410, representing 2,8 % of the 2019 budget); notes furthermore that 74,31 % of the appropriations carried over from 2019 to 2020 were used (compared to 90,36 % in 2018);

10. Acknowledges that, during 2020, the COVID-19 pandemic had an impact on the Ombudsman's budget by reducing foreseen expenses in relation to conferences (-109 % in comparison to 2019), missions (89 % less than was spent in 2019) and training for staff (59% less than was spent in 2019); is aware that the decrease in expenditure has made resources available that were reallocated to finance part of the costs associated with relocating the Brussels office (to be finalised in 2021); welcomes the demonstration of efficient and optimised use of the Ombudsman's resources;

11. Notes that the Ombudsman organised three calls for tender in 2020, two very low value contracts (up to EUR 15 000) and one low value contract (up to EUR 60 000), which had only one candidate due to the specific nature of the training offered by the tenderer;

Internal management, performance, internal control

12. Welcomes the adoption in December 2020 of the strategy 'Towards 2024' outlining the approach that the Ombudsman will take during the 2020-2024 mandate to help create, to the greatest extent possible, a more accountable, transparent, ethical and efficient Union administration in order to face challenges such as Union scepticism, policy challenges and the COVID-19 recovery plan; considers this approach essential in order to ensure continued effectiveness and to increase public trust in the institution;

13. Observes that in 2020, in order to support the strategy 'Towards 2024', the Ombudsman reviewed its organisational chart, a procedure completed in June 2021 with the recruitment of the Director of Administration; calls on the Ombudsman to monitor and report on the outcome of the changes in its organisational structure in the long-term; notes with satisfaction the positive results of the new organisational structure which relies to a large extent on a system based on trusting staff and includes elements such as enhancing the impact and the efficiency of the inquiry process through the elimination of excessive hierarchy; facilitating internal communication, coordination and collaborative work between teams; empowering staff to acquire managerial experience as team leaders; and ensuring a versatile and flexible workforce; believes that the establishment of peer review teams will facilitate consistency and a uniform approach and will improve the quality of case work;

14. Is aware that the new context aims to allocate the workload more efficiently by assigning assistants to the handling of complaints outside the Ombudsman's mandate, for example by advising complainants to contact the authority best placed to deal with them; welcomes that this policy decision allowed assistants to handle 22 % of all outside-the-mandate complaints received, thus freeing time for case handlers to focus on inquiries; calls on the Ombudsman to provide the discharge authority with a list of such complaints;

15. Observes that the Ombudsman also developed a new set of Key Performance Indicators (KPIs), together with the actions organised under six themes in the Annual Management Plan (AMP) 2020, on which the Ombudsman will focus in 2021, to help measure the implementation of the objectives of the strategy 'Towards 2024'; takes note that the KPIs were included for the first time in the annual management plan for 2021 and the results will be included in the 2021 annual activity report; welcomes the accomplishment of relevant performance results, even during the pandemic, notably KPIs that exceeded internal targets;

16. Acknowledges that although the COVID-19 pandemic had an impact on the number of complaints submitted to the Ombudsman, it was impacted not to a large extent as there was only a slight decrease in both the overall number of complaints submitted (2 107 in 2020 compared to 2 171 in 2019 and 2 180 in 2018), and the overall number of complaints handled (2 148 in 2020 compared to 2 201 in 2019);

17. Congratulates the Ombudsman for having been able to improve the efficiency level in the handling of complaints and inquiries by taking an admissibility decision in one month in 98 % of cases (compared to 91 % in 2019), by closing inquiries within six months in 76 % of cases (compared to 63 % in 2019) or within 18 months in 97 % of cases (compared to 90 % in 2019);

18. Takes note of the positive trend in the efficiency rate in the time take to handle complaints, with an average time of 36 days in 2020 (compared to 64 in 2019 and 78 in 2018), while the average time to conclude an inquiry was 133 days in 2020 (compared to 208 in 2019 and 254 in 2018); notes that the ratio of cases closed (392) and inquiries opened (365) is still above par, and it confirms the efforts of the Ombudsman in terms of efficiency;

19. Welcomes the increased proportion of inquiries opened in public interest cases, with 65 inquiries opened in 2020, in respect of the target of 50, and compared to 45 opened in 2019; notes that public interest cases that are relevant to a much wider group of people than just the complainant and that can lead to improvements in administration, which is a key objective of the Ombudsman's strategy;

20. Welcomes the positive results of the Fast-Track procedure which makes it possible to deal with complaints concerning public access to documents much faster as the average time is now one third of what it was before that procedure was introduced;

21. Highlights that in 2020 the percentage of complaints within the Ombudsman's mandate was 34 %, which is above the target (33 %) but below 2019 (39 %); notes with satisfaction that the efficient turnaround of cases made it possible to carry over a record low number of inquiries (92) from 2020 to 2021 (compared to 117 inquiries carried over from 2019 to 2020);

22. Observes that the acceptance rate of the Ombudsman's recommendations has improved (79 % in 2020 compared to 77 % in 2019 in overall acceptance) but remains below the target of 90 %; notes the acceptance rate is calculated at a certain point in time and does not capture all the subsequent actions carried out to address the Ombudsman's recommendations;

23. Takes note of the finalisation of the new manual on complaint handling procedures and the appointment of knowledge management coordinators under the new organisational chart whose action proposals are being implemented;

24. Notes with satisfaction the lack of remarks following verification by the Court of the supervisory and control systems of the Ombudsman, including internal control standards, risk management, *ex ante* and *ex post* controls, registers of exceptions, management supervision, internal audit reports and anti-fraud measures;

25. Notes with satisfaction that the Ombudsman, following a suggestion by the Court, has put in place a backup and mitigation measure whereby operations that cannot be verified by the *ex ante* controller are verified *ex post*;

Human resources, staff well-being and gender equality

26. Notes that in 2020 the profile and composition of the staff was very similar to that of 2019 with a total of 73 members of staff, made up of 37 officials, 8 contract agents and 28 temporary agents; observes the decrease in the number of contract agents (from 11 in 2019 to 8 in 2020) and is aware of the Ombudsman's decision to employ contract agents mainly to cover staff absences;

27. Observes that the Ombudsman adopted policies on parental leave in 2004, on telework in 2016, on part-time work in 2019; believes that, building on the experience of the COVID-19 pandemic, policies on hybrid working arrangements should be reviewed where appropriate aiming to increase the resilience and efficiency of the institution while protecting the well-being and satisfaction of members of staff; is aware in this respect that the Ombudsman has reviewed both its flexitime and telework policies, and the new telework decision has already been adopted in 2021 following consultation with the staff representatives;

28. Welcomes the Ombudsman's quick reaction to the limitations imposed by the COVID-19 pandemic and the adoption of teleworking as the standard working regime, flexibility of working hours, and a return to office on a voluntary basis and in compliance with both safety measures taken by the Union institutions and the respective national rules; notes that the institution temporarily lifted the limitation of 15 days per year for teleworking from abroad and extended this possibility to trainees;

29. Notes that the Ombudsman's ability to adapt quickly to the COVID-19 pandemic is largely due to its business continuity preparedness; notes that the IT environment allowing staff to work fully remotely was already in place and tested before the outbreak of the pandemic, which greatly facilitated the swift transition to teleworking and minimised disruptions in the work of the Ombudsman;

30. Is aware that the Ombudsman redesigned its awareness raising actions on well-being in light of the COVID-19 pandemic; welcomes in that respect the Ombudsman's approach to prioritising training courses focused on issues related to dealing with extensive teleworking, improving communication and collaboration among members of staff and managers, and striking a balance between private life and work while working remotely; appreciates creative initiatives such as virtual coffee-breaks and lunch sessions, together with the collaboration of Parliament's Medical Service to offer psychological support; encourages the Ombudsman to continue to develop its strategy aiming to achieve a good balance between the private obligations of members of staff and the interests of the service;

31. Welcomes the adoption in 2020 of the 'return to work policy' aiming to facilitate the re-integration of staff after a long period sick leave, irrespective of whether or not the sick leave is linked to burnout;

32. Notes that tailor-made support was offered to members of staff under stress and that the normal mandatory training on 'dignity and respect at work' will resume for all members staff in 2021;

33. Notes that a report on alleged harassment arising from the handling of a case in 2018 was submitted by a member of staff in late 2020, was sent to OLAF and is being investigated; expects that, in the meantime, the Ombudsman has taken any measure necessary to protect the alleged victim; recalls the importance of compulsory training in the zero-harassment policy for staff;

34. Acknowledges that the unforeseen consequences of the COVID-19 pandemic have obliged the Ombudsman to postpone the update of the diversity and inclusion policy; is aware that diversity and inclusion policy is present in the activities of the offices, including training, the composition of selection panels and the targeted dissemination of the calls for traineeships; encourages the Ombudsman to resume the process with a view to strengthening diversity and making the Ombudsman a more inclusive workplace, notably for persons with disabilities;

35. Notes that on 31 December 2020, the overall gender distribution was 66 % women and 34 % men without any change compared to 2019; notes that out of a total of six management posts, four are held by women, who also hold the top two senior management posts;

36. Recognises that the efforts made to achieve gender balance in training activities had a positive impact and that the average number of training days per person in 2020 is 2,4 per woman and 2,5 per man;

37. Observes that in 2020 the Ombudsman's staff represented 18 nationalities, which means a slight decrease compared to 2019, and that management posts are distributed across only 4 nationalities (compared to 6 in 2018 and 5 in 2019); calls on the Ombudsman to continue its efforts to achieve an acceptable geographical distribution, however taking into account the small size of the office;

38. Notes that despite the COVID-19 pandemic, the Ombudsman welcomed 13 trainees in 2020; welcomes that the Ombudsman aimed to ensure the best possible traineeship conditions by slightly reducing and staggering the new arrivals and organising only one rather than two annual selections; welcomes that the Ombudsman provides all the trainees with a decent remuneration to cover living costs;

39. Highlights the timely measures adopted to support trainees during the COVID-19 pandemic working restrictions providing IT tools and other infrastructure material, as well as an additional lump-sum amount of EUR 40 per month to ensure that trainees had the means to get a high-quality internet connection;

Ethical framework and transparency

40. Welcomes the creation of a special page on the Ombudsman's intranet dedicated to ethics and good conduct, in particular the inclusion of the guidelines for implementing the anti-harassment policy adopted in 2019, as well as the fact that the induction training for new members of staff and trainees contains a session on ethical conduct; is aware that two ethics correspondents serve as a point of information and assistance on issues related to ethics;

41. Congratulates the Ombudsman for publishing its schedule on its website and consistently using the Transparency Register to check that speakers or interlocutors in events or meetings organised by the Ombudsman are registered therein; strongly encourages the Ombudsman to continue this effort and to link the host of the events and the participants of the meetings published on its website to their entries in the Transparency Register;

42. Suggests a survey is conducted in order to assess the awareness of members of staff of the ethical framework of the Ombudsman, as the Court recommends to the audited institutions in its 'Special Report No 13/2019: The ethical frameworks of the audited EU institutions: scope for improvement';

43. Welcomes the Conference organised on the future of Regulation (EC) No 1049/2001 of the European Parliament and of the Council [1] on public access to documents of Union institutions, where the Ombudsman emphasised the importance of the law for enabling the public to hold the Union to account, and called for its modernisation; shares her view that it should be more aligned with citizens' rights, encourage more transparency and take into account existing case law on transparency in decision-making; in this regard, notes that transparency issues account for around one quarter of Ombudsman inquiries each year;

Digitalisation, cybersecurity, data protection

44. Welcomes that the Ombudsman automatically publishes inquiries on its website unless a complainant specifically requests confidentiality or a case contains personal data;

45. Notes the main IT activities in 2020 were aimed at facilitating the business continuity of the Ombudsman in the context of the COVID-19 pandemic, including a smooth and effective transition to remote work for all members of staff and new solutions for online meetings and conferences; observes the resulting notable increase in expenditure on mobile equipment from EUR 31 000 in 2019 to EUR 108 000 in 2020;

46. Welcomes the progress made in the use of IT tools as requested by Parliament, having specific regard to the automatic import of information from the Ombudsman's website to its Complaint Management System (CMSEO), and to the development in interaction with the complainant through the online account throughout the lifecycle of the complaint; acknowledges that both actions will result in significant improvement in terms of data security and efficiency;

47. Welcomes the fact that all the actions included in the 2018 Action Plan for the EU DPR have now been implemented, including (i) a central Register of Records of processing operations was developed and published on the Ombudsman's website; (ii) a template for Data Protection Impact Assessments ('DPIAs') was developed; (iii) the Ombudsman adopted a Decision on internal rules to restrict certain data subject rights in the processing of personal data, which was published in the *Official Journal of the European Union*;

[1] Regulation (EC) No 1049/2001 of the European Parliament and of the Council of 30 May 2001 regarding public access to European Parliament, Council and Commission documents (OJ L 145, 31.5.2001, p. 43).

48. Notes that the European Data Protector Supervisor (EDPS) conducted an investigation on the processing of personal data by the Ombudsman in 2019 and subsequently sent its recommendations to the Ombudsman in November 2020; is aware that the Ombudsman has accepted all recommendations in their entirety and that the EDPS has closed the case; asks the Ombudsman to inform the budgetary authority about the finalisation of the process in its annual report; is also aware that the EDPS asked the Ombudsman and other Union institutions to provide information concerning transfers of data to third countries and international organisations and asks the Ombudsman to follow the EDPS recommendations in this regard;

49. Welcomes that the Ombudsman uses and promotes the use of free and open source software whenever possible for external and internal communication; appreciates that the Ombudsman recognises the added value of open source software to increase transparency and gives it priority when developing new IT projects;

Buildings and security

50. Is aware of the challenges faced by the Ombudsman concerning the relocation of the Brussels office during the COVID-19 pandemic; notes the market prospection and the ensuing tender procedure that allowed Parliament to identify a suitable building to relocate the Ombudsman's premises in Brussels, due to the expansion of the EDPS;

51. Takes note of the decision to finance part of the Ombudsman's relocation project, as well as to cover the cost of new furniture, using the savings resulting from the COVID-19 pandemic and those generated by the review of the Ombudsman's organisational chart and recruitment policy; notes the budget transfer request to the budgetary authority submitted in September 2020;

52. Highlights that in the new workspaces, priority has been given to flexible collaborative meeting facilities and therefore there are very few individual offices; is aware that the staff representatives have been consulted on the workspace arrangements; calls on the Ombudsman to assess the adequacy of the new premises in terms of both carrying out confidential work and the satisfaction of members of staff following an appropriate testing period;

53. Notes that the Ombudsman's new premises will have no car parking facilities on site but that steps are being considered to supply parking facilities for bicycles; welcomes the facilitation of sustainable mobility options for members of staff;

Environment and sustainability

54. Encourages the Ombudsman to continue its efforts to reduce its environmental footprint by boosting digitalisation, reducing the use of paper and, where possible and appropriate, using video conference systems instead of missions;

55. Notes the reduction in the use of paper in recent years, illustrated by the fact that the order for paper in 2020 represented 55 % of the 2017 requirements; notes furthermore that the Ombudsman's publications are now mostly distributed electronically; recommends putting in place a concrete 'Zero paper' strategy;

56. Calls on the Ombudsman to integrate in its management decisions adequate considerations for a sustainable development strategy and to include this strategy in the carrying out of its inquiries;

Communication and multilingualism

57. Welcomes the use of online news articles to explain topical inquiries and the section on the Ombudsman's website dedicated to public access to documents;

58. Underlines the importance of making Union citizens aware of the possibility of appealing to the Ombudsman in the event of possible maladministration by Union institutions; takes note in that regard of the ongoing efforts of the Ombudsman to increase its visibility by combining standard communication tools with a more extensive use of social media platforms;

59. Takes note of the Ombudsman's interest in joining some Union institutions in a public pilot on alternative social media platforms aiming to mitigate the privacy risks associated with mainstream social media channels;

60. Takes note of the conference organised to celebrate 25 years of the Ombudsman and the related activities to enhance the knowledge and awareness of its role and potential impact on the life of Union citizens;

61. Considers the internal communication, the newsletter '*EOExpress*' accessible via the Ombudsman's intranet to be positive, having particular regard to the need to increase the dissemination of information to members of staff during the COVID-19 confinement period;

Interinstitutional cooperation

62. Underlines the importance for the Ombudsman of maintaining a high level of exchange and cooperation with the European Network of Ombudsmen (ENO); encourages the Ombudsman to maintain an advisory role for complainants and for members of the ENO, also by using the tools for remote distance cooperation successfully deployed in 2020; suggests exploring new ways to develop networking activities in different domains, sharing best practices and developing common solutions;

63. Highlights the several interinstitutional agreements signed in 2020 with the Commission's services (Directorate-General for Budget, Directorate-General for Human Resources, Paymaster Office and the Secretariat-General) in order to have access to the relevant corporate tools (ABAC, Hermes, ARES, Sysper) and the negotiation with Parliament regarding an administrative arrangement on crisis management and business continuity (also as a follow-up to its Internal Auditor's recommendation); welcomes the use of interinstitutional IT framework contracts; asks the Ombudsman to keep developing synergies and resources with other Union institutions and bodies;

64. Is aware of the Ombudsman's commitment to report on how the institutions comply with her recommendations, notably by way of its annual 'Putting it Right' report; welcomes the readiness of the Ombudsman to proactively share its cases with Parliament's committees; considers it useful and thus, calls on the Ombudsman to keep sharing her recommendations in strategic investigations directly with Parliament's relevant committees;

COVID-19 pandemic

65. Notes that 170, out of the overall 2 148 new complaints dealt with in 2020, were COVID-19 related, but only 34 fell within the Ombudsman's mandate; welcomes the Ombudsman's recommendations to the Commission and the Council regarding how to maintain high transparency and accountability standards for decisions during the COVID-19 pandemic; congratulates the Ombudsman on the series of inquiries and initiatives carried out regarding the COVID-19 response in the Union institutions and agencies in 2020, which assisted the Union administration to keep the highest standards of good administration even during challenging times and thus, contributed positively to the citizens' trust in the Union;

66. Notes with satisfaction that the Ombudsman has increased the efficiency of the handling of inquiries by making the most of digitalisation actions and new working methods, particularly teleworking, fostered by the COVID-19 pandemic; acknowledges, nevertheless, that some aspects of its work will still require missions, namely understanding the context of the enquiry and facilitating collective thinking; encourages the Ombudsman to carry out a comprehensive reflection on digitalisation with respect to the future of the institution;

67. Encourages the Ombudsman to fully integrate in its internal management strategy the lessons drawn from the COVID-19 pandemic in terms of business continuity and crisis management plans, IT responsiveness and resilience of the organisation, duty of care towards its staff, effectiveness of internal communication, and flexibility of working processes.

DECISION (EU) 2022/1709 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section IX – European Data Protection Supervisor

THE EUROPEAN PARLIAMENT,

— having regard to the general budget of the European Union for the financial year 2020 ([1]),

— having regard to the consolidated annual accounts of the European Union for the financial year 2020 (COM(2020) 381 – C9-0266/2021) ([2]),

— having regard to the European Data Protection Supervisor's annual report to the discharge authority on internal audits carried out in 2020,

— having regard to the Court of Auditors' annual report on the implementation of the budget concerning the financial year 2020, together with the institutions' replies ([3]),

— having regard to the statement of assurance ([4]) 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 2020, 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) 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 966/2012 ([5]), 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 opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0086/2022),

1. Grants the European Data Protection Supervisor discharge in respect of the implementation of the budget of the European Data Protection Supervisor for the financial year 2020;

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 Data Protection Supervisor, the European Council, the Council, the Commission, the Court of Justice of the European Union, the Court of Auditors, the European Ombudsman and the European External Action Service, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ L 57, 27.2.2020.
([2]) OJ C 436, 28.10.2021, p. 1.
([3]) OJ C 430, 25.10.2021, p. 7.
([4]) OJ C 436, 28.10.2021, p. 207.
([5]) OJ L 193, 30.7.2018, p. 1.

RESOLUTION (EU) 2022/1710 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

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 2020, Section IX – European Data Protection Supervisor

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 2020, Section IX – European Data Protection Supervisor,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0086/2022),

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;

B. whereas data protection is a fundamental right, protected by European law and enshrined in Article 8 of the Charter of Fundamental Rights of the European Union;

C. whereas Article 16 of the Treaty on the Functioning of the European Union provides that compliance with the rules relating to the protection of individuals, with regard to the processing of personal data concerning them, shall be subject to control by an independent authority;

D. whereas Regulation (EU) 2018/1725 of the European Parliament and of the Council ([1]) provides for the establishment of an independent authority, the European Data Protection Supervisor (the 'Supervisor'), responsible for protecting and guaranteeing the right to data protection and privacy, and tasked with ensuring that the institutions and bodies, offices and agencies of the Union embrace a strong data protection culture;

E. whereas the Supervisor carries out its functions in close cooperation with fellow Data Protection Authorities (DPAs) as part of the European Data Protection Board (EDPB), and it serves the public interest while being guided by principles of impartiality, integrity, transparency and pragmatism;

F. whereas the Supervisor shall delegate the powers of the Authorising Officer to the Director in accordance with the charter of tasks and responsibilities concerning the budget and administration of the Supervisor provided in accordance with Article 72(2) of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([2]), while the function of the Accounting Officer of the Supervisor shall be performed by the Accounting Officer of the Commission in accordance with the Decision of the European Data Protection Supervisor of 1 March 2017;

G. whereas the COVID-19 pandemic made it necessary for the Supervisor to review and adapt its internal functioning and work methods in order to continue to fulfil its mission;

1. Notes with satisfaction that the Court of Auditors (the 'Court') identified no significant weaknesses in respect of the audited topics related to human resources and procurement for the European Data Protection Supervisor (the 'Supervisor');

([1]) Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39).

([2]) 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 966/2012 (OJ L 193, 30.7.2018, p. 1).

2. Emphasises the fact that on the basis of its audit work, the Court concluded that the payments as a whole for administrative expenditure of the institutions, including that of the Supervisor, were free from material error for the financial year 2020; welcomes the fact that no specific issue was detected by the Court on the regularity of the transactions;

3. Is aware that Chapter 9 'Administration' of the Annual Report of the Court is focused on expenditure on human resources, buildings, equipment, energy, communication and information technology and that the Court indicates that this spending is low-risk;

Budgetary and financial management

4. Notes that in 2020, the Supervisor was allocated a budget of EUR 19 476 998, representing an increase of 16,3 % compared to the 2019 budget of EUR 16 638 572; understands that the overall increase was mainly due to the impact of the new tasks set out in Regulation (EU) 2018/1725 (also referred to as the 'GDPR for EUIs') and the new supervisory responsibilities in connection with enforcement and judicial cooperation agencies, such as, amongst others, the EPPO and Eurojust; observes that other elements that contributed to the increase were the consolidation of the European Data Protection Board (EDPB) Secretariat operated by the Supervisor, the Supervisor's 2020-2024 strategy, which is linked to the new mandate, and the temporary allowances foreseen for the end of the mandate of the previous Supervisor;

5. Notes that the COVID-19 pandemic has had a negative impact on budget implementation (73 % in 2020, compared to 91,97 % in 2019); observes that, in particular, this impact is visible on the mission and training budgets (execution of less than 17 %) and on the organisation of meetings, including experts' reimbursement and catering (execution of less than 15 %); notes that the resulting savings amount to EUR 2 183 000, which represents 11 % of the overall budget consumption;

6. Notes that, in addition, the COVID-19 pandemic had an indirect impact on other parts of the budget that cannot be quantified precisely, such as the salary budget lines, which was negatively impacted due to delays in recruitment planned for 2020, and the building budget line, which was impacted by delays in the full occupation of the building, which is still shared with the European Ombudsman;

7. Observes that, as a consequence of the Supervisor's staff increase in 2019, the budget lines dedicated to the salary of officials and members of staff on contracts increased by 22 %; understands that, because of the large share of the overall budget dedicated to costs related to human resources, the delay in recruitment procedures (also a consequence of the COVID-19 pandemic) had a negative impact on the execution of the budget as a whole;

8. Notes that the Supervisor's investment in its digital transformation at least partially compensated the low budget execution rate as the IT-related budget lines for the Supervisor and the EDPB exceeded the initial allocation (109 %); observes that budget appropriations have been transferred from missions, travels, translation and interpretation to the finance other staff costs and IT equipment and services;

9. Notes that, out of 36 procurement procedures launched by the Supervisor in 2020, only 1 was an open procedure and the rest were negotiated procedures, including 5 procedures without prior publication of contract notice; acknowledges the procurement challenges faced by the Supervisor and that due to the small size of the institution, the Supervisor participates in joint procurement procedures, as they are more efficient from financial perspective, while at the same time has to apply the strictest data protection standards on the object of such procedures, which has probably also contributed to the low implementation of the budget in 2020;

10. Welcomes the ongoing efforts of the Supervisor in becoming a paperless institution, including the continuation of paperless interviews in 2020, the intention to automate appraisal, probation and evaluation reports via the implementation of new modules in the human resources interface in 2021, and the implementation of paperless finance systems in 2020 with respect to the processing of payments, budget management and procurement;

Internal management, performance, internal control

11. Expresses its condolences at the passing of the Supervisor, Giovanni Buttarelli, in August 2019; takes note that Wojciech Wiewiorowski took office in December 2019 for a term of 5 years; agrees that the fact that Mr Wiewiorowski had been working as the Assistant Supervisor, and thus possesses a good knowledge of the institution, contributed to mitigating the challenge of the transition;

12. Welcomes the adoption of the new management tool 'Bluebell', developed by the ERCEA (European Research Council Executive Agency), which allows for better forecasting and monitoring of the actual execution of budget lines based on data uploaded by operational units, with the benefit of significantly reducing manual interventions and making data more reliable;

13. Welcomes that in 2020 the working processes were adjusted as a result of the COVID-19 pandemic, and all paper signatures and procedures were digitalised, resulting in more efficient and rapid administrative processes; understands that the Supervisor was obliged to postpone the on-site audits as the management of sensitive data prevented them from being carried out remotely;

14. Notes that physical meetings were replaced by online meetings, which are less costly and less time-consuming; observes that the replacement of physical meetings had a greater impact on EDPB meetings, which used to take place every month or every second month, with great travel and interpretation costs, and were replaced with virtual meetings every second week;

15. Welcomes that, in June 2020, the Supervisor issued its 2020-2024 Strategy 'Shaping a safer digital future: a new strategy for a new decade' focused on the three pillars of foresight, action and solidarity, in order to address digital challenges for a safer, fairer and more sustainable future; observes that the Supervisor has designed eight clear Key Performance Indicators (KPIs) to monitor the implementation of the strategy; remarks that in 5 out of 8 KPIs the targets were either met or surpassed in 2020, in particular the number of cases dealt with at international level (42 cases compared to a target of 10) and the number of opinions or comments issued in response to consultations (5 opinions and 12 formal comments compared to a target of 10 cases); highlights that the KPIs mentioned illustrate the crucial role of the Supervisor in the Union response to the COVID-19 pandemic in respect of guaranteeing fundamental rights to data protection and privacy;

16. Notes that to carry out the *ex-ante* controls of its transactions, for both operational and financial aspects, the Supervisor has integrated the updated checklists into the new electronic workflow system 'Speedwell', which is connected with the accounting system and facilitates the basic controls applied to payments and commitments;

17. Notes that, due to an internal re-organisation at the end of 2019, the previous *ex post* verifier was deployed within the finance team and thus, in order to avoid the risk of self-review, could not carry out the *ex post* control; understands the challenge for a small institution to find a replacement with a thorough understanding of the financial legal and regulatory framework, despite having launched a call for expressions of interest; urges the Supervisor to explore and implement the most suitable alternative out of those already identified in its annual report;

18. Notes that the Internal Audit Service (IAS) of the Commission carried out an audit of the Supervisor's activities when supervising Europol, with the aim of assessing adequacy and effectiveness of the internal control system for the supervisory activities related to Europol; welcomes that the auditors recognised the ongoing efforts made by the Supervisor to improve the governance arrangements and internal control systems for the supervision of Europol; is aware that the final audit report was issued in September, that shortly after the Supervisor submitted an action plan to the IAS covering all the recommendations considered adequate by the IAS in order to mitigate the risks identified; points out that such risks were mainly related to weaknesses in the follow-up of the Supervisor's recommendations and stemmed from the handling of sensitive non-classified and classified information via IT systems;

Human resources, staff well-being and gender equality

19. Notes that in 2020 the Supervisor had a total of 113 members of staff, compared to 96 in 2019; highlights that twenty new positions were granted by the budgetary authorities in 2020 to cover the additional responsibilities set out in Regulation (EU) 2018/1725, new supervisory tasks in connection with enforcement and judicial cooperation agencies, and new responsibilities following the consolidation of the EDPB for which the Supervisor provides an independent Secretariat;

20. Notes the very low occupation rate (86,90 %) of the establishment plan; understands that the Supervisor used the reserve list of 33 data protection experts resulting from the 2018 competition and also hired contract staff to fill specific needs or posts that were vacant on a temporary basis due to long absences; notes the challenges faced by the Union institutions in attracting experts in specific domains, due, inter alia, to limited competitiveness and attractiveness of salaries; stresses in particular the challenge for the Supervisor in recruiting highly specialised data protection staff through EPSO and understands the need to organise specialised competitions to build on the knowledge and experience acquired by contract staff; encourages the Supervisor to continue with good practices in recruitment procedures validated by other institutions, in particular remote interviews and online tests;

21. Notes the favourable change in the geographical distribution of the staff as a whole, considering the size of the institution, with 20 Member States represented in 2020; welcomes the introduction of 3 nationalities compared to 2019, and notes a reduction in the disproportionate share of posts occupied by Belgian nationals (from 27 % to 23 %); notes that there is no change in the geographical distribution of the middle and senior management posts; understands that the need for specialised profiles to fulfil the Supervisor mandate can limit selection boards when considering the geographical aspect and encourages the Supervisor to consider further steps to provide a more balanced representation;

22. Calls on the Supervisor to continue paying attention to issues related to gender balance, equal opportunities and geographical distribution, in particular during selection procedures; suggests that the Supervisor consider mandatory training on unconscious gender bias and equal opportunity policy implementation for managers and members of selection boards;

23. Notes that in both 2019 and 2020 the gender balance among the overall staff remained constant, with approximately 58 % being made up of women and 42 % being made up of men; observes that, at middle management level, the figures remain the same as 2019 with 75 % women and 25 % men; notes that, as was the case in 2019, both senior management posts are occupied by men; welcomes that the 2020-2024 strategy includes a commitment to mainstream gender perspective, in support of the Equal Opportunity ('EO') Strategy endorsed in 2017;

24. Notes that the Supervisor offers several working arrangements and that all staff benefit from flexitime, excluding recipients of management allowance; observes that prior to the COVID-19 pandemic, women made up the majority of users of flexible working arrangements, namely teleworking (61,6 % in 2019 and 67,5 % in 2020), part-time working regime (89 % in 2019 and 87,5 % in 2020), parental leave (87 % in 2019 and 90 % in 2020) and time credits (100 % both in 2019 and 2020); stresses the disproportionate gender imbalance across the users and thus, asks the Supervisor to engage in more intense communication on the viability and benefits of these arrangements, i. e. mandatory information sessions for newcomers, and to ensure that making use of the available working arrangements will not penalise in any way the career progress of the employees;

25. Notes that, as a result of the COVID-19 pandemic, the Supervisor adopted, on 12 March 2020, teleworking as the general regime and on 19 March 2020 its decision to extend the teleworking regime until 13 April 2020; underlines that, teleworking has been used intensively as a flexibility tool to guarantee business continuity and to facilitate members of staff in handling the difficult conditions imposed by the COVID-19 pandemic and notes that, accordingly, no posts were excluded; observes that the Supervisor issued in 2020 a 'Guidance on Telework'; is aware that, as per Autumn 2020, the teleworking regime is only partial and that access to the institution's premises has been gradually increased in line with the sanitary situation;

26. Remarks that a 'Director Decision of teleworking from abroad' allowed teleworking from abroad during the period from 15 June to 15 September 2020, provided that days of teleworking were combined with an equal amount of annual leave; believes that such an exceptional measure was fully justified by the need to better accommodate the private and personal lives of members of staff during the lockdown period;

27. Notes that IT equipment for teleworking was provided to all members of staff under the terms and conditions of the Service Level Agreement (SLA) in force with Parliament at no additional cost; observes that members of staff were given the possibility of reimbursement for a bigger screen and an ergonomic chair (up to EUR 150 and EUR 200 respectively) from the Joint Sickness Insurance Scheme (JSIS);

28. Welcomes that the Supervisor adopted guidelines in March 2020 to recognise, prevent and manage burnout and that training focused on managing stress and building resilience with a particular focus on prevention of burnout on the agenda for 2021; encourages the management team to address immediately any symptoms of possible burnout and to analyse the causes;

29. Notes that no case of harassment was reported in 2020, and appreciates that the Supervisor signed, in December 2020, a revision of its anti-harassment decision in order to clarify the rights and obligations of each party; welcomes that the role of the confidential counsellor was further developed and an appointment procedure was established; regrets that no training courses on harassment or whistleblowing were organised in 2020 and calls on the Supervisor to make full use of the digital channels to deliver and update such training periodically for all members of staff (apart from newcomers); appreciates that the Supervisor started to offer a mandatory presentation on harassment to newcomers in 2021 during the welcome days;

30. Welcomes the establishment of the well-being coordinator, who will be the contact point for all staff questions in this area and will collaborate with other key actors to ensure that well-being oriented activities are organised and;

31. Notes that 16 trainees were recruited in total in 2020 over two sessions, March and July 2020; welcomes the fact that all of the trainees were paid by the Supervisor, although with the intermediation of DG EAC of the Commission; observes that all the trainees received a laptop and token to telework; welcomes the fact that the Supervisor allowed its trainees to work from abroad upon request;

Ethical framework and transparency

32. Notes that the Supervisor's Ethics Framework was updated in 2019, requiring all newcomers to follow a mandatory presentation on ethics during their induction training and, furthermore, that a survey on staff awareness is envisaged for 2021; welcomes the appointment of the new Ethics Officer in May 2021, currently tasked with updating training and organising presentations of the ethics framework to staff and setting up a survey about staff awareness; welcomes that the Supervisor has a dedicated space on the intranet informing members of staff about its Ethics Framework and raising awareness about it, including all relevant documents and procedures;

33. Recalls that the code of conduct for members of staff was reviewed in December 2019 in order to adapt it to the changes in the institution and to the new legal framework, in particular to incorporate Regulation (EU) 2018/1725, as well as to include members of staff of the EDPB Secretariat; notes that the specific code of conduct for the Supervisors was also revised and adopted in December 2019 aiming to integrate ethical insights into their daily work; notes that, following Parliament's call, the Supervisor has decided to start the drafting of a code of conduct for senior management posts;

34. Observes that the Supervisor does not currently use the interinstitutional Transparency Register but publishes the agenda and interventions of the Supervisor on its website, including meetings with interest representatives, to ensure accountability towards citizens; encourages the Supervisor to explore ways to link its own register to the Transparency Register;

Digitalisation, cybersecurity, data protection

35. Notes with appreciation that the Supervisor places importance on analysing the possibilities, risks and challenges that innovative technologies and other initiatives may have on data protection and individuals' personal data with a view to shaping a safer digital future for the Union, as embedded in the Supervisor Strategy 2020-2024;

36. Acknowledges the role of the Supervisor in the global debate on digital ethics in particular having regard to the development of Artificial Intelligence and Facial Recognition Technology; highlights that the Supervisor co-chairs the Working Group on Ethics and Data Protection in Artificial Intelligence of the Global Privacy Assembly, the international meeting of the data protection and privacy authorities on a global level, on the issue of artificial intelligence and digital ethics;

37. Is aware that the main IT infrastructure, back-office tools and services used by the Supervisor are provided by the Commission or Parliament in accordance with the SLA on the use of IT services; welcomes the initiative to start building up the Supervisor's IT capability by hiring an IT Support Agent to provide, among other tasks, general IT support, act as a contact and liaison point for all IT applications in use at the institution, assess the current and future needs in the area of IT and propose and implement solutions; Welcomes that in 2020 the Supervisor decided to launch the 'IT Gap Analysis' to analyse the need to support its tasks in terms of IT support, map the existing tools and systems, and then identify possible gaps;

38. Remarks that in December 2020, the Supervisor signed an SLA with CERT-EU (the Computer Emergency Response Team for the Union Institutions) for the provision of a large range of cybersecurity services (awareness training activities, cybersecurity exercises, notification of cyber threats and vulnerabilities that potentially affect the Supervisor, and ad-hoc support in the handling of cybersecurity incidents); notes that, as a follow-up to the completion of an Internal Audit, the Supervisor planned the implementation of the recommendations related to cybersecurity, such as integrating cybersecurity risks in a new and improved Risk Management Framework and a new process to regularly assess the cybersecurity level of its Service Providers;

39. Notes that, during 2020, the Supervisor continued the transition process towards the data protection framework set out in Regulation (EU) 2018/1725 in parallel with ensuring its business continuity during the COVID-19 pandemic; welcomes that the Supervisor appointed a full-time Data Protection Officer in September 2020 to strengthen its capacity to scrutinise personal data processing activities and to implement safeguards and mitigate risks to rights and freedoms of data subjects;

40. Asks the EDPS to map the current usage of open-source technology in the Union institutions and assess the added value of prioritising the development of open-source tools in terms of data protection and privacy;

Buildings and security

41. Recalls that the Supervisor's staff increase called for an agreement with Parliament in order to acquire additional office space and to occupy the whole building which was shared, at the time, with the European Ombudsman; recalls that the budget lines dedicated to buildings, furniture and equipment were therefore increased to cover the extra costs related to extra rent and charges; notes that the delay in the foreseen expansion led to a low implementation of such budget lines;

42. Encourages the Supervisor to take into consideration within its building strategy the needs of people with reduced mobility or other disabilities, adopting a broader definition of reasonable accommodation, envisaging effective solutions to facilitate access of people with disabilities to IT tools and platforms, to align to the Union institutions' approach in terms of medical care and coverage;

Environment and sustainability

43. Welcomes the many actions adopted by the Supervisor to reduce its environmental footprint; notes that, in 2020, the Supervisor continued its path towards becoming a paperless institution, by insistently endorsing the full electronic management of invoices and payments and the electronic signature of documents;

44. Welcomes that the Supervisor incentivises the use of public transport, through the reimbursement of 50 % of public transport fees, and the use of bicycles, by providing an adequate number of bike racks in its garage facilities;

45. Encourages the Supervisor to undertake tangible actions towards sustainable development, and to adhere to the Union Eco-Management and Audit Scheme (EMAS) developed by the Commission to enable organisations to evaluate, report, and improve their environmental performance;

46. Encourages the Supervisor to access the interinstitutional Green Public Procurement (GPP) Helpdesk managed by Parliament since 2017, which focuses on sustainable development, environmental issues and social aspects of public procurement;

Communication and multilingualism

47. Notes the publication of the Supervisor Strategy 2020-2024, together with a new corporate brochure and video; observes that the Supervisor has also developed a consistent and targeted communication strategy with various stakeholders to address the newest developments of the COVID-19 pandemic and data protection issues arising therefrom;

48. Welcomes the interest of the Supervisor in social media and other platforms to ensure greater dissemination of information; underlines in particular the public pilot projects Mastodon (alternative to Twitter/Instagram) and PeerTube (alternative to YouTube) and understands that the aim is to find a consensus for a common Union platform with other Union institutions while exploring other opportunities, such as the Union hosting of the open source social media; believes providing information to citizens on non-proprietary platforms contributes to maintaining independence and transparency of public institutions;

49. Encourages the Supervisor to undertake communication initiatives aiming to increase its role and the understanding of its mission among a wider public; notes that on 21 January 2020, the Privacy Camp hosted the EDPS Civil Society Summit to discuss the state of data protection and privacy in the Union with civil society organisations; observes that the Supervisor hosted an online workshop in October 2020 on the theme 'Data Protection in International Organisations in Times of Crisis';

50. Remarks that the total costs related to translation in 2020 amounted to EUR 1 250 827,45, out of which EUR 342 255,65 related to the Supervisor and EUR 908 571,80 related to the EDPB; invites the Supervisor to further explore the use of neural translation through specific engines as well as other options together with the Commission, the Translation Centre and the World Intellectual Property Organisation (WIPO);

Interinstitutional cooperation

51. Notes with appreciation that also in 2020, and despite the COVID-19 pandemic, the Supervisor was able to deliver several training sessions to many Union institutions giving guidance on how to protect individuals' personal data;

52. Appreciates that the Supervisor produced a guidance on Data Protection Impact Assessment (DPIA); highlights that the Supervisor has monitored how Union institutions have been using DPIA since the entry into force of Regulation (EU) 2018/1725 through a survey in February 2020, and a report was published as a follow-up in July 2020;

53. Agrees that because data flows across borders, there is a need to consider data protection in a global context; believes that the Supervisor's active participation in a number of international fora is instrumental to the shaping and sharing of good practices, setting and developing guidance, and creating consistent and cohesive procedures based on common understanding of data protection rules; notes that the Supervisor is an active member of the Global Privacy Assembly (GPA) (previously known as the International Conference of Data Protection and Privacy Commissioners, ICDPPC);

54. Calls on the Supervisor to ensure that the network of the Data Protector Officers (DPOs) remains active and dynamic, meeting twice a year, in such a way to guarantee consistency and alignment in dealing with data protection matters across Union institutions;

55. Is aware that the Supervisor is a full member of the EDPB, the independent body established under the General Data Protection Regulation (GDPR) that promotes cooperation between national Data Protection Authorities (DPAs) to ensure the consistent application of data protection rules across the Union; understands that a Memorandum of Understanding determines the terms of cooperation between the EDPB and the Supervisor, with the latter being both member and provider of an independent Secretariat which offers administrative and logistic support, performs analytical work and contributes to the EDPB's tasks;

56. Remarks in particular that the EDPB Secretariat's legal team drafted over 60 % of the guidelines, opinions, recommendations and statements adopted by EDPB in 2020, as follows: 13 guidelines, 2 recommendations, 32 opinions, its first dispute resolution binding decision, and legal advices; underlines that that the Supervisor attended all 27 EDPB plenary meetings which took place in 2020; points out that much of the work carried out by the EDPB takes place within expert subgroups, each relating to a specific area connected to data protection, and that the Supervisor participates in all EDPB expert subgroups and acts in many files as co-rapporteur or lead rapporteur;

57. Observes that the Supervisor, together with the EDPB Secretariat and other EDPB members, adopted on 15 December 2020 the terms of reference of the SPE, a Support Pool of Experts established with the aim of assisting the carrying out of investigations and enforcement activities of significant common interest and enhancing cooperation and solidarity between all EDPB members;

58. Welcomes that the Supervisor also issued several Opinions in 2020 as part of its duty to advise the Commission, Parliament and the Council on legislation and policy initiatives which have an impact on personal data protection;

59. Notes that the withdrawal of the United Kingdom from the Union affected transfers of personal data from organisations subject to the GDPR to organisations in the UK and thus, welcomes the guidance provided by the Supervisor to stakeholders, which takes into account the legal effects of such transfers on Union data protection; notes in particular that the Supervisor expressed a number of concerns in its Opinion 14/2021, which were taken into account by the Commission in the UK GDPR and LED adequacy decisions;

60. Appreciates the cooperation between the Supervisor and the European Public Prosecutor Office (EPPO) aimed at integrating the data protection rules into the EPPO procedures and IT systems, which is extremely challenging in light of the multi-layered EPPO structure and the interplay between the EPPO Regulation and the national provisions that requires coordination with the national DPAs;

61. Notes furthermore that at the end of 2019, a new supervisory framework for the processing of personal data at Eurojust came into force, under which the EDPS is responsible for monitoring Eurojust's compliance with the applicable Union rules on data protection; welcomes in that regard the close cooperation between the EDPS and Eurojust throughout the year 2020;

62. Notes that, in 2020, the Supervisor has concluded or amended both interinstitutional service level agreements and administrative agreements with PMO, DG HR, DG EAC, DG BUDG and DG CERT-EU of the Commission, as well as a new administrative agreement with three directorate generals of Parliament (DG INLO, DG SAFE and DG PERS) concerning buildings, logistics and security services;

63. Underlines the relevance of the Court of Justice judgement in the Case C-311/18 (known as the 'Schrems II' ruling) invalidating the EU-US personal data mechanism 'Privacy Shield'; acknowledges the role of the Supervisor in monitoring the compliance of the transfers carried out in the context of contractual relationships with organisations based in the US;

64. Expresses its concern at the result of the Supervisor inquiry into Europol's processing of large dataset collected by national law enforcement authorities in the context of criminal investigations; understands that the procedures the Europol had in force did not provide adequate reassurance regarding compliance with the Europol Regulation in terms of categories of data subjects targeted by its processing, which represents the grounds on which important criminal intelligence is produced; calls on the Supervisor to support Europol in setting and implementing an action plan in order to address the pitfall detected, without weakening Europol contributions to the anti-fraud infrastructure of which it is a relevant component;

65. Stresses that, on 2 July 2020, the Supervisor issued a Public Paper detailing the findings and recommendations of the Supervisor investigation into the use of Microsoft products and services by Union institutions; points out that these findings endorse public administrations' efforts to keep control over how and why personal data is processed and ensure an adequate level of data protection when contracting ICT services, as outlined in the Supervisor's strategic objective on 'digital sovereignty';

COVID-19 pandemic

66. Underlines the crucial role of the Supervisor in protecting personal data and privacy, two fundamental rights in the Union, in the context of the COVID-19 pandemic, particularly the relevance and influence of its assessment of compliance with data protection of the numerous contact tracing and warning apps widespread during the pandemic; acknowledges the subsequent additional workload that has faced the Supervisor in addition to its regular tasks and appreciates that the Supervisor not only ensured business continuity but also increased its productivity thanks to, inter alia, the digitalisation of workflows; welcomes that the Supervisor established a special COVID-19 Task Force, created to deal with all these requests, the supervision and advice as regards those measures put in place to fight the pandemic (contact-tracing apps, temperature checks, vaccination); points out that, in March 2020, in response to the Commission's consultation on the use of telecommunications data for the monitoring of the spread of the COVID-19 pandemic, the Supervisor suggested to focus on the minimisation of the collection and retention of personal data, data anonymisation, data security and data access, adequacy of data retention periods, and a decentralised approach to data storage and processing;

67. Stresses that the EDPB has highlighted the fundamental importance of ensuring that every measure taken in the extraordinary pandemic-related circumstances is necessary, limited in time, of minimal extent and subject to periodic and genuine review as well as to scientific evaluation; calls on the Supervisor to continuously assess the situation, in order to address or mitigate the privacy risks associated with the development and use of the contact tracing apps;

68. Notes that at the start of 2020 the Supervisor relied on the Business Continuity Plan (BCP) of which some provisions were used and adjusted in the initial phase of the COVID-19 pandemic; remarks that on 10 March 2020 the contingency plan for the administrative preparedness for the pandemic was adopted, and more specific measures were taken to tackle the upcoming pandemic;

69. Notes that the Supervisor was the first Union institution to adopt teleworking as general regime for all members staff as per 12 March 2020 via the adaptation of its BCP and highlights that the institution has not had any cases of COVID-19 infection in the workplace; welcomes that the emergency measures adopted, in particular the generalisation of teleworking (i.e. no threshold within the units nor differentiation between structural and occasional), will be the object of discussion with the Staff Committee and incorporated into the new teleworking decision that is being negotiated and that will modify the Decision taken on this subject on 19 March 2019;

70. Encourages the Supervisor to fully integrate in the internal management strategy the lessons learned from the COVID-19 pandemic, in terms of business continuity and crisis management approaches, IT responsiveness, resilience of the organisation, duty of care towards its staff, effectiveness of internal communication and flexibility of working processes.

DECISION (EU) 2022/1711 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the general budget of the European Union for the financial year 2020, Section X – European External Action Service

THE EUROPEAN PARLIAMENT,

— having regard to the general budget of the European Union for the financial year 2020 ([1]),

— having regard to the consolidated annual accounts of the European Union for the financial year 2020 (COM(2021) 381 – C9-0259/2021) ([2]),

— having regard to the Commission's annual report to the discharge authority on internal audits carried out in 2020 (COM(2021) 292)),

— having regard to the Court of Auditors' annual report on the implementation of the budget concerning the financial year 2020, together with the institutions' replies ([3]),

— having regard to the statement of assurance ([4]) 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 2020, 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) 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 966/2012 ([5]), and in particular Articles 59, 118 and 260 to 263 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Foreign Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0065/2022),

1. Grants the High Representative of the Union for Foreign Affairs and Security Policy discharge in respect of the implementation of the budget for the financial year 2020;

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 and the Court of Auditors, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ L 57, 27.2.2020.
([2]) OJ C 436, 28.10.2021, p. 1.
([3]) OJ C 430, 25.10.2021, p. 7.
([4]) OJ C 436, 28.10.2021, p. 207.
([5]) OJ L 193, 30.7.2018, p. 1.

RESOLUTION (EU) 2022/1712 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

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 2020, Section X – European External Action Service

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 2020, Section X – European External Action Service,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Foreign Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0065/2022),

A. whereas the European External Action Service (EEAS) is responsible for the management of the administrative expenditure of its Headquarters (HQ) in Brussels and for the network of the 144 Union delegations and offices;

B. whereas the EEAS' responsibility has been extended to cover the administrative management of the Commission staff in the delegations through a series of Service Level Arrangements (SLAs);

C. whereas the role of the delegations is to represent the Union and its citizens around the world by building networks and partnerships, and to promote the values and interests of the Union;

D. whereas the peculiarity of the EEAS remains in its nature and origin, as it was when it was formed by the merging of staff belonging to the former external relation departments of the Council and of the European Commission, into which diplomats from the Member States have been integrated;

E. whereas under the EEAS Internal Rules, the Secretary-General of the EEAS acts as authorising officer by delegation for the institution and the director-general for resource management has the role of principal sub-delegated authorising officer;

F. whereas the implementation of the budget is governed by the Financial Regulation and by the Internal Rules of implementation of the Budget of the EEAS;

1. Notes with satisfaction that the Court of Auditors (the 'Court') identified no significant weaknesses in respect of the audited topics relating to human resources and procurement for the EEAS;

2. 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;

3. Emphasises the fact that on the basis of its audit work, the Court concluded that the payments as a whole for administrative expenditure of the institutions, including of the EEAS for the financial year 2020 were free from material error;

4. Welcomes the fact that no specific issue was detected by the Court on the regularity of the transactions;

5. Is aware that Chapter 9 'Administration' of the Annual Report of the Court is focused on expenditure on human resources, buildings, equipment, energy, communication and information technology and that the Court indicates that such spending is low-risk;

Budgetary and financial management

6. Notes that the budget of the EEAS for 2020 was EUR 731 000 000 (an increase of 5,2 % compared to the 2019 budget of EUR 694 800 000), which was distributed as follows: EUR 276 300 000 for HQ and 454 700 000 for the delegations; observes that, in addition to its own budget, the EEAS also disposed of an amount of EUR 212 400 000 (including assigned revenues and carried over amounts) from the Commission to cover the administrative costs of its staff working in the delegations;

7. Notes that globally during 2020 the EEAS committed EUR 934 400 000 (90 % of the available budget of the year) and the total execution in payments was EUR 919 200 000 (79 % of the available payment appropriations);

8. Notes that the approved additional amounts are earmarked for financing the Action Plan against disinformation, the reinforcement of security in delegations and HQ, investments in cyber-security, the replacement of a number of cost-free national experts with officials, an increase to the stipend amount for trainees in Delegations, strengthening the structures of the Common Security and Defence Policy (CSDP), and some reinforcements of the geographical departments in high-priority key areas;

9. Notes that, overall, the EEAS final budget for 2020 has been executed, with 95,0 % in commitments and 82,3 % in payments, down from 99,94 % in commitments and 87,9 % in payments in 2019;

10. Notes that the payments made by the EEAS in HQ and delegations in 2020 show a global figure of 200 913 payments executed (10 851 by the HQ and 190 062 by the delegations), down from the figure of 252 508 payments in 2019; understands that the reduction (– 20 %) is due to the suspension of several activities as a result of the COVID-19 pandemic, in particular travels and representational events; notes that the EEAS' payments in 2020 represented 8,9 % of the Union budget;

11. Notes the need expressed by the EEAS for a more flexible approach with regard to the agents authorised to intervene in the financial workflows of the institutions in delegations, in order to ensure full business continuity and to maximise the efficient use of the human resources available in delegations; is aware that amendments in this sense have been adopted in the revision of the Financial Regulation (in particular the new dispositions in Article 60(2) and (3); observes that a higher level of flexibility is needed, without weakening the requirements of control on the financial circuit; reiterates that any flexibility arrangement, namely the possibility for deputy heads of delegation to act as sub-delegated authorising officers should be closely monitored by HQ;

12. Notes that each delegation receives and implements its own budget intended to cover its administrative operations and the staff of the EEAS and Commission; is aware that the payments can be made at central or local level, respectively under the responsibility of the Directorate-General for Budget of the Commission (DG BUDG) or the delegation;

13. Understands that the number of budget lines used to finance the operations related to Commission staff in the delegations, i.e. 32 different lines originating under various headings of the Commission budget and the Trust Funds, increases the complexity of the EEAS' budget management; welcomes that the EEAS has simplified and regrouped these funds in its own budget as from 2021; points out in this regard the need for the EEAS to continue its efforts and supports the EEAS and the Commission in their ongoing discussions on how to progress further;

14. Welcomes that following the 'Innovative 2019' exercise, aiming to foster simplification and modernisation of working procedures and processes, several actions were launched in 2020, in particular the centralisation of high-value calls for tenders, the treasury functions and the payment of individual entitlements; notes that in 2020 some operations, in particular pre-award matters for all procurement procedures, have been increasingly centralised at HQ level to improve the quality of the procurement procedures and to alleviate the workload of the delegations; notes with satisfaction that the full centralisation is expected during the year 2022; supports the planned workload assessment on delegations in 2022 as an appropriate review mechanism to help prioritise resources and organisational aspects of the delegation network;

15. Notes that the largest savings in the context of the COVID-19 pandemic were made on the budget lines for (i) salaries and allowances in HQ and delegations (due to the fact that all recruitment procedures were slowed down), (ii) missions, meetings and events (due to travel restrictions and confinement), (iii) and many infrastructure-related items; notes that those savings can be estimated at EUR 17 500 000;

16. Notes that part of those savings were reallocated to reinforce IT and telecommunications to cover the significantly increased communication costs (software, hardware and connectivity) and to upgrade the outdated videoconferencing system in the delegation network; highlights that additional expenditure caused by the pandemic included costs resulting from the medical evacuation of colleagues with COVID-19 or vulnerable staff, and the reimbursement of internet costs in certain delegations where the cost of internet connections are excessive; points out that most of the remaining savings were used for investments in infrastructure in delegations;

17. Understands that, during the year 2020 and as a result of the COVID-19 pandemic, the changing intensity in the EEAS' activities were handled by making transfers, in particular from the human resources' and mission budget lines to the budget lines for IT, which have been effective and result-oriented; notes that, in absolute terms, the value of all transfers made within the EEAS administrative budget amounted to EUR 52 700 000;

18. Understands that the current provisions on procurement set down in the Financial Regulation for application by delegations in third countries have proved to be inefficient; agrees with the EEAS' call for a revision of the relevant procurement provisions, either by the integration of a separate chapter for delegations in third countries or by adjusting the value threshold, in both cases aiming to adapt the rules in force to the capacities and the local context of the delegations concerned;

19. Notes that in 2020, the EEAS published 40 high-value procurement procedures (with a value above the Directive setting out thresholds for services and supplies and above EUR 500 000 for works); notes that the Court examined fifteen procurement procedures for personal protective equipment (PPE) supplies organised in 2020 by some institutions, including EEAS; observes that the Court detected some problems in the procedures used by the audited institutions when procuring urgently required protective masks; observes that these institutions had set strict minimum requirements in the tender specifications (including European reference quality standards for medical face masks and delivery dates);

20. Welcomes the agreement to provide almost EUR 80 billion to the Neighbourhood, Development and International Cooperation Instrument (NDICI) and EUR 5 billion to the European Peace Facility (EPF) to provide the Union's external action with adequate resources to respond to emerging priorities and challenges in key policy areas;

21. Notes that the- Delegation of the European Union to Syria was the only delegation to express a reservation (since 2017) on the management of administrative expenditure due to the current security climate; notes with appreciation that the EEAS succeeded in resolving two pending issues in 2020, regarding income tax of local agents and access to the delegation's Syrian bank account;

Internal management, performance, internal control

22. Notes that in 2020 the Internal Audit Service (IAS) of the Commission carried out a limited review on the implementation of the EEAS internal control framework (ICF); observes that the recommendations issued are being implemented in 2021; approves the establishment of the EEAS Internal Control Committee (ICC) and the adoption of a new methodology for the identification and classification of weaknesses in respect of each of the internal control principles;

23. Welcomes that the nomenclature of errors regarding procurement procedures, used for *ex post* controls at the EEAS, has been aligned with the one used by the Court, allowing for a better comparison of the results; appreciates that, following the Court's assessment of the EEAS Annual Activity Report for 2019, the EEAS internal audit strategy was amended to provide more accurate information on the error rates used for the annual statement of assurance, making a clear distinction between the detected errors and the residual errors and thus, providing more accurate information regarding the action taken to correct the errors detected during the *ex post* control exercise;

24. Welcomes the implementation of the Multi-Annual Strategic Audit Plan developed by the IAS; calls on the EEAS to inform the discharge authority about the results and lessons learnt from this strategy;

Human resources, equality and staff well-being

25. Notes that, overall, the EEAS working force in 2020 was made up of 4 643 people (compared to 4 474 in 2019) and that the budgetary authority granted 178 new full-time equivalents in consideration of its additional tasks; notes that at the end of 2020, the workforce of the EEAS was made up of 1 277 officials, 1 091 local agents, 539 contract agents, 472 seconded national experts (SNEs) and 370 temporary agents, along with other support personnel (i.e. external staff, trainees and junior professionals);

26. Notes that, overall, a total of 2 286 staff worked in HQ and 2 357 in delegations, together with 3 757 staff members from the Commission posted in delegations; highlights the high occupation rate of posts, in particular in the delegations (94,3 % for AD posts and 93,7 % for AST-AST/SC posts), and highlights a slightly lower level in HQ (91,2 % for both AD and AST-AST/AC posts);

27. Observes that the transfer of 546 Commission staff in the administrative sections in delegations to the EEAS was implemented at the end of 2020 and will facilitate the management of administrative staff and ensure equal rights and obligations in delegations;

28. Highlights that the Union is confronted with a volatile international environment and an increasing number of crises, which has led to increasing demands on the Union to play an important role at an international level; notes that the enhanced role of the EEAS in dealing with new challenges such as disinformation is to be supported by a corresponding staff increase; supports the EEAS' call on the budgetary authority for sufficient human resources in order to ensure that the Union is effective in delivering as a global actor; underlines, in particular, the urgent need to use flexibly available resources such as a higher number of SNEs from Member States to be in a position to cater to new requests;

29. Notes the efforts of the EEAS to address Parliament's concern regarding the equilibrium between AD-level staff from Member States and Union officials and approves the conversions of SNE posts into administrator posts to further reduce their overall number; welcomes the publication of all vacant SNE posts for transparency and fairness reasons and the invitation to candidates in all Member States to show their interest in any position; welcomes that at the end of 2020 the population of Member State diplomats at AD level amounted to 35,8 %, in line with the Council Decision 2010/427/EU ([1]) providing that members of staff from Member States should represent at least one third of all EEAS staff at AD level;

30. Welcomes that, at the end of 2020, the overall gender representation in the EEAS was close to equal, with women making up 48,65 % of members of staff; notes in particular that women represented 37,3 % of AD staff (compared to 34,8 % in 2019) with some internal disparities, i.e. 49,64 % women in the lower grades (AD 5 to AD 8) but 35 % in the higher grades (AD 9 to AD 13), which represents an improvement compared to 32,9 % at the end of 2019; notes that the share of women in the highest AD grades (AD 14 to AD 16) has increased compared to 2019 but is still low (23 % in 2020 compared to 20,4 % in 2019);

31. Notes that in the AST and AST/SC categories the percentage of women decreased to 65,35 % compared to 66,3 % in 2019; regrets that imbalances remained among the different grades, with women representing 66,2 % of staff in the lower grades (AST 2 to AST 9) but only 33,3 % in the higher grades (AST 10 to AST 11); points out the gender balance reached with regard to contract agents (59,4 %) and local agents (54,5 %), while the majority of seconded national experts were men (75,2 %, mostly due to the limited female presence in the Member States' military);

([1]) Council Decision 2010/427/EU of 26 July 2010 establishing the organisation and functioning of the European External Action Service (OJ L 201, 3.8.2010, p. 30).

32. Welcomes the many actions launched by the EEAS to reach gender balance, as well as to create an open and inclusive working environment, to integrate result-oriented and flexible working conditions incorporating work-life balance; welcomes specific actions such as the active encouragement of female applicants for all managerial positions, mandatory presence of both genders together with training on unconscious bias for members of recruitment panels, enhanced coordination with Member States to encourage more female candidates to apply for posts and support spouses seeking to find employment in third countries; applauds that, to further improve gender mainstreaming, a gender auditing of internal policies is ongoing, and asks the EEAS to report to Parliament about the recommendations and follow up of that audit, in order to promote a strong gender-responsive leadership;

33. Welcomes that the upward trend of women in management posts continued in 2020 with women representing 27,3 % of senior and 33,2 % of middle managers, compared to 26 % and 31,3 % respectively in 2019; regrets that only 27,4 % of posts as heads of delegations in 2020 were occupied by women, and that figure is unchanged in comparison to 2019;

34. Is concerned by the lack of gender balance across the applications for management posts, where only 27 % of applicants were women; observes that women made up 53 % of the applicants for heads of administration, 82 % of applicants for assistant to head of delegation and 100 % of applicants for assistant to deputy head of delegation; welcomes networking for women in pre-management posts and tailored programmes for women in middle-management posts as a talent-base for future senior management posts and reiterates the call for the EEAS to continue its efforts to achieve gender balance at all hierarchical levels; calls on the EEAS to explore strategies to encourage and facilitate female candidates to apply for management posts; insists on encouraging Member States to put forward qualified women for management posts, including senior management posts; encourages the EEAS to better promote its career opportunities and vacancies among national diplomats, international studies professionals, academia and civil society;

35. Supports the adoption, in June 2020, of the EEAS roadmap for action on disability prepared in collaboration with the Staff Committee, relevant EEAS services, other Union institutions and Member States in order to collect best practices and policies; understands that following its internal publication, the roadmap was updated and improved at the end of 2020; welcomes the publication of the EEAS disability policy in July 2020; appreciates concrete initiatives like the interinstitutional guide for newcomers with a disability, the EEAS' guide on inclusive communication when referring to persons with disabilities at work and setting a dedicated contact point for practical information on disability or possible adjustments in the workplace;

36. Appreciates the work of the task forces 'Career development' and 'Gender and equal opportunities' entrusted with the mission of improving transparency, predictability, equality and fairness in the working culture of the EEAS; supports the setting up, on 25 June 2020, of a joint committee on equal opportunities (COPEC), with members from both administration and staff representatives, entrusted with a mandate to contribute to policies relating to gender, equal opportunities, respect for diversity and non-discrimination, anti-harassment, organisation of flexible work arrangements and a fair, flexible and respectful working environment;

37. Is aware of the EEAS efforts to achieve a meaningful geographical representation while respecting the competences and merits of candidates; reiterates its concern about the geographical representation in the EEAS staff, especially concerning the positions of heads of delegations, middle and senior management and stresses, in this regard, the necessary provision of additional SNEs to face the EEAS' increasing workload; observes that at the end of 2020 EEAS staff included nationals from all Member States and welcomes the efforts made by the EEAS to keep the Human Resources Network of Member States informed about the composition of staff, to publish vacancies and to promote national efforts to increase the number of candidates;

38. Considers it important to ensure a balanced representation of countries that joined the Union after 2004 or later (EU13) and thus, observes that the number of staff from these Member States at the end of 2020 had increased by 6 % compared to 2019; points out that the share of EU13 in the EEAS staff is 23 % at the end of 2020, while its share within the Union population is 20 %; underlines, however, the discrepancies between the representation at management level of countries with a comparable population size (30 management posts out of 267 are held by EU13 nationals, compared to 33 in 2019); calls on the EEAS to make significant progress towards a balanced representation of Member States, reflecting their diversity, as indicated in Article 27 of the Staff Regulations;

39. Welcomes that on 1 June 2020 the EEAS reform on the employment conditions and social security schemes for local agents in delegations entered into force; stresses that the reform introduced a stronger legal basis for the complementary medical insurance and the complementary provident savings, as well as better conditions of employment; believes that the new package will allow delegations to attract and retain highly qualified staff;

40. Welcomes that the EEAS promotes work-life balance and fosters family-friendly policies, involving the use of flexible working arrangements, including, on a case-by-case basis teleworking outside the place of employment and personalised follow-up by the EEAS social policy team for staff who have children with a disability;

41. Notes that in March 2020, the EEAS authorised teleworking for the majority of staff in HQ and delegations; welcomes that, due to the COVID-19 pandemic, the EEAS authorised non-essential members of staff from 78 delegations in countries with poor health systems to telework from Brussels or their place of origin on a voluntary basis; observes that in May 2020, about 41 % of the delegations' members of staff had opted for this working arrangement allowing families to reunite, improving well-being and increased productivity at work; notes, furthermore, that staff in HQ with a medical condition were also authorised to telework from outside Belgium;

42. Notes that the EEAS provides guidance and accompanying measures to mitigate the risks of burnout, including psychological support, advice on appropriate local assistance, training on stress management and a helpline; welcomes that the EEAS adopted a set of rules to maintain the right to disconnect for all members of staff with specific rules on the use of email and telephone outside working hours;

43. Commends the attention given by the EEAS to social dialogue and underlines the positive impact of the direct participation of members of staff having first-hand experience of the measures submitted for discussion; welcomes in particular the broad consultation on the future of the EEAS where more than 500 colleagues from both HQ and delegations took part and seven focus groups channelled all reflections into concrete working proposals, a project known as #EEAS@20; encourages the EEAS to maintain this approach in order to respond to the expectation of members of staff while addressing the needs of the service;

44. Expresses its concern regarding the number of cases reported to the EEAS Mediation Service (176 requests in 2020, 183 in 2019); points out that the work of the Mediation Service is complemented by a network of 12 voluntary and specifically trained confidential counsellors both in HQ and in delegations; notes that out of the cases reported in 2020, 64 % concerned interpersonal conflicts (including allegations of moral harassment), 30 % concerned conflicts related to rights and obligations, other cases referred to issues such as a stressful work environment and one case concerned allegations of sexual harassment; stresses that the mandate of the Mediation Service was revised at the beginning of 2020 to emphasise its independency and availability for all members of staff, and to ensure that the EEAS administration is informed about serious or repeated allegations/incidents so that it can take appropriate actions; encourages the EEAS to continue to foster a constructive and preventive work culture, free of harassment, through awareness raising, coaching and training;

45. Notes that the EEAS administration handled four formal requests for assistance which concerned allegations of harassment, out of which three cases have been closed without any sanction, while the opinion of the disciplinary board has been requested in the last case; asks the EEAS to report on this case in due time; commends that in 2020 the EEAS launched its first-ever mandatory training for managers on how to create a harassment-free work environment; encourages the EEAS to continue to organise systematic training and awareness sessions in the area of proper conduct of its staff; believes that such sessions should be part of compulsory training for newly recruited staff;

46. Notes that in 2020 the EEAS recruited 57 remunerated Blue Book Trainees for a 5-month traineeship in its HQ; notes that a total of 385 trainees were employed in 101 delegations, for traineeships with an average length of 5 months; regrets that 39 traineeships were unpaid; notes that all the Blue Book trainees received a personal computer to telework; calls on the EEAS to take the appropriate steps to ensure that all its trainees receive a decent remuneration;

Ethical framework and transparency

47. Notes with appreciation the adoption of the EU Global Human Rights Sanctions Regime in December 2020 and the adoption of the new EU Action Plan on Human Rights and Democracy (2020-2024), setting out priority areas for action and taking into account new challenges; commends the central role of human rights in the Union's foreign policy and the Union's determination to address serious human rights violations and abuses worldwide;

48. Calls on the EEAS to monitor the positions of former heads of delegations, given their sensitive political role and functions in host countries; invites the EEAS to systematically review potentially problematic transitions to the private sector or to third country organisations and to continue monitoring the occupation of former senior officials until the end of the mandatory cooling-off period, as unaddressed conflicts of interest situations may compromise the enforcement of high ethical standards throughout the Union administration;

49. Notes that in 2020 the EEAS examined only 25 notifications of intention to engage in an occupational activity after leaving the service, out of which six notifications came from former senior members of staff; asks the EEAS to automatically request information on the intended occupation of senior members of staff leaving their positions; underlines that the geopolitical sensitive information senior members of staff have access to cannot be compromised; welcomes the retroactive publication of its decisions on occupational activities of former senior officials in compliance with Article 16(3) of the Staff Regulations; is aware of the automatic application of a lobbying and advocacy ban to every official having left the service;

50. Notes that in 2020 there were two declarations of the existence of potential conflicts of interest, both related to the gainful employment of spouses, one has been dismissed, the other resulted in the decision to relieve the member of staff from the management of a call for tender;

51. Considers that the highest ethical standards should be applied to avoid potential conflicts of interest, taking into account the specificities of work in delegations to mitigate reputational risk for the Union and the EEAS, particularly for heads of delegation;

52. Notes that the EEAS has no direct role in Union legislation and thus, does not hold meetings with organisations and self-employed individuals qualified as lobbyists in line with Article 11 TEU; encourages the EEAS to join the Union's transparency register on the basis of a service level agreement in order to improve transparency by disclosing all meetings with all lobby organisations that try to influence the law-making and policy implementation processes of the Union institutions;

53. Observes that the EEAS has received 20 requests for information from OLAF related to possible cases of fraud, involving Union staff or external actors and in the case of five of them OLAF decided to open an investigation; calls on the EEAS to timely inform the discharge authority about the outcome of those investigations; observes that the Ombudsman has handled 14 cases concerning the EEAS without issuing any recommendation; welcomes that cooperation with the EPPO is being explored on the advice and with the support of OLAF; welcomes the EEAS willingness to cooperate with EPPO and the contacts with the Commission's Legal Service on the issue, and invites the EEAS to integrate such cooperation as a component of its general anti-fraud strategy;

54. Emphasises the necessity for the EEAS to keep complying with the Commission's Guidelines on Whistleblowing, in particular to protect whistleblowers in good faith against any form of prejudice; welcomes that the EEAS applies the Commission's Guidelines on Whistleblowing to EEAS and Commission staff posted in EU delegations and makes them available on the EEAS intranet;

Digitalisation, cybersecurity, data protection

55. Asks the EEAS to report to the budgetary authority about its general shortage of administrative staff, in particular with regard to its shortage of IT staff which is among the lowest of the institutions, and to elaborate on possible causes of the shortages, such as recruitment problems or structural deficiencies in the administration;

56. Underlines that, compared to 2019, investment in IT projects and equipment increased by 38,14 % for the HQ and by 22,48 % for security; observes that in 2020 the HQ budget line for IT was reinforced by more than EUR 8 million from transfers from other lines, up from the EUR 16 000 000 originally on the line, as needs increased significantly due to the COVID-19 pandemic;

57. Acknowledges the sensitivity of the data-transfer to third countries; is aware that the Data Protection Officer (DPO) issued guidance on how to ensure contractors comply with data protection rules and how data-transfers to third countries can be lawful in the light of the Schrems-II judgment of the European Court of Justice; observes that the EEAS responded to the EDPS requirement for an inventory of personal data transfers to commercial organisations in third countries, including service providers for the Union;

58. Notes with satisfaction that the EDPS conducted a remote audit of the data processing registers of the Union institutions and the EEAS was deemed to be fully compliant; welcomes the continuous update of the COVID-19 privacy statement that the EEAS data controllers have carried out in close cooperation with the DPO, to address new privacy concerns in relation to the control of office presence and remote working, with a view to achieving proportionality between the needs of preserving health and mitigating contamination risks and the protection of personal data; notes that in 2020 the EEAS data controllers completed two data protection impact assessments (DPIA) on IT security monitoring and on the use of KITRY, an application to manage health and safety in the workplace for the Medical Service (to be completed in 2021);

Buildings and security

59. Acknowledges the complexity and the challenge for the EEAS in managing its buildings, which include offices, official residences and staff accommodation in Brussels and in the delegations; notes that the COVID-19 pandemic has had a major effect on the EEAS real estate policy and it accelerated the transition towards collaborative office spaces; observes that, due to the pandemic crisis, several building projects suffered delays in 2020, mainly because of supply chain ruptures, building work restrictions and travel limitations, particularly in third countries;

60. Observes that all the office fitting-out projects carried out by the EEAS in 2020 were designed in consultation with both the management and the staff of the divisions and delegations concerned, and mostly introduce collaborative spaces in compliance with the social distancing guidelines introduced as a result of the COVID-19 pandemic; welcomes that the EEAS has not introduced a generalised policy of hot-desking;

61. Notes that the EEAS manages 178 office buildings in delegations, representing a total surface of 275 000 m^2 (80 % of which is rented and 20 % owned); observes that the annual cost of the real estate rented for delegations is EUR 61 800 000; notes that, at the end of 2020, the EEAS managed 148 residences for the heads of delegation with a total construction area of 84 000 m^2 (21 % owned); welcomes the qualitative assessment performed in 2020 by the EEAS on delegations' buildings to allow for the identification of medium to long-term priorities and in order to elaborate on the first multi-annual plan for EEAS real estate projects in delegations in 2021;

62. Supports the EEAS in its efforts to increase the use of colocations in its delegations, which has more than quadrupled over the past 5 years (from 20 in 2011 to 116 in 2020) and represents 7 % of the total office surface; appreciates that the management of colocations via the Framework Agreement with each colocation partner has facilitated the recovery of EUR 12 million in costs in 2020;

63. Underlines that during the COVID-19 pandemic, the Union institutions observed a 600 % increase in cyber-attacks; welcomes that several initiatives have been launched by the EEAS to raise security awareness and promote a security culture across the institution, such security campaigns, training of members of staff to detect security threats and providing guidance on how to mitigate threats or reduce their impact; supports the EEAS in increasing its safety measures protecting both members of staff and the EEAS's digital infrastructure from external threats and attacks; stresses that the EEAS needs adequate personnel, procedures, infrastructure and tools in order to reduce those security risks, especially those related to cybersecurity;

64. Points out that the EEAS has managed a total budget of EUR 65 600 000 for 2020 covering security services; notes that the total amount spent on security installations & maintenance for delegations was EUR 12 942 311; observes that the total budget for secure communications amounted to EUR 18 163 000; takes notes of the expected challenges for the protection of EU delegations identified by the EEAS and, in particular, the lack of autonomous action to mobilise any defence capabilities in case of crises and evacuations; notes that the EEAS has reached agreements with some Members States to support, in some countries, the evacuation of expatriate staff and dependants, which unfortunately limits the autonomy of the EEAS and EU Delegations to stay in host countries during crises; reiterates its call for fully using the potential of the Lisbon Treaty provisions to work towards a European defence union and its support for more cooperation, increased investment and pooling resources to create synergies at EU level in order to better protect Europeans;

65. Welcomes the strengthening of the Regional Security Officers' (RSO) network in 2020 with the creation of 10 new posts and the investments made in the deployment of a corporate classified system supporting all EEAS roles;

Environment and sustainability

66. Supports the efforts of the EEAS in ensuring the consistency of the Union's external action by linking internal and external aspects of the Green Deal and the digital transformation, among other policy areas; approves the appointment of the first European Climate Pact Ambassador, entrusted with the establishment of high-level political contacts in Member States and globally, as part of the EEAS strategic approach which aims to connect politics, economics and climate action;

67. Welcomes the EEAS intention to introduce the Union Eco Management Audit Scheme (EMAS) for its HQ in order to develop a programme built on concrete green initiatives and measures, and the fact that the EEAS adheres to the interinstitutional helpdesk for green public procurements; calls on the EEAS to explicitly engage in a 'zero paper campaign' to further enhance the initiatives already adopted on the matter;

68. Notes with appreciation the support given to all delegations in reducing their carbon footprint and consumption, in particular the collection of information from delegations on energy and material consumption;

69. Encourages the EEAS to adopt a structured approach on the sustainable mobility of staff and to raise awareness on relevant initiatives carried out in this area, like the installation of recharging slots for electric cars and electric bikes and bike racks;

Communication and multilingualism

70. Underlines the development in 2020 of the EEAS Communications Principles and Priorities 2020-2021, outlining regional communication priorities and the three overarching strategic key priorities: the Green Deal and climate change diplomacy, multilateralism and partnerships and strategic autonomy and resilience;

71. Notes the success of many EEAS media campaigns on key issues, such as 'We Take You Home' on the repatriation of Union citizens due to COVID-19, 'United in Distance' to showcase stories of solidarity across the world in times of crisis, 'EU in Action' on the work on the ground of the Union as a security provider, and 'BeTheWave' on climate issues; points out that EEAS channels have also contributed to enhance the visibility of 'Team Europe' worldwide; highlights that that EEAS social media account is one of the global leaders amongst diplomatic services with over 700 000 followers and evident growth in terms of audience interactions, while its website received 21 million page views and 13 million unique page views in 2020;

72. Reiterates the importance, already emphasised in last year's resolution, of communicating strategically in order to fight malicious interference including foreign propaganda and disinformation, exacerbated during the COVID-19 pandemic; supports the EEAS actions in detecting, analysing and exposing foreign disinformation by devoting experience and capabilities to upgrade media monitoring and big data analysis;

73. Acknowledges that the EEAS responded to the COVID-19 'infodemic' by monitoring and analysing cases of information manipulation and interference, and by being at the forefront of close cooperation between the Union institutions, the Member States and international partners in that regard; notes the positive impact of the EEAS contribution to the implementation of the Joint Communication on the Global EU response to the COVID-19 pandemic that was adopted in April 2020;

74. Expresses its concern about the revelations of attempts from China to influence the EEAS' critical report assessing narratives and disinformation with regard to the COVID-19 pandemic; notes the declarations of the High Representative to the Parliament's Foreign Affairs committee providing information that Chinese officials had expressed concern over the leak of the draft publication and denied any Chinese influence on the report; stresses that EEAS is the main Union institution responsible for countering foreign interference; asks the EEAS to take action to protect its staff from foreign interference, to counter any future foreign interference attempts and to keep the discharge authority informed about its subsequent response; supports the EEAS in the deployment of adequate capabilities, expertise and language capacity with regard to strategically important regions;

75. Welcomes that the EEAS published five special reports on COVID-19 disinformation and conducted campaigns to raise awareness of persistent actors' activity, such as Russia, and highlight the emergence of new actors; notes that several country-specific campaigns were implemented in order to mitigate the effect of disinformation and protect the Union's reputation; underlines that in 2020, the EU vs Disinfo portal had over 1,25 million visitors (an increase of 200 % compared to 2019), with 2,4 million page views; asks the EEAS to provide more information to Parliament on the methodology used by EU vs Disinfo and its compliance with Union law and international standards, especially regarding the right to be heard in a remedy procedure; calls for a further substantial increase of the East StratCom Task Force budget in order to successfully counter-attack disinformation campaigns and to promote Union policies in the Eastern Partnership countries;

76. Recalls the leading role of EU delegations in third countries with respect to fulfilment of the Union's foreign policy goals; calls on the EEAS to strengthen the role of the EU delegations in third countries in order to reinforce their ability to debunk disinformation campaigns threatening democratic values orchestrated by foreign state actors; calls, furthermore, on the EEAS to strengthen the EU delegations' engagement in our neighbourhood and the Western Balkan countries in order to support communication policy on the European perspective that is more active and effective and provide the best possible assistance to the countries engaged in pro-democratic and pro-European reforms; calls on EU delegations to continue their coordinated efforts to increase the visibility of EU-funded projects;

77. Emphasises the growing need for a coherent updated EU-Arctic policy; notes that the new NDICI instrument opens up opportunities to finance the Arctic region;

Interinstitutional cooperation

78. Underlines the constant coordination between EEAS HQ divisions and the Commission's DG BUDG to set financial arrangements aimed at ensuring business continuity and sound financial management of the operations in HQ and Delegations during this particular phase; points out the effective liaison between EEAS and the Commission's Office for Infrastructure and Logistics in Brussels to ensure that appropriate measures were in place for members of staff physically present to carry out essential functions for business continuity;

79. Notes with appreciation that the EEAS coordinates its efforts in fraud prevention and fraud countering activities with all the RELEX directorates-general and through the dedicated format indicated by the Commission anti-fraud strategy under OLAF in a leading role; understands that the EEAS anti-fraud strategy was still in the process of drafting in 2020;

80. Welcomes that following the withdrawal of the United Kingdom from the Union on 31 January 2020, the EEAS finally established an EU delegation in London and a UK division within its HQ structure; regrets however the delay in the granting of diplomatic status to Parliament staff working at the Liaison Office in London, and the initial refusal of the EEAS to bring this issue to a satisfactory conclusion; understands that the Establishment Agreement replaces any temporary provisions and ensures that the delegation in London, its members of staff and property, enjoy privileges and immunities equivalent to those referred to in the Vienna Convention in a similar way as the other 144 delegations and offices; regrets that the EEAS negotiated the draft establishment agreement with the UK authorities without consulting Parliament; stresses that sending regular updates to Parliament rather than properly consulting Parliament does not meet the EEAS' obligation of 'appropriate support and cooperation' as laid down in Article 3(4) of the Decision establishing the EEAS; notes that by the end of 2020, almost 40 posts (including expatriate and local staff) were filled out of the 43 posts available in total; is aware that the delegation is located in the building, property of the Union, used in the past by the Representation of the Commission and the European Parliament Liaison Office (EPLO);

81. Welcomes the cooperation in 2020 between the EEAS and the Parliament to successfully update the 2015 'Practical arrangement for sharing specific political reports from EU Delegations with designated Members of the European Parliament', which will allow the electronic transmission of documents;

82. Regrets past situations of leakage to the press of confidential reports on election observation missions and welcomes the solutions found between Parliament and the EEAS with regard to the transmission of files; expresses confidence that the EEAS will keep facilitating the regular exchange of views between the Chief Observers and Deputy Chief Observers and the MEPs, before, during and after an election observation mission;

83. Welcomes that in 2020 the EEAS concluded a service level agreement (SLA) with the European Investment Bank for the colocation of its members of staff within the premises of delegations worldwide; is aware that further SLAs were negotiated in 2020 with both the European Central Bank and the European Border and Coast Guard Agency (Frontex) to share office space and related services;

84. Commends the intense coordination and exchanges held throughout the COVID-19 pandemic with the human resource departments of the Member States' Ministries of Foreign Affairs and of the United Nations, in order to share views and best practices on special working arrangements, and also commends the EEAS' participation in weekly interinstitutional meetings where all Union institutions and agencies regularly updated their measures and shared the practices implemented as a result of the COVID-19 pandemic;

COVID-19 pandemic

85. Understands that the COVID-19 pandemic led to a special situation for the entire EEAS and impacted heavily on the operations of its HQ and delegations; stresses that the EEAS was able to ensure business continuity and sound financial management of its operations without experiencing any significant issues during that particular period; welcomes that in early March 2020, the EEAS established a Core Crisis Team (CCT) in charge of assessing the latest developments, coordinating communication and actions, and supporting delegations; highlights that the CCT were essential to effectively managing the crisis;

86. Notes that, for the adoption of COVID-19 measures, the EEAS mainly aligned with the official guidance from Belgium for its HQ, whilst the delegations were instructed to follow the applicable rules of the host countries, but also followed HQ's practice of generalised teleworking in the place of employment, combined with a reduced physical presence on premises;

87. Supports the additional measures that were implemented in a number of countries to reduce the medical risks posed to members of staff because the health care systems were deemed fragile; highlights that the EEAS shipped vaccines to the 72 delegations asking for support, which were provided to around 4 000 people, including expatriate staff in delegations, their family members and to local agents; points out that all members of staff in HQ were provided with a corporate laptop and that over 5 000 were dispatched to the delegations, together with PPE and medical supplies

for those who were most exposed, despite the challenging delivery in countries with quarantine or lockdown measures; acknowledges that the IT infrastructure was ramped up rapidly to meet the requirements of full-scale teleworking, including increasing the internet capacity and the capacity for video conferencing;

88. Notes that the COVID-19 pandemic outbreak also exposed the Union's strategic and systemic vulnerabilities, such as supply chains of pharmaceutical products, and drew attention to the need for the Union to strengthen its own resilience and autonomy, while at the same time to pursue more assertively international partnerships; acknowledges the pandemic also brought further impetus to on-going processes, not only towards the twin digital and green transitions, but also at global level, such as moving the EU-Africa Partnership to the next level, re-invigorating the European Union-United States relationship, paying additional attention to Latin America, and putting the strategic outlook on China in practice;

89. Congratulates the EEAS on its crucial role in the major emergency action to repatriate more than 600 000 Union citizens stranded around the world, while also helping to set up the large-scale humanitarian and assistance operation 'Team Europe' to help partners around the world who were fighting the pandemic with far fewer resources than the Union; welcomes that the initiative 'Team Europe' has mobilised over EUR 38 billion in support to partner countries, with over 50 % of the funds disbursed in 2020, by calling on all existing cooperation programmes and redirecting existing financial resources; emphasises that it has contributed to addressing the urgent needs arising from the crisis through an emergency humanitarian response, supporting the strengthening of health systems and research capacities, and addressing the socioeconomic consequences of the COVID-19 pandemic;

90. Applauds that 'Team Europe' contributed EUR 850 000 000 to COVAX, the global vaccine initiative; stresses that the Union used its convening power to secure funding and commitment across the world for universal access to prevention, diagnosis tests and treatment against COVID-19, including through the Coronavirus Global Response Pledging Conference, and it pledged EUR 1,4 billion to this COVID-19 response pillar in the form of grants and guarantees;

91. Supports the EEAS' approach to calling for an assertive and comprehensive response as a main tool to aid recovery from a deep geopolitical crisis and to 'build back better' at home and globally; encourages the EEAS to fully integrate in the internal management strategy the lessons drawn from the pandemic outbreak, in terms of business continuity and crisis management approaches, IT responsiveness, resilience of the organisation, duty of care towards its staff, effectiveness of internal communication and flexibility of working processes.

DECISION (EU) 2022/1713 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the eighth, ninth, tenth and eleventh European Development Funds for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the financial statements and revenue and expenditure accounts for the eighth, ninth, tenth and eleventh European Development Funds for the financial year 2020 (COM(2021) 379 – C9-0310/2021)),

— having regard to the financial information on the European Development Funds (COM(2021) 379),

— having regard to the Court of Auditors' annual report on the activities funded by the eighth, ninth, tenth and eleventh European Development Funds for the financial year 2020, together with the Commission's replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendations of 18 October 2021 on discharge to be given to the Commission in respect of the implementation of the operations of the European Development Funds for the financial year 2020 (00553/2022 – C9-0114/2022, 00554/2022 – C9-0115/2022, 00555/2022 – C9-0116/2022, 00556/2022 – C9-0117/2022),

— having regard to the Commission's reports on the follow-up to the discharge for the 2019 financial year (COM(2021) 405), and to the accompanying Commission staff working document (SWD(2021) 132),

— having regard to the Partnership Agreement between the members of the African, Caribbean and Pacific Group of States, of the one part, and the European Community and its Member States, of the other part, signed in Cotonou (Benin) on 23 June 2000 ([3]) and amended in Ouagadougou, Burkina Faso, on 22 June 2010 ([4]),

— having regard to Council Decision 2013/755/EU of 25 November 2013 on the association of the overseas countries and territories with the European Union ('Overseas Association Decision') ([5]),

— having regard to Article 33 of the Internal Agreement of 20 December 1995 between the representatives of the Governments of the Member States, meeting within the Council, on the financing and administration of the Community aid under the Second Financial Protocol to the fourth ACP-EC Convention ([6]),

— having regard to Article 32 of the Internal Agreement of 18 September 2000 between Representatives of the Governments of the Member States, meeting within the Council, on the Financing and Administration of Community Aid under the Financial Protocol to the Partnership Agreement between the African, Caribbean and Pacific States and the European Community and its Member States signed in Cotonou (Benin) on 23 June 2000 and the allocation of financial assistance for the Overseas Countries and Territories to which Part Four of the EC Treaty applies ([7]),

([1]) OJ C 430, 25.10.2021, p. 7.
([2]) OJ C 438, 28.10.2021, p. 137.
([3]) OJ L 317, 15.12.2000, p. 3.
([4]) OJ L 287, 4.11.2010, p. 3.
([5]) OJ L 344, 19.12.2013, p. 1.
([6]) OJ L 156, 29.5.1998, p. 108.
([7]) OJ L 317, 15.12.2000, p. 355.

— having regard to Article 11 of the Internal Agreement of 24 and 26 June 2013 between the Representatives of the Governments of the Member States of the European Union, meeting within the Council, on the financing of European Union aid under the multiannual financial framework for the period 2014 to 2020 in accordance with the ACP-EU Partnership Agreement and on the allocation of financial assistance for the Overseas Countries and Territories to which Part Four of the Treaty on the Functioning of the European Union applies ([8]),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— having regard to Article 74 of the Financial Regulation of 16 June 1998 applicable to development finance cooperation under the fourth ACP-EC Convention ([9]),

— having regard to Article 119 of the Financial Regulation of 27 March 2003 applicable to the 9th European Development Fund ([10]),

— having regard to Article 50 of Council Regulation (EC) No 215/2008 of 18 February 2008 on the Financial Regulation applicable to the 10th European Development Fund ([11]),

— having regard to Article 48 of Council Regulation (EU) 2015/323 of 2 March 2015 on the financial regulation applicable to the 11th European Development Fund ([12]),

— having regard to Rule 99 and the third indent of Rule 100 of, and Annex V to, its Rules of Procedure,

— having regard to the opinion of the Committee on Development,

— having regard to the report of the Committee on Budgetary Control (A9-0124/2022),

1. Grants the Commission discharge in respect of the implementation of the budget of the eighth, ninth, tenth and eleventh European Development Funds for the financial year 2020;

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 Council, the Commission, the Court of Auditors and the European Investment Bank, and to arrange for their publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([8]) OJ L 210, 6.8.2013, p. 1.
([9]) OJ L 191, 7.7.1998, p. 53.
([10]) OJ L 83, 1.4.2003, p. 1.
([11]) OJ L 78, 19.3.2008, p. 1.
([12]) OJ L 58, 3.3.2015, p. 17.

RESOLUTION (EU) 2022/1714 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the eighth, ninth, tenth and eleventh European Development Funds for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the eighth, ninth, tenth and eleventh European Development Funds for the financial year 2020,

— having regard to the answers provided by the Commission to the written questions to Commissioner URPILAINEN for the hearing before the Committee on Budgetary Control on 30 November 2021, as well as the additional questions sent after the hearing,

— having regard to the Commission's reports on the follow-up to the discharge for the 2019 financial year,

— having regard to Rule 99 and the third indent of Rule 100 of, and Annex V to, its Rules of Procedure,

— having regard to the opinion of the Committee on Development,

— having regard to the report of the Committee on Budgetary Control (A9-0124/2022),

A. whereas the Commission entirely supports the management of the European Development Funds (EDFs), bearing both the ultimate responsibility for the legality and regularity of EDF operations and for overseeing the EDFs' financial reporting process;

B. whereas Parliament will only be able to exercise its role as discharge authority properly if the Commission updates it, in a regular, timely and comprehensive manner, with detailed information regarding EDF-funded projects and their recipients;

C. whereas Parliament is not involved in establishing and allocating EDF resources compared to other development instruments;

D. whereas effective pre-conditionalities and regular checks are key components in ensuring the effectiveness and sound financial management of the EDFs;

E. whereas it is crucial, in the context of a changing global environment, to ensure a strategic balance between addressing social, economic, demographic, migration and environmental challenges, while retaining poverty reduction as the primary objective of Union aid as provided for in Article 208 of the Treaty on the Functioning of the European Union (TFEU), with due consideration for aid and development effectiveness principles;

F. whereas European development aid and public investments should promote joint priorities and policy objectives as espoused in the UN's 17 Sustainable Development Goals (SDGs), which include the eradication of poverty, climate and environmental action and economic and trade policies, and should be fully aligned with the principles of fundamental human rights, democracy and good governance; whereas the results achieved as regards the goal of inclusive public policies are to promote shared growth and to help tackle social or geographical disparities;

G. whereas the existence of a transparent, inclusive and efficient participatory policy framing process is a prerequisite for sustainable development;

H. whereas sustainability is crucial for achieving the set goals and results and, in particular, the long-term impact of development aid;

I. whereas the alignment of Union development cooperation with partner countries' own development priorities should always be respected and whereas it is a key element of the UN 2030 Agenda for Sustainable Development ('2030 Agenda') that Union development cooperation also be in line with the Union policies;

J. whereas policy coherence and complementarity of various external policies should be carefully looked at, especially when several policies are being implemented in a single partner country, with a view to promoting cooperation between the public and private sectors, encouraging synergies and trade-offs between existing policies, avoiding the possible damaging consequence of having one single Union policy on an area otherwise dealt with by another policy and avoiding unnecessary administrative burden as much as possible;

K. whereas the Commission's monitoring activities would be facilitated by the standardisation of communication channels between partner countries, EDF-funded entities and the Union;

L. whereas transparency, accountability and human rights due diligence are prerequisites for democratic scrutiny and effective development aid;

M. whereas specific attention must be paid to the fact that a large part of the African, Caribbean and Pacific (ACP) countries are small island developing states; whereas islands, in particular ACP islands, play a key international role, particularly in the context of climate change;

N. whereas a number of Overseas Countries and Territories (OCTs) are located in the same regions as ACP countries;

O. whereas the OCTs face similar global challenges but, unlike ACP countries, are part of the European family and should therefore receive increased attention in the delivery of funds; whereas the very small size of the OCTs and the constitutional link between the OCTs and the Union are specificities that should be taken into account;

P. whereas the Union's external interventions are channelled through international organisations, which either implement Union funds or co-finance projects together with the Union, and include challenges in terms of oversight and governance;

Q. whereas budget support for sustainable development, while playing a key role in driving change and in addressing the main development challenges, carries a considerable governance risk and should be granted only if the beneficiary state is able to demonstrate a sufficient level of transparency, accountability and respect for the rule of law and human rights prior to receiving budget support assistance, followed by thorough *ex-post* checks;

R. whereas fostering transparency and fighting corruption and fraud are key for the success of the Union's budget support operations;

S. whereas Union governance support is a key component of development aid and should be more focused on generating effective governance reforms in the partner countries, such as the rule of law, the independence of the judiciary system, freedom of the press and the conditions for establishing a market economy;

T. whereas audits and EDF activities are implemented in challenging contexts in that they face recurrent high-risk geopolitical or institutional exposure; whereas the COVID-19 pandemic aggravated that already highly complex situation;

U. whereas Parliament will only be able to exercise properly its role as discharge authority if it is kept regularly and comprehensively updated by the Commission, with detailed information regarding EDF-funded projects, the recipients of funding under such projects and the implementation of such projects;

V. whereas the eleventh EDF has reached its final stage as its sunset clause came into effect on 31 December 2020 and, as from 2021, the EDF programmes will be included in the Union's multiannual financial framework; whereas, however, specific contracts for existing financing agreements will continue to be signed until 31 December 2023;

Statement of assurance

Financial and project implementation of the EDFs (eighth to eleventh EDF) in 2020

1. Observes that the eleventh EDF represents 46 % of the portfolio of the Commission's Directorate-General for International Partnerships (DG INTPA) in terms of payments in 2020; notes that the due to the Union's response to the COVID-19 pandemic, EDF commitments and payments reached, respectively, EUR 3 894 million and EUR 4 677 million, largely above the targets of EUR 3 267 million and EUR 4 400 million initially set for 2020; notes, in addition, that European Investment Bank (EIB) commitments amounted to EUR 2 053 million, all of them concerning the Investment Facility and largely from revolving funds, while EIB payments amounted to EUR 667 million in 2020, all of them also concerning the Investment Facility;

2. Welcomes the regular efforts of DG INTPA to reduce old pre-financing and old unspent commitments and the upward revision of the targets from 25 % to 35 %, as decided in 2020; notes that DG INTPA exceeded the target in 2020 for both indicators: the EDFs' old pre-financing was reduced by 56 % (55 % across DG INTPA's entire area of responsibility) and the EDFs' old unspent commitments were reduced by 40 % (41 % across DG INTPA's entire area of responsibility);

3. Notes that DG INTPA also achieved its target of having not more than 15 % of old expired contracts for the EDFs (i.e. 14 % in 2020 compared with 15 % in 2019, 17 % in 2018 and 17 % in 2017) and that it achieved a score of 11 % across its entire area of responsibility; notes that the improvements result from new procedures introduced in 2017 for the closure of EDF contracts;

4. Notes the closure of the eighth EDF and the Commission's intention to close the ninth EDF as soon as possible; notes, in addition, that the closure of the ninth EDF cannot be completed before 2023, taking into account the fact that 19 decisions and 37 contracts are still ongoing, out of which three decisions concern South Sudan and were decided after the sunset clause of the ninth EDF came into effect, with contractual dates lasting until 2023; calls on the Commission to keep the discharge authority informed in a timely manner about the achievement of its intention; notes that the Commission has accepted the recommendation of the Court of Auditors (the 'Court') in that regard and that each year it will report the progress made on the closure of the ninth EDF in the annual activity report;

Reliability of the accounts

5. Welcomes the fact that the Court, in its annual report on the activities funded by the eighth, ninth, tenth and eleventh EDFs for the financial year 2020, concludes that the accounts for the financial year ending 31 December 2020 present fairly, in all material respects, the EDFs' financial position, the results of their operations, their cash flows and the changes in their net assets for the year then ended, in accordance with the provisions of the Council Regulation (EU) 2018/1877 ([1]) ('EDF Financial Regulation') and the accounting standards for the public sector;

Legality and regularity of the transactions underlying the accounts

6. Welcomes the Court's opinion, according to which the revenue underlying the accounts ended 31 December 2020 is legal and regular in all material aspects;

7. Expresses concern over many possible causes for the succession of adverse opinions of the Court on the legality and regularity of expenditure due to the fact that the expenditure accepted in the accounts for the year ended 31 December 2020 is materially affected by error;

8. Is concerned that the estimated level of error surpassed the materiality threshold, with 3,8 % of expenditure affected for the eighth, ninth, tenth and eleventh EDFs (compared to 3,5 % in 2019, 5,2 % for 2018, 4,5 % in 2017, 3,3 % in 2016, 3,8 % in both 2014 and 2015, 3,4 % in 2013 and 3 % in 2012); notes that, compared to the financial year 2019, the increase of the estimated error rate is 0,3 %; points out, nevertheless, that it is necessary to address the causes of that increase, while taking into account the specific circumstances of the 2020 discharge exercise;

([1]) Council Regulation (EU) 2018/1877 of 26 November 2018 on the financial regulation applicable to the 11th European Development Fund, and repealing Regulation (EU) 2015/323 (OJ L 307, 3.12.2018, p. 1).

9. Regrets to note that the typology of errors identified in the financial year 2020 considerably changed compared to the financial year 2019, namely the estimated error related to expenditure due to the absence of essential supporting documents increased from 5,9 % to 38,3 %; notes that for the second year in a row, the second highest error rate is due to ineligible expenditure, which increased from 12,7 % in 2019 to 38,2 % in 2020; notes also the drop in the errors related to non-incurred expenditure (43,6 % in 2019, compared to 18,1 % in 2020) that apply to the estimated error rate related to serious failure to comply with public procurement rules, which decreased by almost a factor of ten (22,1 % in 2019, compared to 2,2 % in 2020);

10. Stresses that out of 140 payment transactions reviewed by the Court, 36 (25,7 %) were affected by errors, ranging from the absence of essential supporting documents (38,3 %) and ineligible expenditure (38,2 %) to expenditure not incurred (18,1 %); notes that the overall level of error of 3,8 % was estimated on the basis of 31 errors quantified by the Court; notes, in addition, that out of the 140 sampled transactions, 119 were managed by EU delegations in the partner countries and 27 contained quantifiable errors;

11. Notes that, due to the COVID-19 pandemic, it was not possible for the Court to carry out on-the-spot visits to EU delegations and to the partner countries, thus preventing it from carrying out certain audit procedures, in particular verifying contract implementation for the transactions selected, and therefore the Court's audit work was mainly limited to desk reviews of transactions and projects by means of remotely connecting with auditees; notes, nevertheless, that desk reviews are a predominantly common tool when carrying out an audit procedure and evaluating data; invites the Court to resume on-the-spot visits as soon as possible once the COVID-19 situation so allows; remains positive in its opinion that on-the-spot checks, together with the correct use of new technologies and digitalisation, are key components in ensuring the effectiveness and sound financial management of the EDFs;

12. Regrets that, apart from generally very demanding conditions in 2020, the Court's mission of planning and executing its audit work was hindered by some international organisations refusing or limiting necessary access to relevant audit documents, which caused excessive delays and thus prevented the Court from fulfilling its fundamental prerogatives as enshrined in the TFEU, as previously mentioned in related observations in the Court's 2018 annual report;

13. Calls on the Commission, following several exchanges of views, the hearing debate held in Parliament's Committee on Budgetary Control and the Commission's replies to written questions, to take appropriate and effective steps to ensure that the Court will receive complete unrestricted and timely access to all necessary information in order to enhance better cooperation with international organisations and be able to appropriately check the legality and regularity of Union budget expenditure; notes that the limited access might be a result of diverging interpretation of legal requirements;

Transparency and effectiveness of the monitoring and assurance systems

14. Notes that, out of the 31 errors quantified, five of which (16,12 %) amounted to quantifiable errors, the Commission had sufficient information to prevent, or to detect and correct, the error before accepting the expenditure (in 2019, 28 errors quantified with 9 cases (32 %) with sufficient information for early detection or correction); notes that had the Commission made proper use of all the information at its disposal, the estimated level of error would have been 1,19 percentage points lower; calls on the Commission, notwithstanding the improvement in relation to 2019, to step up its efforts to improve its processes for verifying the legality and regularity of transactions and to make sure that the verifications are properly followed up; insists, moreover, that more attention should be paid to *ex-ante* checks and that appropriate measures should be taken to address existing weaknesses;

15. Considers that monitoring activities will be more effective if Commission intelligence is regularly published and shared with the discharge authority in advance provided that such publishing and sharing is in compliance with applicable legislation;

16. Calls on the Commission to proceed with a pre-established format for communication between partner countries, EDF beneficiaries and the Union with a view to reducing the errors found by the Court;

17. Notes that the Court found that in 2020 the Commission and its implementing partners committed more errors in transactions relating to grants and to contribution and delegation agreements with international organisations than they did with other forms of support, such as those covering works, supply and service contracts (as had happened in 2019); notes that of the 67 (65 in 2019) transactions of that type examined by the Court, 27 ((40,3 %) compared to 25 transactions (38 %) in 2019) contained substantial quantifiable errors, which accounted for 94,2 % of the estimated level of error (71,7 % in 2019); calls on the Commission to publish comprehensive, updated and detailed information regarding funded projects and recipients of funds under such projects, to enhance its risk-based approach and to invest control capacity in areas that are more error prone; reiterates that more attention should be paid to *ex-ante* checks and that appropriate measures should be taken to increase expenditure verifications;

18. Is worried about, notwithstanding the positive analysis by DG INTPA in its annual activity report on key performance indicators for 2020 (14 key performance indicators scoring better than in 2019), the Court's observation, as in previous years, that the frequency of identified errors, including some contained in final claims which had been subject to *ex-ante* external audit and expenditure verifications, still points to weaknesses in those checks; reiterates its expectation that the control system be more rigorous and calls on DG INTPA to continue efforts to improve the assessment of both the effectiveness and efficiency of its control system by identifying key performance indicators for both, by setting realistic and ambitious targets and by monitoring and improving its control system; calls, furthermore, on the Commission to set up a platform covering EDF-funded projects by country, focusing on the final recipients of funds under such projects, general and specific project goals and, above all, their practical results in terms of the desired increase in development indices; suggests that developing such an integrated, interoperable information and monitoring platform would increase control reliability and would contribute to enhanced effectiveness and the visibility of Union development aid; invites the Commission, in that regard, to also consider launching a dialogue with the beneficiary countries with reference to possibly using a single risk-scoring tool in the future;

19. Regrets that no follow-up was given by the Commission in the replies to the Court's annual report in relation to the specific comment on the repetitive weakness and considers that cost-effective considerations used by the Commission in *ex-post* checks might not be effective and might lead exactly to the weaknesses that the Court and Parliament have been pointing out for a long time; invites the Commission to revise that approach so that the shortcomings are fully addressed and to inform regularly the discharge authority of any progress made;

20. Notes that DG INTPA's ninth residual error rate study, carried out by an external contractor on its behalf in 2020, estimated the overall residual error rate to be below the 2 % materiality threshold set by the Commission for the fifth year in a row (0,95 % in 2020; 1,13 % in 2019; 0,85 % in 2018; 1,18 % 2017; 1,67 % 2016) ([2]);

21. Points out that, as in previous years, the Court considers that there are many factors contributing to the underestimation of the residual error rate, as raised in 2019 discharge resolution, with the main limitations being the method for determining the residual error rate and overreliance on previous control work carried out either directly by the Commission or by independent third parties (17 % share of full reliance and 37 % for partial reliance); supports the Court's evaluation that is contrary to the purpose of the residual error rate study, which is to identify the errors that precisely evaded such checks;

22. Notes that another factor results from the fact that the residual error rate study focuses on a review of low-risk areas such as budget support instruments, which reduces the possibility of finding actual errors, in comparison to a full review of high-risk areas such as grants and contracts with international organisations and Member State agencies;

23. Recalls that the Court's recommendation to the Commission to issue reservations to all areas prone to having a high-level risk, regardless of their share of total expenditure and their financial impact was already included in the 2019 EDF annual report; regrets that the Commission does not accept the recommendation; highlights the fact that the Court is very clear and consistent in pointing out that by applying the *de minimis* rule, the Commission is reducing

([2]) https://www.eca.europa.eu/Lists/ECADocuments/annualreports-2020/annualreports-2020_EN.pdf, paragraph 32.

its ability to identify risks in its overall area of responsibility; considers that excluding areas because of their financial impact but still considered by DG INTPA itself as high risk is a very dangerous situation; strongly supports the Court in its recommendation and invites the Commission to revise its approach accordingly;

24. Is of the view that it is worth underlying that the regulatory framework governing the residual error rate study and the contract between DG INTPA and the residual error rate study contractor do not provide for any systemic approach for reporting on suspected fraud against the Union budget detected during its residual error rate work; strongly supports the Court's recommendation in that area; welcomes, in that regard, the fact that the Commission adopted a new manual and methodology for the residual error rate study at the beginning of January 2022, taking into account, as much as possible, the remarks by the Court; notes that the new version of that manual increases the number of field visits from 9 to 12 and provides additional clarification on procurement checks; in order to limit reliance on previous control work, calls for those checks to be monitored in the light of historical averages, which should not be significantly exceeded without providing detailed reasoning; welcomes, in particular, the fact that the residual error rate study contractor is now obliged to notify to the Commission, without delay, of any suspicion of fraud or irregularity that has occurred or is likely to have occurred; calls on the Commission, in view of the high number of fraud investigations in recent years, to ensure better transparency of the money flow and to enhance control systems; invites, moreover, the Commission to report back to the discharge authority on the measures introduced in the residual error rate methodology or in the terms of reference to formalise the communication of suspected fraud by the residual error rate study contractor;

25. Notes with concern the Court's statement about an unjustified absence of reservations in the 2020 annual activity report caused by the limitations of the residual error rate study, on the one hand, and the conservation of the *de minimis* rule of less than 5 % of total payments with a financial impact of less than EUR 5 million, on the other hand; is worried that that evaluation might impact the effectiveness of DG INTPA's annual activity report;

26. Notes that, at the end of 2020, 17 fraud investigations were ongoing (19 in 2019);

27. Stresses that the vast amount of resources allocated to respond to the urgent needs arising from the COVID-19 crisis, combined with more flexible oversight and accountability measures, also creates ample opportunities for fraud and corruption to grow and thrive; recalls that not only is corruption detrimental to crisis response and recovery but it undermines the achievement of the SDGs and the 2030 Agenda; notes, moreover, that even before the COVID-19 pandemic, risks of fraud and corruption demonstrated that efforts to combat and prevent corruption and fraud were proving insufficient; underlines the important role of the European Anti-Fraud Office (OLAF) and the European Public Prosecutor's Office in fighting corruption and fraud, within the limits of their mandate;

28. Believes that a better focus on local SMEs and private sector and civil society organisations should be a core axis of cooperation in the management of the EU delegations' project pipelines; stresses that greater effort must be undertaken to comply with the Union's policy coherence for development principles, especially for the Union's trade, agricultural, fisheries, environment, climate, migration and foreign and security policies, in order to achieve aid effectiveness objectives; reiterates that policy coherence for development must be an important objective of the joined-up approach designed in the Neighbourhood, Development and International Cooperation Instrument (NDICI) – Global Europe ([3]);

29. Notes the actions undertaken by DG INTPA to mitigate the risks stemming from the use of exceptional financial or procurement procedures in response to the COVID-19 crisis, in particular by means of budget support; notes, however, that the risk of corruption and fraud remained the highest perceived risk in all regions, even if a small decrease could be observed over time; calls on DG INTPA to keep monitoring the situation and pay particular attention to the most fragile countries; invites the Commission to report back to the discharge authority on further developments;

([3]) Regulation (EU) 2021/947 of the European Parliament and of the Council of 9 June 2021 establishing the Neighbourhood, Development and International Cooperation Instrument – Global Europe, amending and repealing Decision No 466/2014/EU of the European Parliament and of the Council and repealing Regulation (EU) 2017/1601 of the European Parliament and of the Council and Council Regulation (EC, Euratom) No 480/2009 (OJ L 209, 14.6.2021, p. 1).

30. Notes that in 2020, DG INTPA developed a new draft anti-fraud strategy, the adoption of which was delayed to 2021; notes, furthermore, that the anti-fraud strategy is based on the DG INTPA survey to assess risks and controls, a risk analysis to be linked to the new NDICI, the new implementation methods and the Commission's anti-fraud strategy, adopted in 2019; emphasises also the role of the Early Detection and Exclusion System as an essential tool to penalise fraud and further encourages DG INTPA to make known the use of that system;

31. Notes with satisfaction the continued commitment of the United Kingdom to pay all its obligations under the current multiannual financial framework (MFF) and previous financial perspectives as if it were still a Member State, as expressed in the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community (the 'Withdrawal Agreement'); notes, furthermore, that the Withdrawal Agreement states that the United Kingdom is to remain party to the EDFs until the closure of the eleventh EDF and all previous unclosed EDFs, and is to, in this respect, assume the same obligations as the Member States under the Internal Agreement by which it was set up and the obligations resulting from previous EDFs until their closure, and that the United Kingdom is entitled to participate, as an observer without voting rights, in the EDF Committee;

Cooperation with international organisations, Union development agencies and non-governmental organisations

32. Notes that the regular monitoring of pillar assessment requirements and reports by the Commission has progressed despite the impact of the COVID-19 outbreak; calls on the Commission to continue the close monitoring of the pillar assessments and keep the discharge authority informed about the progress and the results in light of the complementary assessment of all pillar-assessed entities and the target to have them completed by the extended deadline of 2021 due to the COVID-19 outbreak ([4]);

33. Expresses satisfaction that, as of the 2021-2027 MFF period, the EDFs, the Development Cooperation Instrument and other instruments with NDICI-Global Europe have been incorporated into the general budget of the Union under heading 4 'Global Europe', which accounts for 6,6 % or EUR 11,4 billion of the general budget of the Union: of that amount, EUR 3 billion (26,7 %) is spent on the Development Cooperation Instrument, EUR 2,7 billion (23,2 %) on the European Neighbourhood Instrument, EUR 1,9 billion (16,9 %) on the Instrument for Pre-Accession Assistance, EUR 1,9 billion (16,8 %) on humanitarian aid, and the rest on other actions and programmes; notes that certain implementation methods and flexibility provisions of the EDFs have been incorporated into Regulation (EU) 2021/947; recalls that the budgetisation of the EDFs has been a long-standing demand of Parliament;

34. Welcomes the fact that the financing of such cooperation will thus no longer be subject to an intergovernmental agreement between Member States but that such cooperation will, rather, by financed through the own resources system of the Union budget; notes, however, that ongoing projects financed under the previous EDFs, including the eleventh EDF, in ACP countries will continue to be implemented in accordance with their specific rules until their full completion and expects the impact of such normative overlap to be limited;

35. Stresses that such a new set-up entails new institutional responsibilities and tasks, in particular for Parliament as one arm of the budget authority for the annual budget; expects budgetary transparency, policy coherence and democratic accountability to benefit from those new arrangements; notes the increased role of Parliament in the area of international partnerships under Global Europe, including through the high-level geopolitical dialogue; calls on the Commission, with regard to the new financial instrument NDICI – Global Europe, which is the successor instrument to the EDFs, to display, on a country-by-country basis and from the very start of the implementation of NDICI – Global Europe actions, information on all actions funded through that instrument, whether or not they are co-funded with grants or loans from any other actor, regarding the amounts of Union funding and results in a standardised manner which has been harmonised with the Member States and in a way which is easily understandable by Union citizens and by citizens of partner countries;

([4]) https://ec.europa.eu/info/system/files/annual-activity-report-2020-international-partnerships-annexes_en.pdf, pp. 446-447.

36. Reiterates the need to ensure, in accordance with existing Union law, full transparency of and access to data on projects implemented by international organisations and civil society organisations and to provide clear rules on governing control and monitoring;

37. Stresses once again that entities entrusted with the implementation of Union funds must, as a general principle, respect the principles of sound financial management and transparency; stresses that any entity must fully contribute to the protection of the financial interests of the Union and must, as a condition for receiving funds, grant the necessary rights and access required by the authorising officer responsible, the Court and OLAF;

38. Notes that there is still a need for a more systematic approach to communicating Union support to partners and efforts to tackle global challenges to enhance the Union's visibility and to strengthen transparency, accountability and human rights due diligence along the chain of funding; notes the importance of the Team Europe approach with regard to the effectiveness and visibility of Union assistance; calls on the Commission to redouble its efforts to carry out sample-based on-the-spot controls years after the completion of the co-financed projects to check the continued impact and the performance of the EDF interventions and to take the necessary steps to ensure the long-term impact of their operations;

Union budget support

39. Notes that the budget support general framework, under which budget support can be used as a method of implementation in the field of external action, is complemented by a set of comprehensive guidelines providing detailed guidance ([5]) on the procedures for safeguarding sound risk management and implementing quality review, monitoring and reporting by EU delegations and by the Commission central services; appreciates that the budget support guidelines and internal arrangements have improved over time, including upon recommendations from the Court and from Parliament;

40. Notes that Union support covers a wide variety of sectors, with 228 contracts implemented in 95 countries or territories in 2020, accounting, on average, for about 40 % of national cooperation programmes with partner countries; notes, in addition, that while payments ranged from EUR 1,6 billion to EUR 1,8 billion annually between 2014 and 2019, the Union budget support disbursements neared EUR 3 billion in 2020 as a result of the COVID-19 pandemic; considers that that support was pivotal to helping foster countries' resilience, allowing them to focus on reforms in different sectors and preventing further economic and social setbacks;

41. Notes the EDFs' budget support contribution accounted for 39 % of the total amount of Union budget support paid in 2020 (EUR 1 164 million out of EUR 2 986 million); notes that 40 ACP countries and 8 OCTs benefitted from budget support in 2020;

42. Notes that the EDFs' contribution to budget support activities in 2020 reached EUR 1 240,6 million (compared to EUR 790,3 million in 2019), of which EUR 552,3 million represented new commitments (compared to EUR 366,8 million in 2019), with a geographical coverage of 60 partner countries (5 more than in 2019), representing 102 budget support contracts (20 more than in 2019); observes that for OCTs, EUR 82,8 million (compared to EUR 70,0 million in 2019) was disbursed through the EDFs for 12 countries, representing 13 budget support contracts, the same as in the financial year 2019;

43. Notes with appreciation that in 2020 sub-Saharan Africa remains the largest recipient of budget support with a share of 38 % (36 % in 2019); observes, moreover, that lower-middle-income countries accounted for 52,4 % (47 % in 2019) of the total ongoing commitments; notes that low-income countries accounted for 29,4 % of total commitments, confirming the decreasing trend noted in 2019 (32 % compared to 38 % in 2018); notes that, altogether, 47 % of the ongoing budget support programmes are being implemented in least-developed countries;

([5]) https://ec.europa.eu/international-partnerships/system/files/budget-support-guidelines-2017_en.pdf

44. Recalls that budget support aims to strengthen the partnership with the Union's partner countries, promote sustainable development, eradicate poverty, reduce inequalities and consolidate peace and democracy, ultimately aiming to contribute to the achievement of the SDGs; notes that Union budget support is to be guided by the internationally agreed Busan effectiveness principles, such as ownership by partner countries, results focus, inclusiveness and accountability; highlights the fact that, because it fosters transparency and good governance, budget support also contributes to the fight against corruption and fraud; recalls that budget support must correspond to the needs of partner countries as well as the Union's key policies; recalls that it is also necessary to measure the performance of programmes and their impact in partner countries and on civilian populations;

45. Notes that, in terms of relative contribution to the SDGs, budget support programmes strongly contribute to SDG 16 (peace, justice and governance), SDG 17 (partnerships), SDG 5 (gender equality) and SDG 1 (no poverty); welcomes the strong multi-dimensional scope of budget support programmes and considers that they should support entrepreneurship and private initiative in order to leverage economic and social development, as advocated in SDG 9 (build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation) and SDG 17 (strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development);

46. Stresses that entrepreneurship and the private sector play an essential role in the fight against poverty by creating jobs, a sustainable economy and sustainable growth; highlights the fact that providing business training can help small-scale entrepreneurs set up businesses and improve business practices in partner countries; notes that, in order to improve the effectiveness of such programmes, such training should be complemented with customised support and follow-up services; calls, in addition, for a continuation of the empowerment of both women and men, as well as the policies needed to address those relevant challenges;

47. Acknowledges the redesign of programmes by the Commission in response to the COVID-19 pandemic, resulting in indicators being neutralised (made irrelevant by the crisis or no longer valid) and variable tranches being converted into fixed tranches; notes, moreover, the cut-off dates of some indicators and targets and their postponement to 2021; notes, therefore, the change in ratio between fixed and variable tranches in 2020, reaching an average share of 84 % for fixed tranches (44 % in 2019) and 16 % for variable tranches (56 % in 2019); recalls, in that regard, its position that variable tranches might provide better leverage for deepening policy and political dialogue with partner countries on the main reforms to be carried out; requests, therefore, to be updated on the effects and results of the redesign of those programmes; notes, furthermore, that only the Caribbean, central Africa, Latin America and the Western Balkans kept relatively larger variable tranches across their payments;

48. Reiterates its call on the Commission services to continue assessing strictly in its policy dialogue the risks related to corporate tax avoidance, tax evasion and illicit financial flows affecting, in particular, developing countries; stresses the importance of addressing domestic revenue mobilisation and public finance management at large, which forms part of the budget support criteria; encourages the Commission to assess the fiscal impact and to help establish investment-oriented objectives;

49. Considers that needs assessments in connection with NDICI-Global Europe programming should take into account countries' debt situations and how those situations influence the ability to pursue the SDGs;

50. Stresses the importance for donors of not increasing the burden of debt; urges the Union and the Member States to develop, as a first step, and in addition to its pledges on a debt moratorium, a new debt relief initiative regarding the heavily indebted poor countries; calls, more broadly, for the creation of a multilateral debt workout mechanism to address both the impact of the debt crisis and the financing requirements of the 2030 Agenda;

Performance

51. Notes that Union support is implemented in the context of the 2030 Agenda, requiring a holistic approach to social, economic and environmental development, based on the SDGs;

52. Encourages the Commission to continue its efforts to reduce error rates by taking proportionate measures in response to high-risk areas which have already been identified;

53. Recognises that, in 2020, Europe, as well as the rest of the world, was strongly impacted by the COVID-19 pandemic and welcomes the Commission-coordinated response to the health crisis as well as to the impact on Europe's economy and society; notes that the COVID-19 pandemic has also posed challenges as regards performance, control, audit and assurance in relation to the 2020 Union budget; notes, in addition, the efforts by all Commission services to promote the consistent and rigorous protection of the Union budget, ensuring that appropriate mitigating measures were put in place; notes that the Team Europe approach was launched as a joint response to the COVID-19 pandemic by all European development actors to support the promotion of European policy priorities and standards;

54. Notes that the Commission considers the implementation of Team Europe's response to the COVID-19 pandemic as very effective, allowing the EDF resources available for 2020 to be fully executed; notes the reduction of the number of visits to projects, which were replaced by remote audits due to the COVID-19 outbreak; considers that remote audits cannot compare to real on-the-spot checks and invites the Commission to resume visits as soon as possible, taking on board the lessons learned from the COVID-19 pandemic in terms of the use of technologies and instruments to complement visits;

55. Acknowledges and welcomes the overall positive global impact of COVID-19 Vaccines Global Access (COVAX), which was marked by several implementation challenges and weaknesses throughout the process; notes that by mid-March 2022, COVAX had delivered over 1,3 billion doses to 144 countries, of which over 500 million doses were donations; notes that by mid-March 2022 the Members States had shared over 400 million doses; notes that the impact of COVAX has been hindered by supply shortages, which prevented COVAX from meeting its target for 2021 ([6]);

56. Stresses that in the upcoming years Member States should continue to invest in COVID-19 and other vaccines for developing countries and should continue to help improving distribution chains;

57. Notes the particular importance of DG INTPA as regards education, given its critical role in human development and as a key enabler for all Union priorities; welcomes, to that end, the increased spending on education in 2020, going from 7 to 10 % of DG INTPA's total portfolio; notes with satisfaction that, in response to the COVID-19 pandemic, DG INTPA supported the most vulnerable populations in partner countries, including through global education initiatives, in order to avoid a lost generation; recalls the importance of ensuring in all partner countries that girls and boys have equal access to education and school; is of the opinion that equal opportunities are a priority in development; is of the opinion that the accessibility of young women to European projects and funds must be encouraged in partner countries;

58. Recalls that special attention should be paid to vulnerable populations, given that they face more difficulties when it comes to accessibility; calls for the development of concrete measures and programmes and for more funding to be allocated, especially for people with disabilities;

59. Notes the Commission's evaluation that the EDFs have contributed positively to development results at country level, but expresses concern that regional-level results have been less easily identifiable; underlines the fact that principles of ownership and management by results and mutual accountability were found to be less consistently applied under the eleventh EDF; notes with concern, at the same time, that the Commission's evaluation showed that improvements needed to be made in the EDFs' reporting on effectiveness in order to make it more accountable; welcomes the fact that those lessons learned were very carefully taken on board by the Commission when designing the NDICI – Global Europe and were reflected in the choice of indicators;

([6]) COVID-19 Vaccine Market Dashboard, Unicef Supply Division, https://www.unicef.org/supply/covid-19-vaccine-market-dashboard

60. Calls for close monitoring and thorough policy dialogue with partner countries and NGOs regarding objectives, progress towards agreed results and performance indicators; calls once more on the Commission to better define and measure expected development impact and, especially, to improve the control mechanism with regard to the conduct of beneficiary countries in the areas of corruption, the rule of law, respect for human rights, good governance and democracy; stresses the need to include the private sector in that strategic dialogue; notes the importance of democratic control over the use of Union budget support in recipient countries;

61. Reiterates its call on the Commission to carry out a performance evaluation on a country-by-country basis of the long-term ongoing EDF-financed projects in order to demonstrate the true impact on the relevant country of decades-long Union investment and how it has effectively helped beneficiary countries' economic, social and sustainable development; calls on the Commission to take advantage of the lessons learned with regard to projects that have not been implemented effectively or efficiently and to take decisive action in the future;

62. Notes that, as in 2019 report, the Court did not include the performance of the EDFs in Chapter 6, entitled 'Global Europe', of its report on the performance of the Union budget; notes that the Court has not yet carried out a horizontal and detailed performance evaluation of the EDFs; acknowledges that with the budgetisation of the EDF, the Court will be also auditing the new EDF as part of the long-term Union budget;

63. Notes the EDFs' contribution to DG INTPA objectives 14 (human development) and 12 (sustainable jobs); recalls that health, gender equality, education, employment and improving living conditions are at the core of the Union's external action, in particular for vulnerable populations, including for migrants and for refugees; acknowledges that the COVID-19 pandemic disrupted societies in many ways, reversing the human development progress achieved in recent years, putting pressure on vulnerable populations, exacerbating inequalities and leading to limitations to the civil and democratic space in fragile democracies;

64. Notes that the budgetary implementation of the EDFs is now limited to payments on commitments made before the 31 December 2020 end date and that NDICI-Global Europe and general Union budget rules now apply; calls for strict implementation of the human rights-based approach, with human rights being at the centre of all actions, in accordance with the Commission's toolbox on that approach; is concerned, in that regard, about the possible misuse of development funds, including those of the EU Emergency Trust Fund for Africa (EUTF), and the reported human rights violations linked to the EUTF in Libya, Ethiopia, Eritrea and Niger;

EIB contributions

65. Notes that the Union's development policy will be implemented via the NDICI-Global Europe, of which the EIB is a key implementer;

66. Reiterates that the EIB's external operations are expected to contribute to Union policy objectives, fostering developing countries' sustainable economic, social and environmental development, particularly in the most disadvantaged among them, as well as compliance with objectives approved by the Union; recognises poverty eradication, domestic resource mobilisation and human rights as core topics within the Union's development finance architecture; recalls the fact that stakeholder engagement is the cornerstone of sustainable and inclusive development;

67. Notes that the EIB is bound by the Charter of Fundamental Rights of the European Union; stresses that human rights principles are integrated into its due diligence procedures and standards at project level, including by allowing for the suspension of disbursements in the case of serious violations of human rights or environmental and social standards; notes that the complaints mechanisms was reinforced at the end of 2018; calls on the EIB to ensure that its complaints mechanism is easily accessible, timely and effective in order to detect and redress possible human rights violations in EIB-related projects; asks the EIB to report to Parliament and to the Board of Governors on that issue;

68. Calls on the EIB to continue supporting the fulfilment of the SDGs through its activities within the framework of specific mandates decided by the Council and Parliament;

69. Supports the Council Conclusions adopted on 14 June 2021, which called on the EIB to enhance its contribution to the Union's development efforts through dedicated strategies, a stronger presence on the ground globally and better coordination with partners in a genuine Team Europe approach, with a view to developing innovative joint actions and ensuring the visibility of Union external financing;

70. Reflects on the accountability process where Parliament is the discharge authority, with the exception of the Investment Facility, which is managed by the EIB and is therefore outside the scope of the Court's audit ([7]);

The European Union Emergency Trust Funds for Africa (EUTFs)

71. Recalls that 2 EUTFs were created under the EDFs, namely the European Union Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa (the 'EUTF for Africa') and the European Union Trust Fund Bêkou for the Central African Republic (the 'EUTF Bêkou'); recalls Parliament's regular stance that the Commission ensures that any trust fund established as a new development tool must always be in line with the Union's overall strategy and development policy objectives, i.e. the reduction and, in the long term, eradication of poverty as enshrined in Article 208 TFEU, and must, in particular, ensure that recipient countries receive support not only in tackling the root causes of migration, including irregular migration flow, but also in promoting resilience, economic and equal opportunities, the safety of populations and human and social development;

72. Notes that EDF contributions to the EUTFs increased from EUR 600 million in 2019 to EUR 800 million in 2020, with additional EDF funds to the EUTF for Africa used to address specific areas of concerns in the Sahel and Lake Chad and Horn of Africa regions, including security challenges, essential stabilisation efforts and the response to the COVID-19 pandemic; calls on the Commission to continue monitoring and, as recently requested by Parliament ([8]), to establish an effective and independent monitoring mechanism to evaluate the final destination of migration-related EUTF projects in the event of violations of fundamental rights and inform the discharge authority on their outcomes;

73. Notes the financial contribution of the EDFs to the EUTF Bêkou to support the Central African Republic's exit from the COVID-19 crisis and its reconstruction and development; expresses concerns about the influence of the Wagner Group over the Central African Armed Forces; recalls its resolution of 25 November 2021 on the human rights violations by private military and security companies, particularly the Wagner Group; reiterates its call on the Commission to ensure that Union funds cannot under any circumstances be used by recipient countries to fund private military companies with such a record of human rights violations; notes the Commission's decision to temporarily suspend its military training mission due to concerns relating to activities of the Wagner Group; notes, in that regard, that in December 2021 the Union decided to impose restrictive measures against the Wagner Group; calls on the Commission to ensure that no funds are paid out directly or indirectly to Russian contractors or sub-contracts, especially in light of the current war in Ukraine; furthermore calls on the Commission to raise that matter in its bilateral dialogue with all relevant countries and encourages countries to be fully transparent with regard to contracting military support services, especially as regards the number, tasks and chains of command of private military and security companies present on their territories, as well as the equipment used to comply with their contracts;

74. Notes that the mid-term evaluation of the EUTF for Africa was concluded in 2020; notes the main findings of the evaluation report that the mandate of the EUTF for Africa, as a short-term instrument, is too wide to address the root causes of migration, and express concerns about some of the critical aspects highlighted therein; notes the need to better address challenges related to intra-African migration that makes up almost 90 % of migration flows in Africa; requests that the Commission make sure it focuses more activities on eradicating poverty in line with the EDFs' main objective, so as to address the root causes of migration; notes that the EUTF for Africa has managed to make modest contributions to increased economic opportunities and employment; supports the recommendation, set out in the evaluation report, to request that Union support to economic opportunities and employment creation

([7]) See Articles 43, 48-50 and 58 of Council Regulation (EU) 2015/323 of 2 March 2015 on the financial regulation applicable to the 11th European Development Fund (OJ L 58, 3.3.2015, p. 17); In 2012, a tripartite agreement between the EIB, the Commission and the ECA (Article 134 of Council Regulation (EC) No 215/2008 of 18 February 2008 on the Financial Regulation applicable to the 10th EDF (OJ L 78, 19.3.2008, p. 1)) set out the rules for the audit of these operations by the ECA.

([8]) European Parliament resolution of 7 October 2021 on the implementation report on the EU Trust Funds and the Facility for Refugees in Turkey (2020/2045(INI)).

be integrated where possible with local labour market dynamics and actors and with private sector investment; ([9]) strongly supports the request for an *ex-post* evaluation, including on the performance, to be conducted at least one year after all EUTF for Africa activities have been completed;

75. Reiterates its calls to the Commission to provide a solid risk assessment study on the human rights implication for all the projects designed to train and equip security forces of the African countries;

76. Welcomes the decision by the Commission to de-commit funds originating from the EUTF for Africa that were initially allocated to Eritrea, in particular for the procurement for road renovation that used forced labour;

77. Reiterates that the creation of new trust funds should be conditional on the full involvement of Parliament in the decision-making process and its endowment of proper scrutiny power; recalls, in that regard, the request for the revision of the Financial Regulation to allow Parliament to exercise its democratic oversight and scrutiny role effectively;

Risks and challenges related to EDF aid implementation

78. Recalls, once more, that good governance, the rule of law and the respect for human rights are unavoidable preconditions for aid effectiveness; calls on the Commission to closely monitor the situation of the rule of law, compliance with international treaties and bilateral agreements and the respect for human rights in recipient countries when approving financial aid; invites the Commission to make more stringent use of the clause included in the financial agreements with partner countries that enables the Commission to suspend or terminate the agreement in the event of the breach of an obligation relating to respect for human rights, democratic principles and the rule of law;

79. Is concerned by the Commission's rejection of a recommendation of Parliament to include in the next annual activity report a structured assessment and evaluation of aid and reporting on the results and impact of the activities of the EDFs; notes that the Commission considers that the impact of the activities of the EDFs has already been assessed by means of the production and transmission to Parliament of the annual report on the implementation of the Union's instruments for financing external actions, but recalls that part 1 of DG INTPA's annual activity report does not distinguish between the activities of the general budget and the EDFs, making it difficult to evaluate the Commission's statement that the EDFs have achieved significant results in addressing poverty reduction; considers that, in order to be able to implement its role as discharge authority, Parliament needs all possible useful data to evaluate the EDFs and their impact; invites the Commission to revise its position and respond positively to Parliament's specific request;

80. Acknowledges that the EDFs mainly focus on continental African countries and considers that insular countries, some of the ACP countries and, in particular, small island developing states should not be side-lined in terms of political objectives and projects; calls on the Commission to ensure greater synergies and greater coherence with the Union's internal and horizontal policies related to small island developing states, the outermost countries and territories of the Union and the outermost regions of the Union;

81. Invites the Commission to ensure that funding benefits all OCTs fairly and equally; calls on the Commission to further support OCTs administrations in the implementation of EDF projects, in particular by means of training and technical assistance;

82. Notes that with the new funding mechanism for development cooperation, the NDICI-Global Europe, all earlier funding options are consolidated in one instrument and part of the Union's annual budget and the 2021-2027 MFF period; recalls that the integration of the EDFs into the Union budget was a longstanding demand of Parliament and that the budgetary principles, in particular those of the unity and annuality of the budget, have been reinforced;

([9]) https://ec.europa.eu/info/system/files/annual-activity-report-2020-international-partnerships-annexes_en.pdf; p. 731.

notes that the NDICI-Global Europe is currently the main financial instrument for the Union's external action, with an overall allocation of EUR 79,5 billion (in current prices) for the 2021-2027 period; notes that the NDICI-Global Europe simplifies the Union's external funding and covers cooperation with all third countries, with the exception of countries linked to Union pre-accession (in the Western Balkans) and Turkey; notes, moreover, that development spending will therefore also be fully covered by the democratic scrutiny of Parliament; also welcomes the fact that under the NDICI-Global Europe, OCTs will benefit from increased funds within the Union budget;

83. Notes that the Commission is committed to enhancing the policy coherence between internal and external action; highlights the need for stronger coherence of Union action in the ACP region, making sure that priority is given to development objectives and that policies aimed at the OCTs are linked to the development of their border regions and are aligned with Union priorities;

84. Notes that 73,3 % of the contracts with Member States were signed with only two Member State's national development agencies (namely from France and Germany) with *Agence française de développement* representing 67 % of the contracts signed with French agencies, and *Gesellschaft für Internationale Zusammenarbeit* representing 72 % of the contracts signed with German agencies; while recognising their expertise, considers that more efforts for promoting the vision of more national development agencies are necessary; welcomes the efforts of the Commission in that regard, including the preparation of a study to understand the strength of each partner in the Members States in order to evaluate how they could better contribute in the future; asks the Commission to provide the discharge authority with the report of that study as soon as it is available;

85. Recalls that media reports highlighted that money assigned under the EDFs, which was used for public infrastructure projects in the Democratic Republic of the Congo, was paid out to a company that is linked to a well-known Hezbollah financier; notes that the Commission did not have any information on alleged links between that company and the financier at the moment of awarding those contracts and that, with the exception of one, all contracts were completed satisfactorily; recalls, however, the Union's commitment to zero tolerance for suspected fraud, corruption, and funding of activities linked to terrorism and the obligation to prevent European funding from indirectly benefiting criminal and terrorist activities; requests that the Commission update its procurement rules and *post-ante* checks to strengthen background checks of beneficiaries and their affiliations;

Follow-up to the 2019 discharge

86. Notes that the report on the follow-up to the discharge for the financial year 2019 was duly published in July 2021; notes the delayed transmission of the detailed replies to the specific requests made by Parliament in the discharge resolution but welcomes that, in an answer to the written questions, the Commission agreed to provide an advance copy of the follow-up to the EDF discharge; recalls the importance of having detailed follow-up information in due time as a vital part of the discharge procedure;

87. Draws attention to the context in which official development assistance is now provided, marked by a recurrent funding gap, the COVID-19 pandemic, the aggravating climate and biodiversity crisis, the relentless growth of the needs of humanitarian aid and the lack of means to address them properly, the woefully inadequate financial and technical resources of least developed countries and other developing countries to respond to the challenges they face, the reversal of the progress towards key SDGs and the Paris Agreement on Climate Change (the 'Paris Agreement'), including those concerning the eradication of poverty and hunger, and the continued global failure to scale up climate action to the urgent need of reaching the objectives of the Paris Agreement with a pathway compatible with the objective of limiting global warming to under 1,5 °C and of improving resilience to the adverse effects of climate change;

88. Expresses disappointment about the continued absence of major action by the Commission on the recommendations of the external evaluation of the Union's policy coherence for development ([10]), ordered by the Commission and received in 2018; regrets the lack of transparency in public procurement procedures;

([10]) https://ec.europa.eu/international-partnerships/system/files/pcd-main-report_en.pdf

89. Regrets the lack of follow-up to some of Parliament's requests during the 2019 discharge procedure and invites the Commission to provide a more in-depth analysis of Parliament's recommendations.

DECISION (EU) 2022/1715 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the eighth, ninth, tenth and eleventh European Development Funds for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the financial statements and revenue and expenditure accounts for the eighth, ninth, tenth and eleventh European Development Funds for the financial year 2020 (COM(2021) 379 – C9-0310/2021)),

— having regard to the financial information on the European Development Funds (COM(2021) 379),

— having regard to the Court of Auditors' annual report on the activities funded by the eighth, ninth, tenth and eleventh European Development Funds for the financial year 2020, together with the Commission's replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendations of 18 October 2021 on discharge to be given to the Commission in respect of the implementation of the operations of the European Development Funds for the financial year 2020 (00553/2022 – C9-0114/2022, 00554/2022 – C9-0115/2022, 00555/2022 – C9-0116/2022, 00556/2022 – C9-0117/2022),

— having regard to the Commission's reports on the follow-up to the discharge for the 2019 financial year (COM(2021) 405), and to the accompanying Commission staff working document (SWD(2021) 132),

— having regard to the Partnership Agreement between the members of the African, Caribbean and Pacific Group of States, of the one part, and the European Community and its Member States, of the other part, signed in Cotonou (Benin) on 23 June 2000 ([3]) and amended in Ouagadougou, Burkina Faso, on 22 June 2010 ([4]),

— having regard to Council Decision 2013/755/EU of 25 November 2013 on the association of the overseas countries and territories with the European Union ('Overseas Association Decision') ([5]),

— having regard to Article 33 of the Internal Agreement of 20 December 1995 between the representatives of the Governments of the Member States, meeting within the Council, on the financing and administration of the Community aid under the Second Financial Protocol to the fourth ACP-EC Convention ([6]),

— having regard to Article 32 of the Internal Agreement of 18 September 2000 between Representatives of the Governments of the Member States, meeting within the Council, on the Financing and Administration of Community Aid under the Financial Protocol to the Partnership Agreement between the African, Caribbean and Pacific States and the European Community and its Member States signed in Cotonou (Benin) on 23 June 2000 and the allocation of financial assistance for the Overseas Countries and Territories to which Part Four of the EC Treaty applies ([7]),

— having regard to Article 11 of the Internal Agreement of 24 and 26 June 2013 between the Representatives of the Governments of the Member States of the European Union, meeting within the Council, on the financing of European Union aid under the multiannual financial framework for the period 2014 to 2020 in accordance with the ACP-EU Partnership Agreement and on the allocation of financial assistance for the Overseas Countries and Territories to which Part Four of the Treaty on the Functioning of the European Union applies ([8]),

([1]) OJ C 430, 25.10.2021, p. 7.
([2]) OJ C 438, 28.10.2021, p. 137.
([3]) OJ L 317, 15.12.2000, p. 3.
([4]) OJ L 287, 4.11.2010, p. 3.
([5]) OJ L 344, 19.12.2013, p. 1.
([6]) OJ L 156, 29.5.1998, p. 108.
([7]) OJ L 317, 15.12.2000, p. 355.
([8]) OJ L 210, 6.8.2013, p. 1.

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— having regard to Article 74 of the Financial Regulation of 16 June 1998 applicable to development finance cooperation under the fourth ACP-EC Convention ([9]),

— having regard to Article 119 of the Financial Regulation of 27 March 2003 applicable to the 9th European Development Fund ([10]),

— having regard to Article 50 of Council Regulation (EC) No 215/2008 of 18 February 2008 on the Financial Regulation applicable to the 10th European Development Fund ([11]),

— having regard to Article 48 of Council Regulation (EU) 2015/323 of 2 March 2015 on the financial regulation applicable to the 11th European Development Fund ([12]).

— having regard to Rule 99 and the third indent of Rule 100 of, and Annex V to, its Rules of Procedure,

— having regard to the opinion of the Committee on Development,

— having regard to the report of the Committee on Budgetary Control (A9-0124/2022),

1. Approves the closure of the accounts of the eighth, ninth, tenth and eleventh European Development Funds for the financial year 2020;

2. Instructs its President to forward this decision to the Council, the Commission, the Court of Auditors and the European Investment Bank, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([9]) OJ L 191, 7.7.1998, p. 53.
([10]) OJ L 83, 1.4.2003, p. 1.
([11]) OJ L 78, 19.3.2008, p. 1.
([12]) OJ L 58, 3.3.2015, p. 17.

DECISION (EU) 2022/1716 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Union Agency for the Cooperation of Energy Regulators (ACER) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Union Agency for the Cooperation of Energy Regulators for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0071/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2019/942 of the European Parliament and of the Council of 5 June 2019 establishing a European Union Agency for the Cooperation of Energy Regulators ([4]), and in particular Article 35 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— 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 (A9-0097/2022),

1. Grants the Director of the European Union Agency for the Cooperation of Energy Regulators discharge in respect of the implementation of the Agency's budget for the financial year 2020;

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 Director of the European Union Agency for the Cooperation of Energy Regulators, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3.
([2]) OJ C 439, 29.10.2021, p. 3.
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 158, 14.6.2019, p. 22.
([5]) OJ L 122, 10.5.2019, p. 1.

RESOLUTION (EU) 2022/1717 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Union Agency for the Cooperation of Energy Regulators (ACER) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Union Agency for the Cooperation of Energy Regulators for the financial year 2020,

— 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 (A9-0097/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European Union Agency for the Cooperation of Energy Regulators (the 'Agency') for the financial year 2020 was EUR 17 297 383, representing an increase of 7,12 % compared to 2019, whereas the inflation rate was 0,7 % in the Union in 2020; whereas the Agency's budget derives entirely from the Union budget;

B. whereas the Court of Auditors (the 'Court'), in its report on the Agency's annual accounts for the financial year 2020 (the 'Court's report'), states that the Court has obtained reasonable assurances that the Agency's annual accounts are reliable and that the underlying transactions concerning revenue are legal and regular; whereas the Court identified a total amount of payments of EUR 752 654 which it considered to be irregular, representing 3,71 % of the total appropriations available, resulting in a qualified opinion on the legality and regularity of the payments underlying the accounts;

Budget and financial management

1. Notes with satisfaction that budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 98,83 %, exceeding the Agency's planned target of 95 %, representing a decrease of 0,44 % compared to 2019; notes that the payment appropriations execution rate was 83,35 %, representing an increase of 0,09 % compared to 2019;

2. Notes that the Court issued a qualified opinion on the legality and regularity of the payments underlying the accounts concerning the finding in its audit report for the 2019 financial year, in which the Court concluded that several specific contracts under a framework contract for IT services were irregular, because no competitive procurement procedure had been followed; notes specifically that certain ordered items and services were not covered by the price lists of the bids submitted for the contract and that the Court found payments made in 2020 for out-of-price list items under this framework contract amounting to EUR 752 654 (3,71 % of the total payment appropriations available in 2020); notes further that the Court acknowledges that the Agency, following the Court's observations concerning the financial year 2019, has prepared an action plan and that its implementation is regularly monitored by the Agency's management;

Performance

3. Notes that the Agency continues to use certain measures as key performance indicators to assess the performance of its activities; notes that for each task of the Agency a priority level is given (critical, important etc.), objectives are established in the annual work plan and performance indicators are established; notes with satisfaction that the Agency reports that despite the COVID-19 pandemic, the objectives of the 2020 work programme were largely met, with the exception of some goals related to Regulation (EU) No 1227/2011 of the European Parliament and of the Council ([2]) that were performed to a lesser extent due to human resources constraints;

([1]) OJ C 114, 31.3.2021, p. 245.

([2]) Regulation (EU) No 1227/2011 of the European Parliament and of the Council of 25 October 2011 on wholesale energy market integrity and transparency (OJ L 326, 8.12.2011, p. 1).

Staff policy

4. Notes that, on 31 December 2020, the establishment plan was 100 % implemented, with 71 temporary agents appointed out of 71 temporary agents authorised under the Union budget (compared to 67 authorised posts in 2019); notes that, in addition, 30 contract agents and 4 seconded national experts worked for the Agency in 2020 with 33 and 4 posts authorised respectively;

5. Reiterates its concern about the lack of gender balance among the Agency's senior management, namely one woman (16,7 %) and five men (83,3 %) in its senior management; notes that the gender distribution among the staff overall is 68 men (67,3 %) and 33 women (32,7 %) and encourages the Agency to take measures to achieve gender balance; notes that the Agency's management board is composed of four men (44,4 %) and five women (55,6 %); reiterates its call on the Commission and the Member States to take the importance of ensuring gender balance into account when nominating their members to the management board of the Agency;

6. Welcomes the efforts made in staff policy to promote teleworking and a healthy life and continues to encourage the Agency to pursue the development of a long-term human resources policy framework that addresses work-life balance, lifelong guidance and career development, gender balance, teleworking, geographical balance and the recruitment and integration of people with disabilities;

7. Notes that the Agency was reorganised following the arrival of the Agency's new Director, aiming to increase synergies in the Agency by creating clusters (data excellence, legal service) and further enhancing cooperation between the market surveillance and conduct department and the market monitoring teams in the electricity and gas departments;

8. Notes that the Agency needs more staff and resources, primarily for implementing its tasks related to wholesale energy market integrity and transparency and for monitoring unprecedentedly increased energy market transactions;

9. Notes that according to the Agency's annual report, the increase of powers that were granted to the Agency in recent years, also increased the number of appeals against the Agency's decisions, in turn drastically increasing the need for legal support in defending the Agency's decisions; calls on the Agency to reflect the need for sufficient legal support in its organisation structure and to ensure appropriate staffing; welcomes in this regard the transfer of appropriations in the form of a subsidy amounting to EUR 429 000 in support for its unprecedented need of legal support in defending the Agency's decisions; calls on the Agency to reflect the potentially continuing need for legal support in the procedure for future budgets of the Agency;

Procurement

10. Notes that 185 procurement procedures were concluded in 2020, compared to 79 in 2019; notes that following the implementation of e-tendering in 2019, the agency implemented e-submission for all open procedures in 2020, continuing the implementation of e-procurement in the Agency;

11. Notes with concern that the Court has issued a qualified opinion regarding the legality and regularity of the payments underlying the accounts for the financial year 2019; notes with concern that for the 2019 financial year, the Court concluded that several specific contracts under a framework contract for IT services were irregular, because no competitive procurement procedure had been followed by the Agency, and more precise, certain ordered items and services were not covered by the price lists of the bids submitted for the contract; notes that payments made in 2020 for out-of-price list items under this framework contract amounted to EUR 752 654 (3,71 % of the total payment appropriations available in 2020); notes the statements of the director of the Agency in the discharge hearing with the agencies on 29 November 2021, and the Agency's reply to written questions that the Court's finding was related to an excessive use of the option of 'out-of-price list items', and that the Agency has taken steps to prevent this from happening in the future; calls on the Agency to report to the Court and the discharge authority on the above mentioned framework contracts as well as on the steps taken;

Prevention and management of conflicts of interest and transparency

12. Acknowledges the Agency's existing measures and ongoing efforts to secure transparency, prevention and management of conflicts of interest, and to ensure the protection of whistleblowers; notes the Agency's continued efforts to implement its comprehensive policy for the prevention and management of conflicts of interest and that the Agency continued to collect the annual declarations of interest of its management staff of members and alternates of its administrative board, board of regulators and board of appeal, as well as of the chairs and vice-chairs of the Agency's working groups and of the convenors of the Agency's task forces; notes that Agency reported that those declarations were reviewed in accordance with the policy and published on the Agency's website together with the CVs of the persons in question and that the Agency reported no cases of potential conflict of interest in 2020;

Internal control

13. Notes that the internal audit service (IAS)'s audit on the implementation of Regulation (EU) No 1227/2011 in 2020 resulted in two very important, and four important recommendations that are currently being implemented on the basis of an action plan that was approved by the IAS; notes that from previously performed audits, the audits on 'IT security in the Agency and information security in the REMIT domain' and 'Human Resources Management' that three very important and four important recommendations were closed in 2020, and four important recommendations still need to be implemented; also notes that two important recommendations previously closed by the Agency, were re-opened, after the IAS considered the efforts of the Agency to implement them insufficient, yet closed again later in 2020; calls on the Agency to not close recommendations too early and calls on the IAS to continue its follow-up work on closed recommendations to make sure they are implemented as intended;

14. Notes that a risk assessment was performed in 2020, resulting in a new IAS strategic audit plan for the Agency for the period from 2021 to 2023; calls on both the IAS and the Agency to monitor the identified risks and to take appropriate mitigating actions, as well as assess the measures taken by performing audits on the identified risks;

15. Notes the statement of the Agency in its annual report, that the delegations and sub-delegations of budget implementation powers for the financial year 2020 were signed in November 2019 by the outgoing director and were not revoked by the incoming director, and remained valid as such, and that they were reconfirmed by the Agency's director in December 2020; notes however the finding of the Court that the current director took office on 1 January 2020 and that he issued retroactively on 18 December 2020 a confirmation of the delegations of two members of staff, meaning that for almost 1 year, the members of the staff in question authorised operations based on the delegations issued by the previous director; notes with concern the Court's conclusion that this constitutes an important internal control weakness, and is in particular concerned that this weakness was not identified by the Agency itself; calls on the Agency to properly assess its internal control framework, in accordance with the guidance provided by the Directorate-General for the Budget of the European Commission;

COVID-19 response and business continuity

16. Notes that the Agency, following measures to contain the spread of COVID-19, made recourse to teleworking as its normal operational mode; notes that the Agency, in accordance with its business continuity plan, set up a continuity management group which included senior management and selected members of staff, that took decisions and provided guidance to the Agency's staff on the working arrangements, related safety measures, as well as human resources and information technology issues; notes that the continuity management group also regularly informed members of staff of the measures in place in Slovenia, which were not always readily available in English;

17. Notes the difficulties faced by the Agency in applying a telework regime and handling an increasing amount of confidential data for the Agency's supervisory mandate, from more than 3 million records collected in 2019, to an average of over 6,8 million records of transactions and orders to trade per day in 2020; calls on the Agency to inform the discharge authority on the measures taken to ensure business continuity, while at the same time complying with data security and confidentiality requirements;

18. Notes that the Agency reported significant savings under the allocated appropriations for missions and events; calls on the Agency to maintain (part of) those savings in the post-lockdown era and to reflect a new way of more economical remote working in its operational procedures;

Other comments

19. Notes that the Agency has a security and information security policy in place, in addition to a set of rules for the use of IT means issued by the IT team, implementing the security and information security policy and in agreement with the security office;

20. Recalls the importance to increase the digitalisation of the Agency in terms of internal operation and management but also in order to speed up the digitalisation of procedures; stresses the need for the Agency to continue to be proactive in this regard in order to avoid a digital gap between the agencies at all costs; draws attention, however, to the need to take all the necessary security measures to avoid any risk to the online security of the information processed; calls on the Agency to speed up the development of its cybersecurity policy and to inform the discharge authority on its completion;

21. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([3]) on the performance, financial management and control of the agencies.

([3]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1718 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Union Agency for the Cooperation of Energy Regulators (ACER) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Union Agency for the Cooperation of Energy Regulators for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0071/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2019/942 of the European Parliament and of the Council of 5 June 2019 establishing a European Union Agency for the Cooperation of Energy Regulators ([4]), and in particular Article 35 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— 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 (A9-0097/2022),

1. Approves the closure of the accounts of the European Union Agency for the Cooperation of Energy Regulators for the financial year;

2. Instructs its President to forward this decision to the Director of the European Union Agency for the Cooperation of Energy Regulators, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3.
([2]) OJ C 439, 29.10.2021, p. 3.
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 158, 14.6.2019, p. 22.
([5]) OJ L 122, 10.5.2019, p. 1.

DECISION (EU) 2022/1719 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the Agency for Support for BEREC (BEREC Office) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the Agency for Support for BEREC (BEREC Office) for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0072/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2018/1971 of the European Parliament and of the Council of 11 December 2018 establishing the Body of European Regulators for Electronic Communications (BEREC) and the Agency for Support for BEREC (BEREC Office), amending Regulation (EU) 2015/2120 and repealing Regulation (EC) No 1211/2009 ([4]), and in particular Article 28 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— 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 (A9-0123/2022),

1. Grants the Director of the Agency for Support for BEREC (BEREC Office) discharge in respect of the implementation of the Agency's budget for the financial year 2020;

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 Director of the Agency for Support for BEREC (BEREC Office), 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3.
([2]) OJ C 439, 29.10.2021, p. 3.
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 321, 17.12.2018, p. 1.
([5]) OJ L 122, 10.5.2019, p. 1.

RESOLUTION (EU) 2022/1720 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the Agency for Support for BEREC (BEREC Office) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the Agency for Support for BEREC (BEREC Office) for the financial year 2020,

— 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 (A9-0123/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the Agency for Support for BEREC (the 'BEREC Office') for the financial year 2020 was EUR 7 233 653, representing an increase of 27,96 % compared to 2019, which mainly represents an increase in staff and operational expenditure; whereas the inflation rate was 0,7 % in the Union in 2020; whereas the budget of the BEREC Office derives from the Union budget and third countries' contributions;

B. whereas the Court of Auditors (the 'Court'), in its report on the BEREC Office's annual accounts for the financial year 2020 (the 'Court's report'), states that the Court has obtained reasonable assurances that the BEREC Office's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with satisfaction that budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 99,07 %, representing a decrease of 0,86 % compared to 2019; notes that the payment appropriations execution rate was 61,14 %, representing a decrease of 20,85 % compared to 2019;

Performance

2. Notes with satisfaction that the BEREC Office uses certain measures as key performance indicators to assess the added value provided by its activities and other measures to improve its budget management, such as the BEREC Office's timely response to user requests, the number of data protection policies in place compared to the number of identified processing operations, and the minimization of hours of continuous downtime of its systems;

3. Welcomes the fact that the BEREC Office has found some synergies with other agencies in common areas and currently cooperates in the development of a new corporate website with the European Union Intellectual Property Office and in the use of IT infrastructure and online platforms with the European Food Safety Authority; further notes that the BEREC Office uses to the maximum extent possible services offered by the Commission and other institutions and bodies of the Union, which concern internal control systems; calls on the BEREC Office to report to the discharge authority on the developments in this regard;

4. Notes, regarding follow-up actions to observations in the discharge authority's 2019 discharge, that in 2021 the BEREC Office created a local security officer post within the limits of its existing temporary agent posts, and hired an interim internal control coordinator for six months; acknowledges that those solutions do not constitute sustainable solutions for the BEREC Office's issues related to staffing;

Staff policy

5. Notes that, on 31 December 2020, the establishment plan was 87,50 % implemented, with 14 temporary agents appointed out of 16 temporary agents authorised under the Union budget (compared with 16 authorised posts in 2019); notes that, in addition, 22 contract agents and 9 seconded national experts worked for the BEREC Office in 2020;

([1]) OJ C 114, 31.3.2021, p. 174.

6. Reiterates its concern about the lack of gender balance within the BEREC Office's senior and middle management, with three out of four men (75 %), and the BEREC Office's management board, with 23 out of 29 men (79,31 %); notes the better gender balance among the BEREC Office's overall staff, with 24 out of 42 (57,14 %) men; reiterates its call on the BEREC Office to take measures to achieve gender balance as soon as possible; reiterates its call on the Commission and the Member States to take the importance of ensuring gender balance into account when nominating their members to the management board of the BEREC Office;

7. Is concerned about the large size of the BEREC Office's management board, which makes decision-making difficult and generates considerable administrative costs;

8. Notes, from the BEREC Office's follow-up actions to the observations in the discharge authority's 2019 discharge, that the BEREC Office is still dependent on external resources, and on one company in particular, for various types of services (such as clerical and secretarial support, organisation of events and the wellbeing and integration of staff), which creates a risk to business continuity;

9. Notes, from the BEREC Office's follow-up actions to the observations of the discharge authority's 2019 discharge, that the BEREC Office struggles to attract and retain professionals; acknowledges that the BEREC Office is continuously working towards improving the employment conditions for its staff and applies other mitigation measures and calls on the BEREC Office to report to the discharge authority on the progress made in this regard;

10. Welcomes the efforts made in staff policy to promote teleworking and healthy life and continues to encourage the BEREC Office to pursue the development of a long term human resources policy framework that addresses work-life balance, lifelong guidance and career development, gender balance, teleworking, geographical balance and the recruitment and integration of people with disabilities;

Procurement

11. Notes from the Court's report, that the BEREC Office signed a framework contract with one company for the provision of secretarial support services, which did not comply with Union social and employment rules, exposing the BEREC Office to legal and reputational risks; notes that, regarding temporary work, there is a case pending before the Court of Justice; further notes that the Court will refrain from making any observations on the regularity of the BEREC Office's approach concerning this matter until the Court of Justice has issued a final ruling in that case;

12. Notes from the Court's report that the BEREC Office finished a procurement procedure and signed a contract before evaluating all of the offers it had received; notes that the BEREC Office misplaced an offer submitted by a person who declared a potential conflict of interest, and did not evaluate that offer; notes that the evaluation report for this procedure did not explain how the BEREC Office had concluded whether or not the offers it received complied with the eligibility criteria; notes that, in this regard, the Court considered the contract to be irregular; notes from the BEREC Office's reply to the 2019 discharge observations that the procurement procedure in question took place when the BEREC Office used the decentralised procurement model, while from 1 July 2019 a centralised procurement procedure was established; calls on the BEREC Office to report to the discharge authority on the developments concerning this topic;

Prevention and management of conflicts of interest and transparency

13. Notes the BEREC Office's existing measures and ongoing efforts to secure transparency and prevention and management of conflicts of interest; acknowledges that CVs of most of the board members are published on its website and that the BEREC Office is making progress on CVs collection practices; notes that the BEREC Office sends reminders to individual members and participants who have not yet submitted their documents and requests for documents to all newly appointed Members, so as to collect CVs and the declarations of interest of all board members; notes that the BEREC Office also reminds its Members about the obligations to publish CVs and declarations during the plenary meetings;

Internal control

14. Notes that the Commission's internal audit service (IAS) performed a full risk assessment at the BEREC Office in order to establish its strategic internal audit plan for the ongoing period 2021-2023; notes that the IAS has not identified critical risks; further notes that, at the end of 2020, the IAS closed all its recommendations for the BEREC Office' audits of previous years;

COVID-19 response and business continuity

15. Notes that due to the COVID-19 pandemic the BEREC Office cancelled most of the planned physical events and organised them successfully by means of videoconferencing instead; notes that, as a result, the BEREC Office did not need to cover travel expenses of its representatives, which resulted in a reduction in its costs and in a better environmental performance;

16. Notes that due to COVID-19 the BEREC Office has taken steps to reinforce its IT services to better meet the increased need for virtual collaboration with completion of the development and delivery of a new videostreaming and recording platform, with cognitive capabilities (translations and captions for live and recorded digital events), the purchase of core infrastructure hardware (servers) and the upgrade of the videoconference facilities and services at the facilities at the BEREC Office's disposal in Brussels;

Other comments

17. Points out that the BEREC Office is developing a new website to ensure access to persons with disabilities; notes that the project is expected to run between 2021 and 2023; further notes that the technical specifications will include the accessibility requirements and the relevant groups will be involved in the project, to ensure high level of accessibility; calls on the BEREC Office to report to the discharge authority on the developments in this regard;

18. Recalls the importance of increasing the digitalisation of the BEREC Office in terms of internal operation and management but also in order to speed up the digitalisation of procedures; stresses the need for the BEREC Office to continue to be proactive in this regard in order to avoid a digital gap between the agencies at all costs; draws attention, however, to the need to take all the necessary security measures to avoid any risk to the online security of the information processed; calls on the BEREC Office to speed up the development of its cybersecurity policy and to inform the discharge authority on its completion;

19. Calls on the BEREC Office to focus on disseminating the results of its research to the public; notes that all of the BEREC Office's activities are reflected in its single programming documents; notes that the provision of communication and visibility of the BEREC Office is included in the new headquarters agreement, which provides for the planning of concrete activities and much closer cooperation between the BEREC Office and the host Member State (Latvia) in the coming years;

20. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([2]) on the performance, financial management and control of the agencies.

([2]) Texts adopted, P9 TA(2022)0196.

DECISION (EU) 2022/1721 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the Agency for Support for BEREC (BEREC Office) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the Agency for Support for BEREC (BEREC Office) for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0072/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2018/1971 of the European Parliament and of the Council of 11 December 2018 establishing the Body of European Regulators for Electronic Communications (BEREC) and the Agency for Support for BEREC (BEREC Office), amending Regulation (EU) 2015/2120 and repealing Regulation (EC) No 1211/2009 ([4]), and in particular Article 28 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— 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 (A9-0123/2022),

1. Approves the closure of the accounts of the Agency for Support for BEREC (BEREC Office) for the financial year 2020;

2. Instructs its President to forward this decision to the Director of the Agency for Support for BEREC (BEREC Office), the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3.
([2]) OJ C 439, 29.10.2021, p. 3.
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 321, 17.12.2018, p. 1.
([5]) OJ L 122, 10.5.2019, p. 1.

DECISION (EU) 2022/1722 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the Translation Centre for the Bodies of the European Union (CdT) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the Translation Centre for the Bodies of the European Union for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Centre in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0073/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Council Regulation (EC) No 2965/94 of 28 November 1994 setting up a Translation Centre for bodies of the European Union ([4]), and in particular Article 14 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Culture and Education,

— having regard to the report of the Committee on Budgetary Control (A9-0095/2022),

1. Grants the Director of the Translation Centre for the Bodies of the European Union discharge in respect of the implementation of the Centre's budget for the financial year 2020;

2. Sets out its observations in the resolution below;

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 314, 7.12.1994, p. 1.

([5]) OJ L 122, 10.5.2019, p. 1.

3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Director of the Translation Centre for the Bodies of the European Union, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1723 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the Translation Centre for the Bodies of the European Union (CdT) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the Translation Centre for the Bodies of the European Union for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Culture and Education,

— having regard to the report of the Committee on Budgetary Control (A9-0095/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the Translation Centre for the Bodies of the European Union (the 'Centre') for the financial year 2020 was EUR 46 804 684, representing an increase of 2,30 % compared to 2019; whereas 88,74 % of the Centre's budget derives from direct contributions from institutions, other agencies and bodies;

B. whereas the Court of Auditors (the 'Court'), in its report on the annual accounts of the Translation Centre for the Bodies of the European Union for the financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurance that the Centre's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes that budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 89,99 %, representing a decrease of 3,05 % compared to 2019; notes that the payment appropriations execution rate was 83,36 %, representing a decrease of 1,75 % compared to 2019; notes that the COVID-19 crisis resulted in significant uncertainty for the Centre's revenue because clients' budgetary forecasts followed a nonlinear pattern; notes with appreciation that the Centre, despite that uncertainty, was able to balance its 2020 budget;

2. Welcomes the report of the Centre that there has been a near-complete implementation (98 %) of its 2019-2020 Transformation Plan, which was developed on the basis of recommendations following an external study entitled 'Study on the Translation Centre as the Shared Linguistic Service Provider for the EU Agencies and Bodies';

Performance

3. Underlines that the Centre, which celebrated its 25th anniversary in 2020, makes a crucial contribution to upholding the key principle of multilingualism in the Union, thus not only enabling the smooth functioning of Union institutions, bodies, offices and agencies but also empowering Union citizens and organisations to access information and take full advantage of the social, cultural, economic and educational opportunities open to them; congratulates the Centre on the improvements in achieving its mission and calls on it to maintain its contribution to multilingualism in the Union;

4. Notes the Centre's focus on direct outcome associated with its activities; notes the financial key performance indicators that provide a good indication of the Centre's operational performance; acknowledges that the strategic key performance indicators provide a multi-directional perspective on the Centre's performance, beyond output; encourages the Centre to continue monitoring its performance on both levels, direct output of activities and strategic performance;

([1]) OJ C 114, 31.3.2021, p. 54.

5. Welcomes the Centre's continued efforts in 2020 to assure the quality of translations produced by its external language service providers, as well as the stringent measures taken against several contractors whose documents were judged to be repeatedly unsatisfactory; welcomes, in that regard, the launch, at the end of August 2020, of a fully revised client feedback system, shifting the focus from measuring client satisfaction via satisfaction forms to the provision of updated versions; calls on the Centre to continuously update and adjust that system based on feedback received;

6. Notes that with 635 269 pages, the number of pages of documents translated, modified, edited and revised was relatively stable compared to 2019 (639 525 pages), mainly as a result of a decrease in the number of pages of EU trade marks translated for the European Union Intellectual Property Office (down by 47 928 pages, or 13,8 %, compared to 2019) and of an increase in the number of pages of documents other than EU trade marks (up by 43 672 pages, or 15 %, compared to 2019);

7. Commends the Centre for expanding its client portfolio, which the European Public Prosecutor's Office joined in November 2020;

8. Welcomes the fact that the Centre developed new linguistic services and working methods for its clients, such as automatic translation, custom machine translation, transcription with and without human intervention and optimised subtitling;

9. Notes with satisfaction that in 2020 the Centre began using the e-recruitment tool 'Systal' and that the Centre participated in two joint selection procedures with the European Medicines Agency, which allowed for the sharing of resources and efforts invested in establishing reserve lists for horizontal administrative profiles;

Staff policy

10. Notes that, on 31 December 2020, the establishment plan was 95,85 % implemented, with 47 officials and 138 temporary agents appointed out of 52 officials and 141 temporary agents authorised under the Union budget (compared to 193 authorised posts in 2019); notes that, in addition, 22 contract agents worked for the Centre in 2020 (with 28 authorised posts);

11. Notes the successful implementation of the Centre's 2019-2020 Transformation Plan and the Programme Initiation Document, which was undertaken to bring about changes in the structure of the Centre; encourages the Centre to strengthen its investment in staff training;

12. Notes, as regards gender balance, that in 2020 100 % of senior management positions were occupied by men, with only one staff member reported as being in a senior management position, and the management board was made up of 53 % men and 47 % women; notes that there is an underrepresentation of men in the Centre's overall staff (37 % men and 63 % women); asks the Centre to work towards gender balance at the staff level;

13. Stresses the need for the Centre to continue with its ambitious transformation related to digitalisation and artificial intelligence to respond to the multilingual communication needs of Union institutions, bodies, offices and agencies, which are faced with a high volume of varied and specialised content to be translated with limited budgetary resources; at the same time, points out that in general there is a risk that the COVID-19 pandemic will have a negative impact on, in particular, contract staff and asks that ways be found to cushion and prevent precarious situations in that respect;

14. Encourages the Centre to pursue the development of a long term human resources policy framework which addresses work-life balance, lifelong guidance and career development, gender balance, teleworking, geographical balance and recruitment and integration of people with disabilities;

Procurement

15. Notes that the implementation of e-tendering and e-submission, to complement the introduction of e-invoicing, has been postponed due to the COVID-19 crisis; calls on the Centre to implement e-tendering and e-submission; welcomes the fact that the Centre, in the wake of the COVID-19 crisis, requested its language service providers to send all their invoices in electronic format; welcomes the fact that in 2021 the Centre fully adopted e-procurement procedures and adopted e-submission for the first time;

Prevention and management of conflicts of interest and transparency

16. Notes with concern that the Centre only publishes declarations of interests on its website and that it does not publish the CVs of its management board on its website due to the size of the management board (approximately 130 members and alternate members); stresses the fact that other agencies publish the CVs of the members of their respective management boards, even where those management boards have more members than that of the Centre; reiterates its call on the Centre to publish the CVs of all the members of the management board and to report to the discharge authority on the measures taken in that regard; notes that the director's CV and declaration of interests have been published on the Centre's website;

Internal control

17. Notes the assessment of the Centre's internal control system and the Centre's management's consideration that the monitoring reviews showed no instances of inadequate or ineffective controls that would expose the Centre to key risks and welcomes the fact that the reviews were carried out on the basis of the 17 principles pertaining to the five components of the Centre's new internal control framework; welcomes the conclusion of the Centre that its control systems are fully effective overall, with some improvements needed to further increase the Centre's resilience;

18. Notes that the Centre's anti-fraud strategy dates back to 2016 and that the 2019-2020 anti-fraud action plan has been fully implemented, with monitoring of the implementation of the anti-fraud actions taking place by means of their inclusion in the annual work programme of the Centre; welcomes, in particular, the development of the list with red flags for IT and calls on the Centre to share its experience in that regard with other Union institutions, bodies, offices and agencies that have a comparable IT environment; calls on the Centre to consider updating its anti-fraud strategy on the basis of a fraud risk assessment in order to ensure that the Centre's anti-fraud efforts are still geared towards the most pertinent fraud risks;

COVID-19 response and business continuity

19. Notes that the Centre, in response to COVID-19 restrictions, made almost all administrative procedures paperless in the first two weeks of the crisis and that the introduction of various communication tools and videoconferencing systems was greatly accelerated, with a teleworking environment set up for all staff within the first few days, making 98 % of the Centre's functions possible;

Other comments

20. Welcomes the signature of an interinstitutional framework contract by the Centre for the purchase of electricity from a green source;

21. Regrets that some of the founding regulations of other Union bodies, offices and agencies do not require them to use the services of the Centre; recalls that the Centre, based on its founding regulations, responds to the language service needs of the Union bodies, offices and agencies;

22. Deplores the high number of members on the board, which does not facilitate decision-making and simplified management;

23. Calls on the Centre to continue to develop synergies and to increase cooperation and the exchange of good practices with other Union institutions, bodies, offices and agencies with a view to improving efficiency as regards, for instance, human resources, building management, IT services and security;

24. Recalls the importance of increasing the digitalisation of the Centre in terms of internal operation and management and the importance of speeding up the digitalisation of procedures; stresses the need for the Centre to continue to be proactive in that regard in order to avoid a digital gap between Union institutions, bodies, offices and agencies at all costs; draws attention, however, to the need to take all the necessary security measures to avoid any risk to the online security of information processed;

25. Welcomes the fact that the Centre is currently studying the possibility of starting the procedure for obtaining an ISO 14001 or EMAS certificate in the near future in order to enhance its environmental performance; in that spirit, welcomes the preparation by the Centre of its initial environmental review in 2020;

26. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([2]) on the performance, financial management and control of the agencies.

([2]) Texts adopted, P9 TA(2022)0196.

DECISION (EU) 2022/1724 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the Translation Centre for the Bodies of the European Union (CdT) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the Translation Centre for the Bodies of the European Union for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Centre in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0073/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Council Regulation (EC) No 2965/94 of 28 November 1994 setting up a Translation Centre for bodies of the European Union ([4]), and in particular Article 14 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Culture and Education,

— having regard to the report of the Committee on Budgetary Control (A9-0095/2022),

1. Approves the closure of the accounts of the Translation Centre for the Bodies of the European Union for the financial year 2020;

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 314, 7.12.1994, p. 1.

([5]) OJ L 122, 10.5.2019, p. 1.

2. Instructs its President to forward this decision to the Director of the Translation Centre for the Bodies of the European Union, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

DECISION (EU) 2022/1725 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Centre for the Development of Vocational Training (Cedefop) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Centre for the Development of Vocational Training (Cedefop) for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Centre in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0074/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2019/128 of the European Parliament and of the Council of 16 January 2019 establishing a European Centre for the Development of Vocational Training (Cedefop) and repealing Council Regulation (EEC) No 337/75 ([4]), and in particular Article 15 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Employment and Social Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0125/2022),

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 30, 31.1.2019, p. 90.

([5]) OJ L 122, 10.5.2019, p. 1.

1. Grants the Executive Director of the European Centre for the Development of Vocational Training (Cedefop) discharge in respect of the implementation of the Centre's budget for the financial year 2020;

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 Executive Director of the European Centre for the Development of Vocational Training (Cedefop), 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1726 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Centre for the Development of Vocational Training (Cedefop) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Centre for the Development of Vocational Training (Cedefop) for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Employment and Social Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0125/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European Centre for the Development of Vocational Training (Cedefop) (the 'Centre') for the financial year 2020 was EUR 18 277 890, representing an increase of 2,30 % in comparison with the 2019 budget; whereas the Centre's budget derives mainly from the Union budget;

B. whereas the Court of Auditors (the 'Court'), in its report on the Centre's annual accounts for the financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurances that the Centre's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with satisfaction that the budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 100 %, representing a slight increase of 0,01 % compared to 2019; notes the fact that the target for the commitment implementation rate set for 2020 in the Centre's work programme (98 %) was achieved; notes with satisfaction that the payment appropriation rate is 93,76 %, representing a slight decrease of 1,36 % compared to 2019;

2. Notes with concern from the Court's report that the Centre did not apply the proper method for calculating the contributions for Iceland and Norway, similarly to 2019; notes that the cooperation agreement Cedefop and the European Free Trade Association (EFTA) provides for EFTA cooperation partners to contribute at a level determined by the proportion of their GNP to the total GNP of the European Economic Area (EEA) and that Norway's and Iceland's contributions in the initial budget were calculated according to the proportion of their GDP (2,27 % for Norway and 0,14 % for Iceland) to the GDP of the Members States in the EEA, not to the total GNP of the EEA; notes that, as a result, Norway and Iceland contributed EUR 8 601 less to the Centre's 2020 budget than they should have done and that the Union contributed EUR8 601 more; notes that, although payment appropriations and revenues were reduced by EUR 1 100 000 in the first 2020 budget amendment, no part of the budget reduction was returned to Norway and Iceland, thus they contributed EUR 25 886 more in 2020; notes that the implementation of the correct method for calculating contributions is still ongoing despite the recommendations on the method for calculating contributions made by the Court in 2019;

3. Welcomes, however, the Centre's aim to establish a transparent and easy-to-apply methodology and prompt action to address it following the recommendation of the Commission's Directorate-General for Budget (DG BUDG) through the Commission's Directorate-General for Employment, Social Affairs and Inclusion (DG EMPL), as part of the 'Agreement on the European Economic Area - Protocol 31';

([1]) OJ C 114, 31.3.2021, p. 4.

4. Welcomes the fact that, with the exception of one ongoing action related to the method for calculating contributions set out in the Statement on Cedefop-EFTA cooperation, the Centre completed all other actions taken to Court's observations related to the implementation of the budget for the financial years 2018 and 2019;

Performance

5. Notes that the Centre uses a noteworthy performance measurement system that includes key performance indicators to assess the added value provided by its activities on project, activity and organisational levels and other measures to improve its budget management; welcomes the presence of the environmental indicator 'CO_2 (ton) emissions' as it proves the engagement of the Centre in achieving green objectives and is a useful benchmark to track the evolution of post-pandemic emissions and the Centre's CO_2 footprint;

6. Commends the Centre on its multiple contributions to Union policy-making, in particular the Commission's European Skills Agenda for sustainable competitiveness, social fairness and resilience (European Skills Agenda), the first ever Council recommendation on vocational education and training (VET) and the Osnabrück declaration;

7. Notes that on 4 May 2020 the Centre signed a new service-level agreement with the European Union Agency for Cyber Security (ENISA) to share resources, such as confidential counsellors' services between the two agencies; notes with interest that in 2021, the Centre and ENISA shared resources also regarding the Data Protection Officer;

8. Appreciates the Centre's expertise and high-quality work , providing research, analyses and technical advice in VET, qualifications and skills policies, with the aim of promoting high-quality training tailored to the needs of individuals and of the labour market;

9. Stresses the Centre's importance, autonomy and added value in its field of expertise;

10. Welcomes, in particular, the Centre's recent work in helping to analyse the impact of the pandemic and digital transition on adapting business practices to the new realities in the Union labour market through e.g. the COVID-19 European Company Survey in conjunction with Eurofound;

11. Recalls the importance of the Centre's role in ensuring digital skills are integrated into VET across the Union and monitoring the implementation and impact of the Council's recommendations on the European Skills Agenda, VET for sustainable competitiveness, social fairness and resilience and the Digital Education Action Plan;

12. Highlights the need to ensure adequate human and financial resources allowing the Centre to continue implementing its work programme with a very high activity completion rate;

13. Notes that the Centre pursuits the effort to improve the Centre's cyber security and protection of personal data, especially through training and awareness raising activities for staff;

14. Welcomes the fact that the Centre accomplished and even exceeded its work plan and the targets and deliverables set therein for 2020 despite the challenges caused by the pandemic;

15. Notes with satisfaction the good cooperation of the Centre with the European Training Foundation (ETF) and Eurofund; notes that the three agencies have an observer role at each other's management board meetings; notes further that the Centre and the ETF also collaborate within the framework of the inter-agency working group with the OECD, the ILO, UNESCO and other international organisations;

Staff policy

16. Notes that, on 31 December 2020, the establishment plan was 97 % implemented (compared to 95 % in 2019), with 78 temporary agents appointed out of 81 temporary agents and 10 officials authorised under the Union budget; notes that two interim workers and eight-and-a-half consultants (comprising eight working full time and one working half time) worked at the Centre in 2020, while the Centre did not use these resources in 2019;

17. Notes the lack of gender balance of the Centre's senior management, with four men (66,7 %) and two women (33,3 %); notes that regarding its overall staff, the gender balance is 57 % women and 43 % men;

18. Encourages the Centre to pursue the development of a long-term human resources policy framework which addresses work-life balance, lifelong guidance and career development, gender balance, geographical balance and the recruitment and integration of people with disabilities; welcomes the Centre's proactive approach to the implementation of telework over the last few years;

19. Notes with concern that the Centre's issues regarding the externalisation of its legal service highlighted by the discharge authority and the Court are still not resolved but welcomes the decision of the Centre to re-establish an internal legal advisor in 2021; calls on the Centre to continue to report to the discharge authority on any developments in that regard;

20. Notes that the mandate of the health and safety committee has expired; welcomes the announcement of a wellbeing committee; calls for the wellbeing committee to be set up as soon as possible;

21. Regrets that many staff members have difficulty in contacting national authorities, such as the health care system and the social security system; calls for more support for staff members who move to the country where the agency is located; suggests in this regard a liaison person to ensure, inter alia, the smooth running of connections between the Centre's staff and national authorities;

22. Calls on the EU Agencies Network (EUAN) to establish clear rules on staff member affiliation with the national healthcare system in Greece; recommends that these explicitly state what is covered by health insurance and until what date health insurance applies;

Procurement

23. Notes with concern that, according to the Court's report, the Centre made errors in procurement contract management; notes in particular the Court's finding that the Centre signed a contract based on a negotiated procedure, with one tender without any documented market research and that, eventually, the price offered exceeded the estimated budget by 98 %, bringing the value of the contract above the threshold for which a negotiated procedure is allowed with a single tender under the Financial Regulation;

24. Acknowledges that, to address the irregularity observed by the Court, the Centre cancelled that contract after the audit, with effect from 26 February 2021;

25. Notes, with regard to following up on the recommendations in the discharge authority's 2019 discharge, that the implementation of the recommendations concerning procurement documentation and methodology is completed;

Prevention and management of conflicts of interest, and transparency

26. Notes the Centre's existing measures and ongoing efforts to secure transparency, prevention and management of conflicts of interest and whistleblower protection; points out, however, that the Centre's management board consists of 94 members (including observers) and 63 alternates; notes that the Centre reported on 28 June 2021 that 93 out of 157 CVs are published on the Centre's website; notes the absence of some declarations of interest and CVs of the management board and reiterates that all members and alternates who attend management board meetings, or exercise the right to vote, must submit a declaration of interest; notes that the CVs of the Centre's senior management are published, while the CVs of external and in-house experts are not published; calls on the Centre to ensure full transparency by publishing CVs and declaration of interest of all members of the management board and the external and in-house experts concerned;

27. Deplores the high number of members of the management board (157) which does not facilitate decision-making or simplified management; recalls that according to Centre's founding regulation, members of its management board are obliged to publish their declaration of interest; recalls that management board members are also invited to provide short CVs, although this is not a formal requirement;

Internal control

28. Notes that in 2020 the Commission's internal audit service (IAS) conducted remotely a full risk assessment covering the Centre's administrative, financial, operational and IT process and a follow-up auditing conducted by the IAS concluded that the Centre had implemented all the recommendation adequately and effectively; notes that all six recommendations from the audit on human resources management and ethics have been implemented;

COVID-19 response and business continuity

29. Notes with satisfaction that the Centre promptly shaped and activated a crisis management plan to deal with the COVID-19 pandemic by taking precautionary measures, such as teleworking and the cancellation of physical events and missions, to ensure business continuity; notes furthermore that a revision of the Centre's risk assessment identified budget implementation and occupation rate as critical risks; notes that the Centre reported that the actions put in place allow for an effective mitigation of both risks;

Other comments

30. Notes that the Centre pursuits the effort to improve the Centre's cyber security and protection of personal data, especially through training and awareness raising activities for staff;

31. Calls on the Centre to continue to develop its synergies, increase cooperation and exchange of good practices with other Union agencies with a view to improving efficiency (including in human resources, building management, IT services and security);

32. Recalls the importance of increasing the digitalisation of the Centre in terms of internal operation and management but also in order to speed up the digitalisation of procedures; stresses the need for the Centre to continue to be proactive in this regard in order to avoid a digital gap between the agencies at all costs; draws attention, however, to the need to take all the necessary security measures to avoid any risk to the online security of the processed information;

33. Welcomes the effective collaboration with Union agencies in the context of the EUAN and the particular focus set on identifying and harvesting inter-agency synergies, in the area of administration; as well as in core business activities and performance management indicator methodology with the ETF, Eurofound and EU-OSHA;

34. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([2]) on the performance, financial management and control of the agencies.

([2]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1727 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Centre for the Development of Vocational Training (Cedefop) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Centre for the Development of Vocational Training (Cedefop) for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Centre in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0074/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2019/128 of the European Parliament and of the Council of 16 January 2019 establishing a European Centre for the Development of Vocational Training (Cedefop) and repealing Council Regulation (EEC) No 337/75 ([4]), and in particular Article 15 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Employment and Social Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0125/2022),

1. Approves the closure of the accounts of the European Centre for the Development of Vocational Training (Cedefop) for the financial year 2020;

2. Instructs its President to forward this decision to the Executive Director of the European Centre for the Development of Vocational Training (Cedefop), the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697
([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 30, 31.1.2019, p. 90.
([5]) OJ L 122, 10.5.2019, p. 1.

DECISION (EU) 2022/1728 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Union Agency for Law Enforcement Training (CEPOL) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Union Agency for Law Enforcement Training (CEPOL) for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0075/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2015/2219 of the European Parliament and of the Council of 25 November 2015 on the European Union Agency for Law Enforcement Training (CEPOL) and replacing and repealing Council Decision 2005/681/JHA ([4]), and in particular Article 20 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0093/2022),

1. Grants the Executive Director of the European Union Agency for Law Enforcement Training (CEPOL) discharge in respect of the implementation of the Agency's budget for the financial year 2020;

2. Sets out its observations in the resolution below;

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 319, 4.12.2015, p. 1.

([5]) OJ L 122, 10.5.2019, p. 1.

3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Executive Director of the European Union Agency for Law Enforcement Training (CEPOL), 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1729 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Union Agency for Law Enforcement Training (CEPOL) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Union Agency for Law Enforcement Training (CEPOL) for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0093/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European Union Agency for Law Enforcement Training (CEPOL) (the 'Agency') for the financial year 2020 was EUR 30 602 017, representing an increase of 67,52 % compared to 2019, caused by an increase of title 5 'other projects'; whereas the Agency is financed by a contribution from the Union (34,48 %) and external assigned revenue for specific projects (65,10 %);

B. whereas the Court of Auditors (the 'Court'), in its report on the annual accounts of the Agency for the financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurance that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes that the budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 91,70 %, representing a decrease of 6,28 % compared to 2019; notes that the payment appropriations execution rate was 74,19 %, representing a decrease of 2,32 % compared to the previous year;

2. Notes with concern that, according to the Court's report, the Agency paid a cancellation fee for a hotel booking for a training event in Budapest due to the COVID-19 restrictions; highlights the Court's finding that if the Agency had invoked the "force majeure" clause in the framework contract instead, it could have cancelled the reservation without cost; notes in addition that the event had been planned on 29 June 2020, when the situation in Hungary was already uncertain; regrets that the Agency did not take the necessary steps to protect the financial interests of the Union and that the related payment is therefore deemed irregular by the Court;

Performance

3. Notes that the Agency uses key performance indicators to improve its budget management and to measure its training activities and their impact, in particular the satisfaction level of the participants, in order to assess the added value provided by those activities;

([1]) OJ C 114, 31.3.2021, p. 110.

4. Welcomes the fact that, despite the COVID-19 outbreak, the Agency continued to increase its outreach with the number of training participants increasing by 13 %; notes that, on 30 April 2020, the Agency launched a new Law Enforcement Education (LEEd) platform; notes that the pilot CEPOL Knowledge Centre on Counter Terrorism was set up, having the mandate to elaborate a comprehensive multiannual training portfolio;

5. Stresses the importance that the experts contributing to the new initiatives launched by the Agency have sound expertise in the area of fundamental rights, in particular anti-racism and anti-discrimination;

6. Observes that the Agency completed the first EU Strategic Training Needs Assessment (EU-STNA) in 2018, identifying training priorities for law enforcement officials for the period of 2018-2021; notes that in 2020, an independent provider contracted by the Agency conducted a process and impact evaluation of the first EU-STNA; notes that the outcome of that evaluation fed into the review of the EU-STNA methodology that the Agency used to launch the new EU-STNA that will define strategic training priorities on Union level for the next policy cycle 2022-2025;

7. Calls on the Agency to ensure, in all its activities, including those with third countries, full transparency and full respect of fundamental rights; notes that the two-step residential activity on Fundamental Rights, Police Ethics and Management of Diversity was cancelled due to the COVID-19 pandemic; calls on the Agency to increase the number of training activities in this field;

8. Notes the Agency's commitment to enhancing its international presence through the successful implementation of two international projects, namely the EU/MENA Counter-Terrorism Training Partnership 2 and the Financial Investigation In-Service Training programme in the Western Balkans, as well as through the negotiation of a EUR 23,5 million project portfolio in the Union enlargement and neighbourhood policy areas;

9. Notes that, in cooperation with the European Council and the European Multidisciplinary Platform Against Criminal Threats (EMPACT), the Agency completed an ad-hoc training needs analysis on the impact of COVID-19 on crime patterns, operations and on the training needs of law enforcement officials in the area of serious and organised crime; notes that, in August 2020, the Agency completed a survey on the impact of COVID-19 on domestic violence; notes that outcomes of both analyses are used to develop training products as a response to altered training needs due to COVID-19;

10. Expresses its satisfaction that the Agency's training activities are closely aligned with the requirements voiced by the EU Policy Cycle EMPACT groups, while expertise was secured from Member States, the European Union Agency for Law Enforcement Cooperation (Europol), the European Union Agency for Criminal Justice Cooperation (Eurojust), the European Border and Coast Guard Agency, the European Judicial Training Network, the European Union Agency for Fundamental Rights, the European Asylum Support Office, the European Cybercrime Centre, the European Cybercrime Training and Education Group, the International Criminal Police Organization and other stakeholders;

11. Welcomes the fact that the Agency continues to explore the possibilities of sharing resources on overlapping tasks (such as IT and other services) with other bodies, offices and agencies such as the European Institute of Innovation and Technology; welcomes the fact that the Agency intends to contact the European Union Agency for Fundamental Rights and the European Labour Authority to jointly analyse options to create synergies; notes that the joint exchange programme with the European Border and Coast Guard Agency related to borders and coast guard activities was enhanced and that the programme with the European Judicial Training Network was further extended;

Staff policy

12. Notes that, on 31 December 2020, the establishment plan was 94 % implemented, with 31 temporary agents appointed out of 33 temporary agents authorised under the Union budget (compared to 32 authorised posts in 2019); notes that, in addition, 46 contract agents (of which 16 were for regular activities and 30 for externally financed capacity building projects) and seven seconded national experts (six financed from the Agency's budget and one financed under the Counter-Terrorism Training Partnership 2) worked for the Agency in 2020;

13. Notes that the Agency reported to have 3 men (50%) and 3 women (50%) in its senior management and, among its staff overall, a gender balance of 35 men (41,7 %), and 49 women (58,3 %);

14. Observes that there were 16 resignations in 2020 (versus 6 in 2019) due to the closure of the Western Balkans project or to new job opportunities in and outside the Agency; reiterates its concern that the Agency continues to suffer from a high staff turnover and a limited number of applications from Member States other than the host Member State; notes that the higher staff fluctuation had a significant impact on the organisation, in addition to the COVID-19 pandemic, and that interim staff and seconded national experts have been contracted to cover for staff absences and to cope with an increased workload in peak periods; calls on the Commission to engage in an active dialogue with the Agency in order to address those issues;

15. Underlines that insufficient office space and uncertainty about the Agency's headquarters premises creates further operational difficulties; calls on the Commission to engage in an active dialogue with the Agency and the host Member State in order to address those shortcomings;

16. Observes that the Agency is considering to follow the suggestion of the Court from 2019 to publish vacancy notices in all the official languages of the Union, with a link to the full text in English language only, on the website of the European Personnel Selection Office in order to increase publicity;

Procurement

17. Notes that the Agency has advanced its digitalisation initiatives regarding e-procurement by implementing e-submission, e-tendering and e-invoicing in 2020; notes that the Agency has performed open calls for tender using both e-tendering and e-submission;

18. Notes with satisfaction that in 2020 the Agency, following the recommendation from the 2019 discharge, changed its policy to ensure proper documentation on potential abnormally low prices for a winning tender, including a specific paragraph to request and analyse the reasons for potential abnormally low tenders;

Prevention and management of conflicts of interest, and transparency

19. Welcomes the Agency's existing measures and ongoing efforts to secure transparency and the prevention and management of conflicts of interest; expresses satisfaction that the Agency has set up and implemented a code of administrative behaviour in 2019, the Anti-Fraud Sub-Strategy and Policy on Management of Conflict of Interest in 2020; notes with satisfaction that declarations of interests and CV's of management board members and senior management are published on the Agency's website; notes that the declarations on conflicts of interest and confidentiality for the remunerated experts are collected and screened before the signature of a contract;

Internal control

20. Notes the Agency's assessment of its internal control system and its conclusion, that it is effective, present and functioning well, and that only minor improvements are needed; calls on the Agency to explicitly incorporate the observations of the Court and the related recommendations in its assessment;

21. Notes that, according to the Court's report, there are several weaknesses in the Agency's internal control system, notably in relation to the management of budgetary commitments; notes that the Agency signed three legal commitments before the respective budgetary commitments had been approved, in doing so violating Article 73 of Commission Delegated Regulation (EU) 2019/715 ([2]);

22. Notes that, according to the Court's report, on one occasion, the Agency signed two different specific contracts that were linked to the same individual budgetary commitment, violating Article 112(1), first subparagraph, point (a), of the Financial Regulation; notes the Court's conclusion that that type of violation reduces the transparency of the monitoring of the respective contracts in ABAC, the financial management system;

23. Welcomes the fact that the Agency has performed a staff engagement survey in 2019 with the aim to measure soft controls (integrity, leadership, competencies, openness and motivation); notes that the results were analysed by the management with the assistance of a task force in 2020, indicating room for improvement in leadership, staff motivation and morale; acknowledges that the next staff engagement survey was launched in 2021 and will be used for the next self-assessment of the relevant internal control indicators; calls on the Agency to inform the discharge authority on the results of the staff engagement survey and how the Agency has addressed the identified areas for improvement;

24. Notes from internal audit findings that the Agency does not have enough office space and room for operational activities and that the Cyber Training Academy was relocated to Hungarian premises and additional space for external projects was rented in the close proximity; acknowledges that discussions with the Hungarian government are taking place in order to find sufficient office space that will allow the Agency to operate from a single location and thus facilitate a simplified document workflow and business continuity with a long-term perspective; calls on the Agency to keep the discharge authority informed about the developments as regards its premises and progress made in the discussions with the host Member State;

COVID-19 response and business continuity

25. Notes the creation of a COVID-19 task force by the Agency on 30 March 2020, that aimed to support to the Member States and partner bodies, offices and agencies in the context of the COVID-19 crisis; acknowledges the role of the Agency's e-learning team in creating a remote the infrastructure, together with the Agency's ICT team, and in upskilling and preparing members of staff for remote working in order to ensure a smooth transition and business continuity; welcomes the fact that the Agency provided to its partners advice on the possibilities for using e-infrastructure, such as webinars and online courses, and offered technical and administrative support; welcomes the digitalisation of the Agency's processes that guaranteed the business continuity in a remote environment;

Other comments

26. Notes that the first ISO 9001:2015 certificate expired on 1 February 2020 and that, at the end of the 3-year certification cycle, the Agency successfully passed the recertification audit in January 2020, with no non-conformities identified; notes that the Agency maintained the additional certification for the relevant ISO 29993:2017 standard for learning services;

27. Regrets that the Agency does not have a policy regarding cyber security and the protection of the digital records; notes with concern that the Agency was subject to a cyberattack that led to a temporary shutdown of online training activities for approximately 3 weeks; calls on the Agency to inform the discharge authority regarding its efforts in the area of cyber security;

28. Welcomes the introduction of new IT tools, namely SPEEDWELL for financial workflow, SYSPER for human resources and ARES for document management, in an effort to increase administrative efficiency;

([2]) Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council (OJ L 122, 10.5.2019, p. 1).

29. Notes the Agency's efforts to ensure a cost-effective and environment-friendly work-place; points out that the Agency does not have a carbon off-setting scheme in place and acknowledges, on the basis of the Agency's reply to the standard questionnaire, that the cost of participating in such a scheme cannot be covered from its limited financial resources;

30. Notes that the European Anti-Fraud Office (OLAF) launched an investigation in 2020 into a case of external fraud in the Agency; notes that this investigation was launched at the request of the Agency and that following the investigation conclusions from early 2021, the Agency has already started to implement the recommendations of OLAF;

31. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([3]) on the performance, financial management and control of the agencies.

([3]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1730 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Union Agency for Law Enforcement Training (CEPOL) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Union Agency for Law Enforcement Training (CEPOL) for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0075/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2015/2219 of the European Parliament and of the Council of 25 November 2015 on the European Union Agency for Law Enforcement Training (CEPOL) and replacing and repealing Council Decision 2005/681/JHA ([4]), and in particular Article 20 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0093/2022),

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 319, 4.12.2015, p. 1.

([5]) OJ L 122, 10.5.2019, p. 1.

1. Approves the closure of the accounts of the European Union Agency for Law Enforcement Training (CEPOL) for the financial year 2020;

2. Instructs its President to forward this decision to the Executive Director of the European Union Agency for Law Enforcement Training (CEPOL), the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

DECISION (EU) 2022/1731 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Union Aviation Safety Agency (EASA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Union Aviation Safety Agency for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0076/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2018/1139 of the European Parliament and of the Council of 4 July 2018 on common rules in the field of civil aviation and establishing a European Union Aviation Safety Agency, and amending Regulations (EC) No 2111/2005, (EC) No 1008/2008, (EU) No 996/2010, (EU) No 376/2014 and Directives 2014/30/EU and 2014/53/EU of the European Parliament and of the Council, and repealing Regulations (EC) No 552/2004 and (EC) No 216/2008 of the European Parliament and of the Council and Council Regulation (EEC) No 3922/91 ([4]), and in particular Article 121 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Transport and Tourism,

— having regard to the report of the Committee on Budgetary Control (A9-0122/2022),

1. Grants the Executive Director of the European Union Aviation Safety Agency discharge in respect of the implementation of the Agency's budget for the financial year 2020;

2. Sets out its observations in the resolution below;

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 212, 22.8.2018, p. 1.

([5]) OJ L 122, 10.5.2019, p. 1.

3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Executive Director of the European Union Aviation Safety Agency, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1732 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Union Aviation Safety Agency (EASA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Union Aviation Safety Agency for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Transport and Tourism,

— having regard to the report of the Committee on Budgetary Control (A9-0122/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European Union Aviation Safety Agency (the 'Agency') for the financial year 2020 was EUR 183 042 000, representing a decrease of 6,81 % compared to 2019; whereas EUR 37 954 000 of the Agency's budget derives from the Union budget and EUR 90 000 000 is revenue from fees and charges ([2]); whereas the COVID-19 crisis led to a significant reduction in the Agency's revenue from fees and charges of EUR 18 000 000 (– 15 %);

B. whereas the Court of Auditors (the 'Court'), in its report on the annual accounts of the European Union Aviation Safety Agency for the financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurance that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with satisfaction that the budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 98,62 %, representing an increase of 1,93 % compared to 2019; furthermore, notes that the payment appropriations execution rate was 92,65 %, showing an increase of 3,59 % compared to 2019;

2. Notes that the Agency ended the year with a fees and charges surplus of EUR 9,4 million; notes that the 'fees and charges' surplus is added to the accumulated surplus, increasing it from EUR 51,5 million to EUR 60,9 million;

3. Notes that the rate of cancelled appropriations relating to commitments carried over to 2020 increased to 5,46 % (3,7 % in 2019), above the 2,5 % target set by the Agency in its 2020 performance indicators and slightly above the 5 % ceiling set by the Commission. This was mainly due to the COVID-19 crisis and to the cancellations related to global travel restrictions, confinement measures, reduction in activities and cancellation of events; recommends that measures are taken to reach the 2,5% target;

Performance

4. Notes that the Agency uses certain measures as key performance indicators (KPIs) to assess the added value provided by its activities and other measures to improve its budget management; notes that in 2020 the Agency monitored 59 KPIs, including targets to enhance budget administration such as a budget implementation rate equal to or greater than 95 %, commitment carry-over implementation rate equal to or lower than 5 %, fees and charges (F&C) revenue project implementation rate, and F&C outsourcing performance; notes, in addition, that, key programmes/projects are implemented by the Agency such as the transformation programme, with the key objectives of modernising ways of working, simplifying processes and providing digital services to its external stakeholders, thereby aiming to achieve cost efficiency gains of at least 8 % compared to 2019 and deliver overall efficiency gains of 20–25 % at Agency level by 2025; calls on the Agency to report on the future developments of its performance;

([1]) OJ C 114, 31.3.2021, p. 81.
([2]) OJ C 114, 31.3.2021, p. 78.

5. Notes that the Agency, as an aviation sector regulator, has been widely affected by the COVID-19 pandemic; welcomes the fact that the Agency has refocused its business continuity plan to the specific COVID-19 health and safety aspects for the Agency's staff members, aviation personnel, passengers and other stakeholders in the aviation sector in general; notes that the Agency revised its Annual Work Programme in March 2020 complementing the existing priorities and objectives by actively supporting its stakeholders and addressing the new challenges; notes from the Agency's replies to the Standard Questionnaire that despite around 35 to 40 % of objectives/KPIs being impacted by the pandemic the Agency was able to achieve 90 % of its Annual Work Programme targets;

6. Takes note that, due to withdrawal of the United Kingdom from the Union, the Agency had to take back oversight of 129 third country organisations that were previously outsourced to the UK Civilian Aviation Authority;

7. Salutes in particular the work the Agency performed on the project for the return of the Boeing 737 Max to service in Europe, demonstrating strong leadership and resilience;

8. Salutes the Agency's swift response to the COVID-19 crisis, which provided the basis for a clear and harmonised approach across Europe; notes that such swift response included the publication of the Aviation Health Safety Protocol – together with the European Centre for Disease Control and Prevention and Control (ECDC) – providing clear operational guidance and risk-based recommendations for air travel, the launch of a charter programme with airlines and aerodromes operators to monitor the implementation of the Protocol, the initiation of the Return to Normal Operations (RNO) project and the creation of the COVID-19 Safety Risk Portfolio; calls on the Commission to work together with the Agency to ensure that Member States' response to the current epidemiological situation remains aligned and coordinated and focuses on a 'person-based approach' linked to the EU Digital COVID Certificate;

9. Takes note that the COVID-19 situation impacted heavily on the Agency's ability to progress on international activities, in particular technical assistance projects, due to the extended travel restrictions, the unavailability of international counterparts/ stakeholders and social distancing;

10. Welcomes the continuous efforts by the Agency to look into areas for further cooperation with other Union Agencies where feasible, taking into account the nature of activities, to reduce potential overlaps; welcomes the concrete actions already taken with the European Railway Agency, the European Border and Coast Guard Agency, the European Food Safety Agency, the European Training Foundation, the European Securities and Markets Authority and the European Environmental Agency; strongly encourages the Agency to seek further and broader cooperation with all Union agencies;

11. Notes that the Agency launched its corporate transformation programme, 'Destination: Futureproof', that incorporates the ongoing digitalisation initiative (CORAL), with the key objectives of modernising ways of working, simplifying processes and providing digital services to its external stakeholders; notes that the programme is expected to run until 2023 and is expected to deliver overall efficiency gains of 20 to 25 % by 2025;

12. Notes that the Agency is outsourcing some recurring tasks to Member States in order to free up highly skilled experts, so that they are available for more strategic tasks; acknowledges the continuous efforts by the Agency to become more efficient, freeing up resources, including qualified staff;

13. Welcomes the fact that the Agency signed a research contract funded by Horizon 2020 to improve the ICAO Annex 16 Volume II engine emissions sampling and measurement requirements and to propose more robust design and measurement techniques;

Staff policy

14. Notes that, on 31 December 2020, the establishment plan was 94,26 % implemented, with 641 temporary agents appointed out of 680 temporary agents authorised under the Union budget (compared to 680 authorised posts in 2019); notes that, in addition, 88 contract agents and 15 seconded national experts worked for the Agency in 2020;

15. Notes with concern the lack of gender balance within the Agency's senior management, with 20 out of 25 (80 %) being men, and in the Agency's management board, with 60 out of 80 (75 %) being men; notes the gender balance within the Agency's overall staff, with 508 out of 744 (68,3 %) being men; asks the Agency to ensure gender balance at management and staff levels in the future; reiterates its call on the Commission and the Member States to take the importance of ensuring gender balance into account when nominating their members to the management board of the Agency;

16. Welcomes steps taken by the Agency to achieve gender balance, such as the encouragement of female applications during selection procedures, offering favourable working conditions and flexible arrangements linked to maternity; encourages the Agency to add a Union-wide breakdown of gender by staff category in its consolidated staff figures to further inform on the gender balance within its staff;

17. Welcomes the setting up and running of a junior qualification programme; encourages the Agency to pursue the development of a long term Human Resources policy framework which addresses work-life balance, lifelong guidance and career development, gender balance, teleworking, geographical balance and recruitment and integration of people with disabilities;

18. Notes that, in response to the COVID-19 crisis and its impact on the aviation industry, the Agency has taken a more conservative approach towards recruitment, striving to achieve the right balance between business needs and available resources, favouring internal mobility and temporary sharing of resources between units; notes that the Agency implemented a resourcing planning model with quarterly reviews, balancing prioritised business talent demand and financial impact to assure that all tasks foreseen in the Strategic Planning document are implemented; notes, furthermore, that due to this new resourcing procedure the Agency had to put on hold some of the planned recruitments for 2020 to 2023;

19. Welcomes the efforts taken by the Agency to improve social dialogue on topics such as harassment prevention and staff support, which constitute important aspects for the running of the Agency's activities and the wellbeing of its employees; notes that the Agency, following social dialogue, reached an agreement in July 2020 on containment measures to respond to the global crisis; recalls the increasing rate of trade union affiliation of the Agency's staff and acknowledges the statement of the Agency that trade union affiliation has contributed to a wider consultation, and corresponds to a high level of uncertainty/concerns on the future of the aviation industry as a whole; points to the fact that according to the Agency, its management continues to be in frequent contact with its social partners to address social issues and calls on the Agency to keep the discharge authority informed on that matter;

Procurement

20. Notes from the Court's report, regarding follow-up of previous years' observations, that the Agency committed the funds for an agreement with the Commission on archiving services about eight months after the renewal of the agreement in 2018; notes that, according to the Financial Regulation, the commitment of funds should be recorded before entering into a legal obligation; takes note of the Agency's reply to implement an IT system that prevents any risk of entering legal commitments before budgetary commitments; calls on the Agency to report to the discharge authority on the developments in this regard;

21. Notes that, further to the replies provided to Parliament in the framework of the 2018 discharge, in which it was stated that risks concerning invoicing costs in the Agency's procurement procedures were addressed by an e-procurement solution, the Agency introduced several measures to considerably enhance contract management that resulted in further efficiency gains and of cost reductions; notes that the Agency reiterates the importance of contracts providing the best value for money and has taken steps to strenghten the role of actors involved in the procurement process, in particular contract managers;

22. Notes with regard to the follow-up of the 2019 Court's report that the Agency has taken actions to improve its IT systems, and is providing training courses to ensure that all financial commitments comply with the correspondent institutional legal adherences; calls on the Agency to report on the results of the actions taken;

23. Notes, regarding the follow-up of the Court's observations in 2020, that the Agency has implemented an e-submission tool for procurement procedures; notes that, for e-invoicing, the Agency has finalised its business specifications and is now seeking an IT solution that meets these specifications; calls on the Agency to report to the discharge authority on the developments in that regard;

Prevention and management of conflicts of interest, and transparency

24. Acknowledges the Agency's existing measures and ongoing efforts to ensure transparency, the prevention and management of conflict of interest, and the protection of whistleblowers; welcomes the fact that in 2020 there were no cases of conflict of interest; further notes that any potential cases in the Agency could be addressed with mitigating measures; notes that CVs and declarations of interest of most of the board members are published on the Agency's website;

25. Notes that, given its technical nature, the Agency runs open dialogues with aviation stakeholders, taking into consideration their views when deciding on rulemaking and certification procedures; further notes that all the technical workshops organised by the Agency with its aviation stakeholders are reflected on the events page of the Agency's website;

26. Calls on the Agency to continue to strive to maintain the highest international quality standards for its functioning, including its integrated management system;

Internal control

27. Notes that despite some delays experienced as a result of the COVID-19 crisis, all actions, proposed in response to the recommendations issued by the Internal Audit Service, were initiated and have the status 'in progress'; notes that the main recommendations involving the Agency comprised the execution of refresher training concerning fraud prevention and conflict of interests; further notes the advice to the Agency to monitor the duration of certification projects and the recommendation on control mechanisms for the management systems of the national aviation authorities; calls on the Agency to inform the discharge authority about the future developments on these topics;

28. Notes that in 2020, the internal audit capability performed five audit assurance engagements to assess whether the relevant regulations were complied with, process objectives were being met, and the key risks were properly mitigated within the Agency; notes that some recommendations were given to further enhance either the control environment or the overall efficiency of the processes;

COVID-19 response and business continuity

29. Notes that the Agency's response to the COVID-19 crisis focused on providing regulatory flexibility to the European aviation industry, ensuring the health safety of the passengers and front-line personnel, coordinating with international organisations to implement adequate measures to fight the spread of COVID-19, and adjusting priorities and working methods to the new realities and emerging challenges of the pandemic;

30. Notes that the Agency invested resources in completing back-log projects, supporting the COVID-19 working threads and advancing strategic priorities such as environment, innovation and future developments, including drones; further notes that the crisis led also to a significant reduction in the Agency's fees and charges revenue by EUR 18 000 000, which was 15 % lower compared to the initial 2020 plan; notes, however, that the Agency was able to preserve its financial sustainability, via a comprehensive cost-saving exercise;

Other comments

31. Notes, with regard to the follow-up of last year's Court report, that the Agency has evaluated the effect of the withdrawal of the United Kingdom from the Union on human resources; notes that most of the affected staff acquired German citizenship or citizenship of another Member State before the withdrawal of the United Kingdom from the Union and only six staff members still had only UK citizenship by the end of 2020; welcomes the fact that the Agency decided to allow the remaining staff with only UK citizenship to keep their positions, despite the loss of their Union citizenship;

32. Notes that, regarding the follow-up of last year's Court report, the Agency is streamlining its certification and standardisation activities following the launch of its Sustainable Aviation Programme in 2020 which can significantly contribute to the implementation of the European Green Deal; notes that in order to attain the European ambitions in sustainability and aviation, the Agency's priorities focus on supporting and fostering new greener technologies, facilitating decarbonisation of the aviation system, and promoting operational efficiency gains with a positive impact on environmental performance;

33. Takes note of the study published by the Agency in 2020 with an updated analysis on the 'Non-CO_2 climate impacts of aviation and potential policy measures pursuant to EU Emissions Trading System Directive Article 30(4)';

34. Welcomes the Agency's investments in video-conferencing facilities in an effort to reduce business travel and encourages the Agency to commit to a sustained use of those facilities in the long term;

35. Welcomes, with regard to the follow-up of last year's Court report, that the Agency has designated a disability coordinator, following the Strategy for the Rights of Persons with Disabilities 2021–2030, who will be responsible for the reviewing the accessibility of the Agency's website; calls on the Agency to report to the discharge authority on the developments in that regard;

36. Notes from the Agency's replies that the Agency has applied an improved social media strategy and redesigned its website to create an area that offers content for a non-specialist audience but calls on the Agency to make the information contained there available not only in English but in as many official languages as possible,; notes that this practice allowed the Agency to inform the public about the measures being taken to ensure health safety in passenger travel during the COVID-19 pandemic;

37. Notes from the replies to the standard questionnaire that the Agency adopted a comprehensive Sustainable Aviation Programme in March 2020; notes that that programme includes an action on 'Sustainable EASA', which will drive the Agency's roadmap for monitoring and managing the Agency's environmental footprint; calls on the Agency to report to the discharge authority on the developments in that regard;

38. Calls on the Agency to continue to develop its synergies, increase cooperation and exchange of good practices with other Union agencies with a view to improving efficiency (human resources, building management, IT services and security, etc);

39. Recalls the importance of increasing the digitalisation of the Agency in terms of internal operation and management, but also in order to speed up the digitalisation of procedures; stresses the need for the Agency to continue to be proactive in that regard in order to avoid a digital gap between the agencies; draws attention, however, to the need to take all the necessary security measures to avoid any risk to the online security of the information processed;

40. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([3]) on the performance, financial management and control of the agencies.

([3]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1733 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Union Aviation Safety Agency (EASA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Union Aviation Safety Agency for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0076/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2018/1139 of the European Parliament and of the Council of 4 July 2018 on common rules in the field of civil aviation and establishing a European Union Aviation Safety Agency, and amending Regulations (EC) No 2111/2005, (EC) No 1008/2008, (EU) No 996/2010, (EU) No 376/2014 and Directives 2014/30/EU and 2014/53/EU of the European Parliament and of the Council, and repealing Regulations (EC) No 552/2004 and (EC) No 216/2008 of the European Parliament and of the Council and Council Regulation (EEC) No 3922/91 ([4]), and in particular Article 121 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Transport and Tourism,

— having regard to the report of the Committee on Budgetary Control (A9-0122/2022),

1. Approves the closure of the accounts of the European Union Aviation Safety Agency for the financial year 2020;

2. Instructs its President to forward this decision to the Executive Director of the European Union Aviation Safety Agency, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 212, 22.8.2018, p. 1.

([5]) OJ L 122, 10.5.2019, p. 1.

DECISION (EU) 2022/1734 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Asylum Support Office (now European Union Agency for Asylum – EUAA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Asylum Support Office for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Office in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0077/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) No 439/2010 of the European Parliament and of the Council of 19 May 2010 establishing a European Asylum Support Office ([4]), and in particular Article 36 thereof,

— having regard to Regulation (EU) 2021/2303 of the European Parliament and of the Council of 15 December 2021 on the European Union Agency for Asylum and repealing Regulation (EU) No 439/2010 ([5]), and in particular Article 55 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([6]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0107/2022),

1. Grants the Executive Director of the European Union Agency for Asylum discharge in respect of the implementation of the budget of the European Asylum Support Office for the financial year 2020;

2. Sets out its observations in the resolution below;

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 132, 29.5.2010, p. 11.

([5]) OJ L 468, 30.12.2021, p. 1.

([6]) OJ L 122, 10.5.2019, p. 1.

3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Executive Director of the European Union Agency for Asylum, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1735 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Asylum Support Office (now European Union Agency for Asylum – EUAA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Asylum Support Office for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0107/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European Asylum Support Office (now European Union Agency for Asylum) (the 'Office') for the financial year 2020 was EUR 130 986 611, representing an increase of 27,25 % compared to 2019; the increase mostly concerns an increase in expenditure related to operational support; whereas the budget of the Office derives mainly from the Union budget;

B. whereas the Court of Auditors (the 'Court'), in its report on the annual accounts of the Office for the financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurance that the Office's annual accounts are reliable and that it has obtained sufficient audit evidence on the legality and regularity of revenue and expenditure underlying the accounts; notes with appreciation that the reasons for qualifying the opinion on expenditure underlying the accounts have been solved by the Office and that the Court has not found material errors;

C. whereas the Court, without calling into question its audit opinion, draws attention to the fact that a case pending before the General Court, Case T-621/20 (EMCS v EASO), has a bearing on aspects of that opinion; whereas, in 2020, the Office launched an open procedure for the provision of temporary agency workers to support its headquarters and its operations in Malta with a total estimated amount of EUR 27,7 million over 48 months; whereas, in October 2020, the unsuccessful tenderer filed an official complaint against the Office at the General Court challenging the outcome of the procurement procedure;

The outcome of the investigation of the European Anti-Fraud Office (OLAF)

1. Notes that, following receipt of a report of the European Anti-Fraud Office (OLAF) at the end of 2018, which was extensively covered in the discharge report for 2018, the Office initiated three disciplinary procedures in 2019, which are currently ongoing; appreciates the cooperation of the current management of the Office with OLAF and its commitment to addressing the proposed recommendations; welcomes the Office's commitment to inform the discharge authority of the completion of those proceedings;

Budget and financial management

2. Notes that budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 95,14 %, at approximately the same level as 2019 (95,22 %); notes with concern that the payment appropriations execution rate was at 80,91 %, which the Court deems as low, representing a decrease of 8,95 % compared to the previous year (89,86 %); notes with concern the Court's conclusion that the carry-overs of committed appropriations for operating expenditure were high, at 33,8 %, and that the cancellation rate of budget appropriations carried over from 2019 to 2020 was also high, at 19 %; notes the Court's conclusion that that contradicts the budgetary principle of annuality; calls on the Office to follow up on the Court's recommendation to improve its budget planning and implementation cycles, and calls on the Office to inform the discharge authority about the progress made;

([1]) OJ C 114, 31.3.2021, p. 191.

3. Notes that the Court declared a total amount of EUR 1 177 848 for payments made in 2020 irregular because they were related to procurement errors in procedures carried out in 2016 and 2017 for rented premises in Rome, and procurement procedures declared irregular by the Court in previous years (i.e. procurement for rented premises in Lesbos, for interim workers in Italy and for external experts); appreciates the efforts of the current management of the Office to terminate those contracts, where possible, or otherwise to reduce their future financial impact;

4. Welcomes the fact that the number of pending observations from previous audit reports of the Court was halved between 2019 and 2020; notes however that 8 out of 12 recommendations still had an ongoing status; calls on the Office to comply with the Court's observations and take action in order to comply with its legal obligations;

5. Recalls the Court's conclusion, with regard to the financial year 2017, that procedures for monitoring travel-related expenditure were weak; welcomes the fact that the Office carried out an internal inquiry into the matter, which resulted also in findings from OLAF; notes that those findings are being followed up and legally addressed; notes that the Office introduced improved procedures for monitoring travel-related expenditure at the beginning of 2020;

6. Welcomes the fact that an effective policy for managing rented premises and related services, which the Court has been calling for, was established in 11 June 2021 and fully applied from 1 January 2022;

7. Recalls the Court's recommendation for the financial year 2018 that the Office should establish effective financial *ex-post* control; notes that the Office has established two types of ex post controls following that recommendation; calls on the Office to finalise the ongoing processes for 2020 and 2021 swiftly and inform the discharge authority of the results without delay;

8. Notes the conclusion of the Office's management board that the cost-effectiveness and added value of establishing an internal audit capability, in addition to the audit function already provided by the Commission's Internal Audit Service, is negative;

Performance

9. Notes that the Office reported that it executed a total of 5 313 payments in 2020, compared to 9 871 payments in 2019, with 334 (6,29 %) of the payments executed more than 30 days after receipt of the invoice, compared to 1 312 (13,29 %) in 2019; notes that interest amounting to EUR 6 374,89 was paid in 2020, compared to EUR 25 652,34 in 2019; welcomes the substantial improvement in the overall performance of payment deadlines and the reduction in interest paid for late payments;

10. Recalls that in 2020 about 13 600 applications for asylum were lodged by unaccompanied minors in the Member States; stresses the importance of providing a specific reception system for minors that protects them;

11. Notes that the Office uses certain measures as key performance indicators to assess the performance of its activities; welcomes the achievement or surpassing of targets for a majority of indicators, despite the difficulties faced because of the COVID-19 pandemic; deplores the fact that for a number of indicators no national data from Member States were available and calls on the relevant national authorities and the Office to address that issue through all available channels;

12. Notes with satisfaction that the Office regularly cooperates with other Union agencies and, in particular, with the justice and home affairs agencies; welcomes cooperation based on bilateral cooperation agreements, such as working arrangements between the Office and the European Border and Coast Guard Agency ('Frontex'), the European Union Agency for Fundamental Rights and the European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice ('eu-LISA'), and cooperation plans with Frontex and eu-LISA in order to better align common projects and share information systematically;

Staff policy

13. Notes that, on 31 December 2020, the establishment plan was 78,96 % executed, with 289 temporary agents appointed out of 366 temporary agents authorised under the Union budget (compared to 284 authorised posts in 2019) and a further 17 posts offered or accepted; notes that, in addition, 91 contract agents and seconded national experts worked for the Office in 2020 and a further 22 posts were offered or accepted, with 123 and 11 posts authorised, respectively;

14. Welcomes the downward trend in the number of interim workers compared to the total number of staff; highlights that one of the reasons underlying the dependency on interim staff was the delay in the adoption and entry into force of Regulation (EU) 2021/2303 of the European Parliament and of the Council ([2]) (the 'Regulation') establishing a European Union Agency for Asylum; welcomes the entry into force of the Regulation, which has allowed the new European Union Agency for Asylum to employ remunerated experts; underlines the fact that, in order to decrease that dependency, the Office carried out an active dialogue with the Commission; regrets that only short term solutions could be identified and that the Office was allowed to employ 58 contractual agents in 2020 for a period of only one year, until the planned adoption of the Regulation; notes, however, that due to a delay in the adoption of the Regulation, the Office found itself in a difficult situation because the agreement did not allow it to extend those contracts until the entry into force of the Regulation; notes with regret a serious lack of foresight on behalf of the Commission when designing those posts and allocating them to the Office; underlines the fact that that situation had a negative impact on the ability of the Office to recruit staff and on its activities;

15. Notes with concern that, despite the Court's conclusion that progress has been made in attracting new staff, the execution rate of 78,96 % meant that for a fourth consecutive year in a row the Office did not succeed in achieving its establishment plan targets; notes that in 2020, an additional 58 contract agents were recruited, which were not provided for in the establishment plan; welcomes the progressively increasing occupancy rate of the Office and the fact that the Office slightly exceeded the expected 90 % execution rate of its establishment plan by the end of 2021; welcomes the reported decrease in the staff turnover rate, from 6,58 % in 2019 to 5,73 % in 2020;

16. Recalls the Court's conclusion from the financial year 2017 that contract monitoring for compliance with national rules on interim workers was poor; notes that given the fact that Case C-948/19 is pending before the Court of Justice of the European Union (the 'Court of Justice'), the Court will refrain from making any observations on the regularity of the Office's approach; calls on the Office to inform the discharge authority about the next steps it takes regarding the matter once the Court of Justice has published its decision in that case;

17. Recalls the Court's conclusion from the financial year 2018 that the Office's contracts with IT companies were formulated in a way that could imply that temporary agency workers would be assigned instead of clearly defined services or products, and that that would contravene the Staff Regulations and the social employment rules of the Union; recalls the Court's recommendation that the Office should draft contracts in a way that prevents any confusion between the procurement of IT services and of interim workers, and notes the Court's observation for the financial year 2020 that progress on that issue is still ongoing; calls on the Office to address that matter swiftly;

18. Recalls the Court's conclusion for the financial year 2019 that the procedures used for selecting and contracting external experts systematically lacked a solid audit trail and that subsequent payments on those contracts were irregular; notes that the Office implemented the Court's recommendations while issuing a new call for expression of interest in 2020; calls on the Office to keep the discharge authority informed about the progress made;

19. Underlines that the allocation of posts by the Commission at a disproportionate level with respect to the requirements and tasks envisaged for a particular position has a negative impact on the functioning of the Office;

20. Notes the Court's finding that in 2020, the Office had 16 vacant management posts, with 10 of those occupied on an acting basis for more than one year; notes the Court's conclusion that that is at odds with the Staff Regulations, which limit the duration of temporary management appointments to one year, and that such insecurity at the level of managerial positions might impair the Office's leadership and strategic continuity;

([2]) Regulation (EU) 2021/2303 of the European Parliament and of the Council of 15 December 2021 on the European Union Agency for Asylum and repealing Regulation (EU) No 439/2010 (OJ L 468, 30.12.2021, p. 1).

21. Recalls that in carrying out its operations, the Office is relatively dependent on Member States cooperating, e.g. in terms of the number of national experts made available as part of the Asylum Intervention Pool referred to in Article 15 of Regulation (EU) No 439/2010 of the European Parliament and of the Council ([3]), which established the Office; stresses that, according to the Court, due to the limited number of such national experts made available, the Office further relied on contracted temporary agency workers to perform operational support tasks on the ground; calls on the Member States to comply with their obligations as regards national experts in order to avoid the need for the Office to rely on external contractors;

22. Notes with concern the Office's gender balance in its senior management, with ten men (83,3 %) and two women (16,7 %), and on its management board, with 21 men (67,7%) and ten women (32,3%); notes that overall the staff is composed of 186 men (38,0 %) and 304 women (62,0 %); asks the Agency to ensure gender balance at management and staff levels in the future; reiterates its call on the Commission and the Member States to take the importance of ensuring gender balance into account when nominating their members to the management board of the Office;

23. Notes the pending case before the General Court as regards the procurement procedure for hiring temporary workers in Malta; underlines that high levels of transparency should be observed in conducting all public procurement procedures within Union agencies; calls on the Office to provide regular information to the discharge authority about the state and course of court proceedings in that case;

Procurement

24. Notes that the Office launched 65 procedures in 2020, compared to 48 in 2019, of which a majority negotiated procedures with one candidate (40 %) and open calls (26,15 %);

Prevention and management of conflicts of interest and transparency

25. Notes the Office's reply to the discharge authority on declarations of interests, which stated that all staff sign a declaration of interests upon entry into service; notes that the declaration of interests of the executive director has been published on the Office's website; reiterates its call on the Office to publish the declarations of interests of the other senior management members on its website;

26. Notes that a revised conflict of interest policy is in the final stage of inter-service consultation before its submission to the management board; calls on the Office to finalise that revised policy;

Internal control

27. Welcomes the revision of the control strategies for the main control activities in place by the Office, which followed a risk-based approach and took into consideration the cost-effectiveness of controls; welcomes the general improving situation as regards internal control, including procurement, in the Office, which can be deduced from the Court's report; notes, in that regard, the observation of the Court that the 2018 Governance Action Plan was discontinued in 2020 and integrated into the quarterly monitoring report to the management board and the internal control self-assessment, but that some actions are still deemed relevant by the Court and need to be addressed thoroughly, and calls on the Office to continue the implementation of those actions, noting, in particular, the number of interim workers replacing staff members, the level of vacant management posts and the update of the conflict of interest policy, and keep the discharge authority informed about the progress made;

28. Welcomes the detailed reflection of the Office's internal control self-assessment in its consolidated annual activity report, which provided very good insight into the state of internal control in the Office; notes the conclusion of the self-assessment that the Office's internal control system is effective and efficient, with the need for some improvements; encourages the Office to continue with the good practice of assessing and implementing identified improvements;

29. Welcomes the fact that the implementation of the internal control framework was further reinforced in 2020, by adding an *ex-post* control function, thus addressing observations made in previous years by the discharge authority;

([3]) Regulation (EU) No 439/2010 of the European Parliament and of the Council of 19 May 2010 establishing a European Asylum Support Office (OJ L 132, 29.5.2010, p. 11).

COVID-19 response and business continuity

30. Notes the creation of a COVID-19 response team in the Office by decision of the executive director on 11 March 2020 and the coordinated response in the Office to the COVID-19 pandemic; stresses that the Office's size and complexity of operations and recent events such as the COVID-19 pandemic underline the importance of such a formalised, up-to-date plan; notes that the Office adopted its business continuity plan on 31 March 2021;

31. Welcomes the Office's support to Member States to address the challenges arising from the COVID-19 pandemic, such as the impact of the COVID-19 pandemic on specific aspects of the asylum process and on resettlement, by means of videoconference meetings of its thematic networks; welcomes the recommendations issued on remote solutions for registration and asylum interviews; notes with appreciation the Office's proactive roll-out plan for vaccinating asylum seekers and beneficiaries of international protection;

32. Welcomes the fact that the Office reports that some of the measures taken in response to the COVID-19 pandemic have had a positive impact on the environmental performance of the Office, in particular a reduction in electricity consumption, a reduction of the Office's contribution to global CO_2 emissions from travel due to the cancellation of missions and travel for participants attending meetings of the Office and training sessions, and the end of the requirement for candidates participating in staff selection procedures and sitting for written assessments to be physically present, relying instead on remotely managed alternatives (videoconferencing and monitored online assessment);

Other comments

33. Welcomes the fact that the Office has been looking into maintaining environmental measures and complementing them with longer-lasting initiatives to reduce its carbon footprint and address the areas of green building and sustainable mobility with regard to staff-related travel, greener commuting to and from work and travel related to meetings and training activities; encourages the Office to share the lessons it learns with other members of the EU Agencies Network;

34. Notes with satisfaction the establishment in 2020 of the Office's Legal Affairs and Data Protection Sector within the Executive Office; highlights the fact that the Legal Affairs and Data Protection Sector contributes to ensuring a sound legal environment for the functioning of the Office, handling litigation and pre-litigation procedures and representing the Office in court proceedings;

35. Highlights that in 2020 the Office continued to face difficulties in fulfilling certain tasks as a result of its outdated mandate, especially in terms of the legal framework and mechanisms for deployment of asylum support teams providing the support required by the Member States; welcomes the agreement reached by the co-legislators and the entry into force of the Regulation, which transformed the Office into a fully-fledged European Union Agency for Asylum;

36. Recalls the important role that the Office fulfils in the asylum policy framework of the Union, assisting requesting Member States with valuable expertise and resources on the matter; welcomes the signature of a new operational support plan with Spain in 2020, bringing the total number of countries assisted by the Office to eight; stresses that the activation of that support measure marked the Office becoming fully operational in its fifth Member State operation, the others being in Cyprus, Greece, Italy and Malta, which means that the Office is now supporting all main countries of first arrival to manage their asylum procedures, reception procedures, or both;

37. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([4]) on the performance, financial management and control of the agencies.

([4]) Texts adopted, P9 TA(2022)0196.

DECISION (EU) 2022/1736 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Asylum Support Office (now European Union Agency for Asylum – EUAA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Asylum Support Office for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Office in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0077/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) No 439/2010 of the European Parliament and of the Council of 19 May 2010 establishing a European Asylum Support Office ([4]), and in particular Article 36 thereof,

— having regard to Regulation (EU) 2021/2303 of the European Parliament and of the Council of 15 December 2021 on the European Union Agency for Asylum and repealing Regulation (EU) No 439/2010 ([5]), and in particular Article 55 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([6]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0107/2022),

1. Approves the closure of the accounts of the European Asylum Support Office for the financial year 2020;

2. Instructs its President to forward this decision to the Executive Director of the European Union Agency for Asylum, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 132, 29.5.2010, p. 11.

([5]) OJ L 468, 30.12.2021, p. 1.

([6]) OJ L 122, 10.5.2019, p. 1.

DECISION (EU) 2022/1737 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Banking Authority (EBA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Banking Authority for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Authority in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0078/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC ([4]), and in particular Article 64 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— 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 (A9-0098/2022),

1. Grants the Executive Director of the European Banking Authority discharge in respect of the implementation of the budget of the Authority for the financial year 2020;

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 Executive Director of the European Banking Authority, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 331, 15.12.2010, p. 12.

([5]) OJ L 122, 10.5.2019, p. 1.

RESOLUTION (EU) 2022/1738 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Banking Authority (EBA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Banking Authority for the financial year 2020,

— 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 (A9-0098/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European Banking Authority (the 'Authority') for the financial year 2020 was EUR 46 715 822, representing an increase of 3,06 % compared to 2019; whereas the Authority is primarily financed by a contribution from the Union (EUR 17 660 140, representing 37,80 %), and contributions from national supervisory authorities of the Member States and observers (EUR 29 055 682 representing 62,20 %);

B. 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;

C. whereas the Court of Auditors (the 'Court'), in its report on the annual accounts of the European Banking Authority for the financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurance that the Authority's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with satisfaction that the budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 99,17 %, representing an increase of 1,88 % compared to 2019; notes that the rate of execution of payment appropriations was 90,36 %, representing an increase of 4,48 % compared to the previous year;

2. Notes that the Authority reported that 35 budget transfers were carried out in 2020, which included nine budget transfers between titles, with one transfer amounting to EUR 259 500 between Title II and III requiring the approval of the management board; notes that the carry-forward to 2021 of 8,9 % is a reduction from the 11,7 % of the previous year, with the 2021 carry-forward comprising 95 commitment appropriations, compared to 149 in 2019;

3. Notes the finding of the Court that the Authority did not apply the interest rate specified in the Financial Regulation to payments of 2020 contributions received late from a number of Member States' and EFTA countries' national competent authorities (NCAs); notes that the Court calculated the amount of accrued interest for 2020 as EUR 25 103; notes that the Authority decided, after consulting the Commission, to apply the late payment interest as of 2021 and informed the NCAs about this in the letters it sent to them about their 2021 contributions;

4. Welcomes that the Authority managed to definitively close its premises in the United Kingdom on 7 December 2020 complying with all legal obligations and that, as a consequence, the share of the related unused provisions active in the books at the reporting date have been reversed against revenue; reiterates its call for an audit on the move, both on the financial and operational aspects in order to draw lessons for improvement and identification of good practices that can be used across all Agencies in anticipation of making them more agile in order to respond to future challenges;

([1]) OJ C 114, 31.3.2021, p. 167.

Performance

5. Notes that the Authority continues to use certain measures as key performance indicators (KPIs) to assess the added value provided by its activities and also uses other measures to improve its budget management; welcomes that the Authority has included the targets for the KPIs in the 2020 table; notes that the Authority has upgraded its KPI framework from 2021 onwards creating more sophisticated KPIs specific to each of the strategic and annual objectives;

6. Welcomes the Authority's efforts in response to the COVID-19 crisis, alongside NCAs, the European Central Bank and other European and international organisations, in coordinating a joint effort to alleviate the immediate operational burden for banks and to mitigate its long-term effects; such as issuing frequent statements to provide guidance to stakeholders, allow leeway to reporting dates and provide policy orientations such as the guidelines on management of non-performing and forborne exposures;

7. Welcomes the Authority's preparation and monitoring of guidelines on legislative and non-legislative moratoria on loan repayments that provided guidance to banks in supporting ongoing liquidity challenges faced by the Union businesses during the COVID-19 pandemic, that clarified the application of the prudential requirements to payment moratoria and allowed banks, under certain conditions, to be able to grant payment holidays to their customers without having to reclassify, thus avoiding the classification of exposures as forborne under the definition of forbearance and or as defaulted due to distressed restructuring;

8. Notes that the Authority has arrangements in place with the European Securities and Markets Authority (ESMA) for accounting services; calls on the Authority to continue to develop its synergies with other Union agencies, and to increase cooperation and exchange of good practices, with a view to improving efficiency in fields of human resources, building management, IT services and security;

9. Emphasises the important role of the Authority in developing the Union's regulatory and practical framework for sustainability to meet the political ambition and pressing timetable of the European Green Deal; notes in that regard that the amendment introduced by Regulation (EU) 2019/2175 of the European Parliament and of the Council to Regulation (EU) No 1093/2010 that mandates the Authority to take into account sustainable business models and the integration of environmental, social and governance (ESG) related factors in the field of activities of credit institutions, financial conglomerates, investment firms, payment institutions and e-money institutions, to the extent necessary to ensure an effective and consistent application of its mandate applies from 1 January 2020; notes in that respect that the Authority has been mandated by the Commission to assess whether a dedicated prudential treatment of exposures related to assets and activities with environmental or social or both objectives would be justified, to issue guidelines for the management of ESG risks by banks, and to assess how green retail loans and green mortgages can be supported; calls upon the Authority to proceed swiftly on all the aforementioned aspects, within its mandate and within the deadlines set;

Staff policy

10. Notes that, on 31 December 2020, the establishment plan was 97,42 % implemented, with 151 temporary agents appointed out of 155 temporary agent posts authorised under the Union budget (compared to 145 authorised posts in 2019); notes that, in addition, 47 contract agents (49 authorised) and 17 seconded national experts (17 authorised) were employed by the Authority in 2020; notes that staff turnover amongst temporary agents, contract agents and seconded national experts was stable at 9,0 %;

11. Notes with satisfaction that the Authority employed staff of 28 nationalities, of whom 48,8 % are women and 51,2 % are men; regrets that 83 % of senior management are men and only 17 % are women, identical to last year; underlines that this is a persistent issue and calls on the Authority to continue its efforts to achieve gender balance at all levels of hierarchy in the future; welcomes in that regard the requirement that both genders must be represented on selection panels, the active encouragement of female applicants for all managerial positions, specific training sessions for female staff who wish to prepare for a managerial career, and more flexible working arrangements; reminds the Authority that in the selection of candidates, competences, knowledge and experience are important, as well as the geographical and gender balance among members of staff;

12. Welcomes the decision of the Authority to extend the deadline for staff to claim back costs and allowances related to their move from the United Kingdom to France, which was initially set at one year from when the Authority ceased its operations in London, due to the measures taken by many Member States in response to the COVID-19 pandemic, which significantly impacted citizens' mobility;

13. Notes the observation from the Court's 2019 report that the Authority has never adjusted estimation-based pension contributions to actual figures, or made plans to do so, and that NCAs' contributions were never adjusted to match the actual figures; notes that the Authority has made plans to address that matter; notes the Court's observation for the financial year 2020 that progress on that matter is ongoing; calls upon the Authority to proceed with that matter swiftly;

14. Encourages the Authority to pursue the development of a long term Human Resources policy framework which addresses work-life balance, lifelong guidance and career development, gender balance, teleworking, geographical balance and the recruitment and integration of people with disabilities;

Procurement

15. Notes that the Authority completed six procurement procedures in 2020, two of which were tenders, with three other Agencies (ESMA, European Insurance and Occupational Pensions Authority and Single Resolution Board) participating alongside the Authority, and that the Authority cancelled one contract after award, due to the COVID-19 pandemic; further notes that the Authority participated in 33 inter-agency procurement procedures led by the Commission as well as other agencies;

16. Notes with concern the observations of the Court that certain procurement procedures of the Authority contravened the Financial Regulation, in particular those related to the signing of a short-term banking agreement with a bank; notes that in that case, the Authority significantly underestimated the contract's value, resulting in the Authority using the wrong type of procurement procedure; further notes that the Authority initiated the procedure for signing a new contract for banking services only one week before the expiry of the previous one, exceptionally launching a negotiated procedure without prior publication with only one potential contractor, without providing justification for doing so; deplores the Court's observation that the potential contractor's offer did not meet the Authority's expectations, resulting in the Authority requesting offers from other tenderers, without setting out any criteria for selecting the best offer, nor carrying out any proper evaluation of the offers it received, but accepting the original offer instead; notes that the signed contract included the charge of a negative interest rate on the Authority's deposited funds with the amount paid from January to August 2020 being EUR 38 430, instead of the estimated EUR 11 808; notes the legal evaluation of the Court, concluding that under point 14 of Annex I to the Financial Regulation, based on the actual amount of negative interest paid, the tender procedure to apply should have been the one for low-value contracts, with a minimum of three offers that should have been sought from the outset and the Court's subsequent conclusion that the procurement procedure and the associated payments are deemed irregular;

17. Notes the Court's observation that in another procurement procedure for legal services, with a value of EUR 31 000, the Authority provided inadequate information to justify the reasons for which it chose to use a negotiated procedure without prior publication of a contract notice and that the documentation lacked an adequate audit trail; notes that the Authority did not properly substantiate the use of this exceptional procedure, either in advance or in the award notice itself as required under point 30.3 of Annex I to the Financial Regulation;

18. Is concerned about the number of irregularities, delayed and inadequate tender procedures and lack of diligence displayed by the Authority with regard to the procurement rules, which resulted in elevated costs borne by the Authority; calls on the Authority to improve the identified shortcomings and report to the discharge authority about any corrective actions undertaken;

Prevention and management of conflicts of interest, and transparency

19. Regrets that in 2020, the Ombudsman had to open an inquiry into the Authority for a revolving-doors situation involving a senior official of the Authority, whereby maladministration was established; notes that, following the conclusion of that inquiry, the Authority has implemented all of the Ombudsman's recommendations; calls on the Authority to adopt a robust ethical framework in order to prevent conflicts of interest, revolving doors or harassment;

20. Acknowledges that the Authority has a conflict of interest policy for staff, and a specific policy for members of the board of supervisors and the management board; notes that both policies require the annual declaration of any interest that creates a conflict with respect to activities falling under the Authority's scope of action and that have been conducted during the previous two years (as regards the boards) or the previous five years (for all staff); welcomes that both policies impose an obligation to declare situations of conflicts of interest not covered by the annual declarations, as unaddressed conflict-of-interest situations may compromise the enforcement of high ethical standards; calls on the Authority to publish fortnightly all meetings of its staff with lobby organisations;

Internal control

21. Notes that the Authority has performed an assessment of the internal control framework, though it does not report its conclusions per principle and per component in its annual report; notes that the assessment did reveal that a set of KPIs for internal control were missing within the Authority and that an internal control approach document is being developed that will cover the years 2021 to 2024; calls on the Authority to properly assess and report on the implementation of the internal control framework, and report to the discharge authority for 2021 as a minimum the state of internal control per component;

22. Notes the Court's finding that the Authority has not formally updated its business continuity plan since 2017, with an updated draft plan ready in June 2019 when the Authority's headquarters moved from London to Paris; notes however that this draft plan, though used for the Authority's response to the COVID-19 pandemic, was not formally approved nor updated by the Authority's senior management in order to address the move to the new headquarters, or the recent experience of the COVID-19 pandemic; notes the Court's conclusion that this delay constitutes an internal weakness in the Authority's procedures;

23. Urges the Authority to undertake actions aiming to fix the identified shortcomings and weaknesses in the Authority's internal control systems; calls upon the Authority to keep the discharge authority informed about the progress made;

24. Notes that the Authority has in place an up-to-date anti-fraud strategy that was adopted in January 2019; notes however that the Authority delayed its fraud risk assessment, in 2019 due to the move from London, and again in 2020 due to the COVID-19 pandemic, and that the fraud risk assessment was scheduled for the first quarter of 2021; calls on the Authority to perform the assessment and feed the results into the action plan of the anti-fraud strategy; calls on the Authority to report to the discharge authority on the results of the assessment and on how it has been taken into account;

COVID response and business continuity

25. Observes that the COVID-19 crisis led to a sudden reorganisation of the Authority's working arrangements with the initial focus on maintaining business continuity in the short and medium term; notes that the Authority devised a COVID-19 readiness plan aimed at demonstrating the Authority's active monitoring of the pandemic and its capability to provide clear guidance and measures aimed at protecting the wellbeing of its staff and the continuity of its operations, through, among other measures, the Crisis Response Team which supported the crisis management activities and the implementation of the plan; welcomes the Authority's emphasis on ensuring the safety of staff, while limiting the impact of the COVID-19 crisis on its core mission and activities; notes that the Authority has assessed the measures taken through an audit carried out by an external audit company and calls on the Authority to share the insights gained and the lessons learned with other Union agencies through the EU Agencies Network;

26. Notes that the Authority, due to COVID-19 pandemic, revised its recruitment procedures to recruit and integrate new staff remotely; notes that the Authority organised a large number of wellbeing sessions to support staff and managers during the pandemic and that also language training and other training was organised online;

Other comments

27. Welcomes the actions taken in the framework of the Authority's application of the Eco-Management and Audit Scheme (EMAS) and encourages the Authority to finalise the EMAS project and report to the discharge authority on the EMAS registration of the Authority; welcomes that the Authority has approved the scope of the scheme to include all of the Authority's products and activities;

28. Invites the Authority to continuously strengthen its efforts to reduce its environmental footprint, by stepping up its efforts to introduce a sustainable and paperless working environment, to consider more carbon-neutral sources of energy, including photovoltaic panels, and to modernise its office building to meet the zero emission standard;

29. Recalls the importance for the Authority to develop greater visibility in the media and on the Internet in order to raise awareness of its activities;

30. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([2]) on the performance, financial management and control of the agencies.

([2]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1739 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Banking Authority (EBA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Banking Authority for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Authority in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0078/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC ([4]), and in particular Article 64 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— 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 (A9-0098/2022),

1. Approves the closure of the accounts of the European Banking Authority for the financial year 2020;

2. Instructs its President to forward this decision to the Executive Director of the European Banking Authority, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 331, 15.12.2010, p. 12.

([5]) OJ L 122, 10.5.2019, p. 1.

DECISION (EU) 2022/1740 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Centre for Disease Prevention and Control (ECDC) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Centre for Disease Prevention and Control for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Centre in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0079/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EC) No 851/2004 of the European Parliament and of the Council of 21 April 2004 establishing a European Centre for Disease Prevention and Control ([4]), and in particular Article 23 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on the Environment, Public Health and Food Safety,

— having regard to the report of the Committee on Budgetary Control (A9-0099/2022),

1. Grants the Director of the European Centre for Disease Prevention and Control discharge in respect of the implementation of the Centre's budget for the financial year 2020;

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 Director of the European Centre for Disease Prevention and Control, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 142, 30.4.2004, p. 1.

([5]) OJ L 122, 10.5.2019, p. 1.

RESOLUTION (EU) 2022/1741 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Centre for Disease Prevention and Control (ECDC) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Centre for Disease Prevention and Control for the financial year 2020,

— having regard to the Court of Auditors' Review No 01/2021 on 'The EU's initial contribution to the public health response to COVID-19',

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on the Environment, Public Health and Food Safety,

— having regard to the report of the Committee on Budgetary Control (A9-0099/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European Centre for Disease Prevention and Control (the 'Centre') for the financial year 2020 was EUR 62 490 000, representing an increase of 5,55 % compared to 2019; whereas the inflation rate was 0,7 % in the Union in 2020; whereas approximately 97,62 % of the Centre's budget derives from the Union budget;

B. whereas the Court of Auditors (the 'Court'), in its report on the Centre's annual accounts for the financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurance that the Centre's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes that the budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 96,77 %, representing a decrease of 2,46 % compared to 2019; notes that the payment appropriations execution rate was 75,26 %, also representing a decrease of 6,15 % compared to the previous year;

Performance

2. Welcomes the fact that the Centre paid 96 % of invoices within the time limits of the Centre's financial regulation;

3. Observes that the mission of the Centre is to identify, assess and communicate current and emerging threats to human health from communicable diseases; stresses that the COVID-19 outbreak in 2020 and the subsequent pandemic have been the most serious public health event that the Centre has had to respond to since it became operational in 2005; notes that supporting the Union's response to COVID-19 became the Centre's principal activity; recognises that the Centre activated its public health event operations plan on 9 January 2020 and, specifically, that teams working on public health emergencies contributed positively to the Union and national governance frameworks for the COVID-19 pandemic; notes, moreover, that the Centre started operating at Public Health Event (PHE) level 2, acute phase, on 31 January 2020 and continued to operate at that phase for the remainder of the year;

4. Notes that, according to the Court's report, the Centre, in response to the COVID-19 outbreak, activated its public health event operations plan on 9 January 2020, which guided the organisation through the emergency situation, and allowed it to redirect the resources needed to tackle the pandemic; notes that teams responsible for public health emergencies within the Centre produced the main outputs concerning COVID-19, such as, inter alia, data and surveillance updates, including rapid risk assessments, scientific guidance to support public health decision-making, information on disease and response measures for health care practitioners and the general public, and provided responses to ad hoc requests from Union institutions and agencies;

([1]) OJ C 114, 31.3.2021, p. 39.

5. Notes that the Centre gave assistance to Member States and the Commission with laboratory-related support and expanded testing, strengthening Member States' preparedness through the establishment of operational indicators and provision of support in the assessment of health services' surge capacity;

6. Highlights the 24 COVID-19 related risk assessments carried out by the Centre, the 159 COVID-19 formal scientific requests from the Commission and Members, and the more than 100 formal scientific requests from Member States; furthermore notes that the number of downloads of rapid risk assessments increased by 1 086 % when compared with 2019 figures;

7. Expresses its belief that a rapid, effective, informed and coordinated response across Member States is essential, both to deal with the current situation and to address possible future health threats;

8. Is convinced that the Centre's work in providing timely, accurate, science-based information to legislators, health professionals and the general public is essential for dealing with the ongoing COVID-19 pandemic and other potential health threats; welcomes the Centre's sharing of information with various media in that regard;

9. Highlights the fact that growing antimicrobial resistance still poses a threat to public health, despite the fact that overall Union consumption of antimicrobials has continued to decline; welcomes the Centre's continued activity in this area;

10. Notes that the Centre delivered 56 % of the outputs initially planned in its single programming document 2020–2022, and 90 % of the outputs of the COVID-19 work programme approved in May 2020; notes that 35 % of the Centre's initially planned outputs were postponed to 2021 or cancelled; notes that an external strategic and performance review of the Centre's COVID-19 response shows that the Centre has to improve its functioning in order to be able to provide a more effective and efficient response in a future public health crisis, while maintaining its core functions and essential outputs; calls on the Centre to report on the measures taken in this regard;

11. Notes with concern the conclusion of the Court's Review No 01/2021, on 'The EU's initial contribution to the public health response to COVID-19' (the 'Court's review'), that it was challenging for the Centre to manage the timeliness, quality and completeness of information received from Member States; draws particular attention, however, to the Court's observation that the different surveillance and testing strategies used by the Member States make comparisons and assessments difficult, and that, more generally, the Union's public health competences are limited, which means that the Centre is to a considerable degree dependent on Member States for its effectiveness; notes that it took for instance almost a year after the COVID-19 outbreak in Europe before Member States used a common colour code system, and showed commitment to submitting their data to the Centre; notes that the Centre responded to the Court's review by cautioning that considerable work still needs to be done to establish robust population-based surveillance of COVID-19, and remarks that since then the Centre has taken steps to address this matter;

12. Acknowledges the reasons for the cancellation or postponement of 35 % of the Centre's planned outputs in 2020, while highlighting the fact that the Centre achieved a 90 % success rate in meeting the work programme output plan adopted additionally in May 2020; thanks the Centre's staff for their dedicated work in difficult circumstances;

13. Welcomes the fact that, separately from the Court's review, the Centre initiated its own strategic analysis, through an external contractor, on the Centre's response to COVID-19 from January to September 2020; notes that that strategic analysis shows that the Centre provides high-quality surveillance data that are widely relied upon, and that its guidance is a critical input for decision makers, but that simultaneously, there is clear potential for the Centre to be more effective; notes the recommendations of the strategic analysis, stating that the Centre should place larger emphasis on the practicality of recommendations and on forward guidance, and should more systematically support learning and exchange of experience between Member States; notes the recommendations of the strategic analysis for a senior strategic lead function to be created, better differentiation of internal processes for the production of technical outputs, and the enhancement of the Centre's capabilities; calls on the Centre to report on the measures taken in this regard and inform the discharge authority about the progress made;

14. Notes that the Centre's external strategic assessment indicates that, in the long term, there are important questions about the role that the Centre should play in the wider European public health security landscape; notes that those questions relate to the appropriate degree of European coordination of public health policies and data, the relevant roles of various actors and the strategic focus of the Centre; notes that the Commission has discussed those questions in its review of the Centre's role, and that, since then, changes in the European public health security landscape have been made;

15. Notes that the Centre is developing an entirely new European surveillance system with the aim of progressively covering COVID-19 and all other diseases and health conditions under the Union's surveillance, thus reducing the reporting burden for Member States; further notes that several technology assessment projects to ensure that the Centre takes advantage of technical innovations in the most cost-effective manner are ongoing; calls on the Centre to report on the developments in this regard;

16. Notes that the institutional context in which the Centre operates is changing as a consequence of the lessons learned during the COVID-19 pandemic; calls upon the Court to expand, in its audit for the next financial year, on how the Centre is operating within this adjusted institutional context, and whether, within the adjusted institutional setting, the Centre has enough resources to implement its mandate effectively;

17. Notes that the Centre's action plan to implement the recommendation of the third external evaluation was developed and approved by the Centre's management board; calls on the Centre to provide information regularly to the discharge authority on the implementation of that plan;

18. Welcomes the fact that the Centre shares best practices and regularly works with other Union agencies and bodies; welcomes the actions taken by the Centre to extend its cooperation with other Union institutions in areas such as the use of artificial intelligence, machine learning and crowdsourcing; further welcomes the efforts by the Centre to enhance inter-institutional collaboration in response to the COVID-19 pandemic;

19. Stresses that the Centre should continue promoting cooperation with other Union agencies and international organisations, and fostering dialogue with stakeholders and citizens; welcomes the way in which the Centre worked together with other decentralised Union agencies in 2020, in particular in close cooperation with the European Medicines Agency in developing the joint Union-level monitoring system for COVID-19 vaccine effectiveness and adverse effects, as well as in providing public health information for the technical guidance on COVID-19 infection control for air travel, trains and cruise ships;

Staff policy

20. Notes that, on 31 December 2020, the establishment plan was 96,1 % implemented, with 173 temporary agents appointed out of 180 temporary agents authorised under the Union budget (compared to 180 authorised posts in 2019); notes that, in addition, 121 contract agents and 5 seconded national experts worked for the Centre in 2020;

21. Notes the gender balance within the Centre's senior management, with four out of six (66,67 %) being men; notes the gender balance among the Centre's overall staff, with 170 out of 271 (62,73 %) being women;

22. Notes that the Centre has adopted a policy on protecting the dignity of the person and preventing harassment; observes that two cases of alleged harassment have been reported and one case was brought to the Court of Justice of the European Union in 2020; calls on the Centre to ensure that continuous measures aimed at strengthening the ethical framework at the workplace and at preventing burnout and harassment are taken; calls on the Centre to report to the discharge authority on the developments in this regard;

23. Notes that, due to the COVID-19 pandemic, the workload in the Centre significantly increased in 2020; notes that the Centre was provided with increased short-term capacity in 2020 and, at the end of 2020, the Centre was also granted a number of long-term staff posts to be filled during the period 2021 to 2024 due to the prolonged sanitary crisis;

24. Is concerned about the large size of the Centre's management board which makes decision-making difficult and generates considerable administrative costs;

25. Welcomes the efforts made in the Centre's staff policy to promote teleworking and a healthy lifestyle and continues to encourage the Centre to pursue the development of a long-term human resources policy framework that addresses work-life balance, lifelong guidance and career development, gender balance, teleworking, geographical balance and the recruitment and integration of people with disabilities;

26. Welcomes the proposal to extend the Centre's mandate, but expresses concern that the addition of new tasks and its increasing workload has not been accompanied by sufficient corresponding increases in the Centre's staff and resources, and that such a shortage of staff puts the continuity of its operations under significant pressure and threatens the quality of the Centre's work;

Procurement

27. Notes that the Centre concluded a total of 130 contracts in 2020, covering 10 framework contracts, 14 direct contracts and 106 specific contracts; notes that the Centre conducted 79 procurement procedures during the year, which comprised nine open calls, 48 negotiated procedures and 22 competitions reopened; notes that the Centre also concluded 15 framework partnership agreements and 44 specific grant agreements in 2020;

Prevention and management of conflicts of interest, and transparency

28. Welcomes the Centre's existing measures and ongoing efforts to secure transparency, and for the prevention and management of conflicts of interest, and whistle-blower protection;

29. Welcomes the improvement in the percentage of management board members, advisory forum members and their alternates that submitted the required annual declarations of interest in 2020 compared to the figures for 2019; calls on the Centre to ensure that appropriate experts are engaged in the Centre's work and that a high level of compliance with conflict of interest rules is maintained;

30. Notes that the Centre has developed and is in the process of implementing its internal procedure on conflicts of interest for staff; notes that, according to the Centre's replies, this practice will provide an opportunity to further develop processes and to facilitate additional scrutiny; calls on the Centre to report on the developments in this regard;

31. Notes that the Internal Audit Service (IAS) performed an audit on human resource management and ethics in the Centre in 2020, in accordance with the strategic internal audit plan; notes that the audit resulted in four recommendations, two of which were classified as very important and two as important; notes that the Centre developed an action plan to take into account those recommendations, which included organising training and raising awareness in the area of ethics; calls on the Centre to report to the discharge authority on the implementation of the actions planned;

32. Notes that, according to the replies to the standard questionnaire, the Centre identified and investigated 22 potential conflicts of interest in 2020; further notes that in all cases the Centre put in place mitigation measures, in particular the screening of experts' inputs by the Centre's independent staff for any potential bias, exclusion from being chair or vice-chair of a meeting, suspension of participation in agenda items and the ending of voting rights;

33. Takes note of the European Ombudsman's decision of 5 February 2021 in strategic inquiry OI/3/2020/TE on 'how the ECDC gathered and communicated information during the COVID-19 crisis' and welcomes the conclusion that no maladministration was found; notes, however, that despite the acknowledgement of the Ombudsman of the efforts made by the Centre during the COVID-19 crisis to conduct its scientific assessment in a transparent manner, the Ombudsman considers that the mandate of the Centre prevents an independent collection of data, which limits in a significant way its tasks and, furthermore, that there is room for the Centre to improve how it communicates information to the public offering their translations in the largest number of official languages possible; asks the Centre to report to the discharge authority about measures taken for such an improvement;

Internal control

34. Notes that the Centre has implemented all the recommendations from the IAS on 'Preparedness and Response in the ECDC' and submitted them to the IAS for review; notes that the IAS has reviewed the implementation of those recommendations and the Centre is currently awaiting the final conclusions; calls on the Centre to inform the discharge authority of the results;

35. Notes that the Centre's self-assessment regarding the implementation of the internal control framework showed that the internal control system is present and functioning, but some improvements are needed; notes that the Centre's management needs to better define and document the materiality criteria of risk tolerance for the Centre's activities; notes that a new section will be introduced in the Centre's internal control framework to explicitly consider the control activities to be performed and their follow-up, in order to ensure that objectives are achieved; notes that an internal communications policy is to be developed, including communication on the objectives and responsibilities of internal control; calls on the Centre to report to the discharge authority on the developments in this regard;

COVID-19 response and business continuity

36. Welcomes the Centre's commitment to providing the Union's citizens with timely and accurate information, and expresses its thankfulness to the staff and management of the Centre for the work done under difficult circumstances in 2020; notes that the Centre's guidance and outputs were highly valued by stakeholders, due to their high quality and scientific robustness; notes in particular the Centre's statement that the amount and quality of the results achieved are a reflection of the vast expertise and commitment of the staff involved in the Centre's response to the pandemic; further welcomes the Centre's cooperation with WHO Europe in the establishment of case-based surveillance of COVID-19 for the entire WHO European Region;

37. Welcomes the fact that the Centre reported an unprecedentedly high number of outputs in 2020 in response to the COVID-19 pandemic, and had the highest visibility since its creation; notes that the Centre's main activities during this period were related to the support of vaccination strategies, the dissemination of evidence-based information, the application of surveillance and epidemic intelligence, the implementation of guidance for scientific and technical topics, and the establishment of networking and exchange practices across Europe;

Other comments

38. Notes that the Centre has developed a comprehensive strategy aimed at achieving cost-effectiveness and environmental protection; notes that the Centre is currently in the implementation phase of its environmental management system, which is based on the European eco-management and audit scheme; calls on the Centre to report to the discharge authority on the developments in this regard;

39. Notes that the Centre increased its outreach significantly in 2020 in connection with the COVID-19 pandemic; notes that the Centre's website had 32 million page views, compared to 9 million between 2011 and 2019 in total; notes that the Centre's press and media team handled 1 917 media requests, as opposed to approximately 100 the year before; notes that the Centre observed an increase of 146 % in the number of followers on Twitter, a 232 % increase in the number of page-likes on Facebook, and a 107 % increase in the number of followers on LinkedIn in 2020;

40. Highlights the importance of increasing the digitalisation of the Centre in terms of internal operation and management but also the importance of speeding up the digitalisation of procedures; stresses the need for the Centre to continue to be proactive in this regard in order to avoid, at all costs, a digital gap between the Union agencies;

41. Stresses the need for the Centre to ensure that there is full transparency when publishing scientific studies and by enhancing its external communications capacity towards the general public, and to ensure that all key information related to public health emergencies is available in all official languages of the Union and easily accessible to Union citizens;

42. Notes that, regarding the follow-up to the Court's report for the financial year 2019, the Centre is preparing a new and updated cyber-security policy in anticipation of the entry into force of a Union Regulation on common cybersecurity rules; notes that, as part of its efforts to strengthen cyber-security, the Centre is considering investment in an information security project and a cyber-security awareness and training programme from 2022 onwards; calls on the Centre to report to the discharge authority on the developments in this regard;

43. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([2]) on the performance, financial management and control of the agencies.

([2]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1742 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Centre for Disease Prevention and Control (ECDC) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Centre for Disease Prevention and Control for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Centre in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0079/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EC) No 851/2004 of the European Parliament and of the Council of 21 April 2004 establishing a European Centre for Disease Prevention and Control ([4]), and in particular Article 23 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on the Environment, Public Health and Food Safety,

— having regard to the report of the Committee on Budgetary Control (A9-0099/2022),

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 142, 30.4.2004, p. 1.

([5]) OJ L 122, 10.5.2019, p. 1.

1. Approves the closure of the accounts of the European Centre for Disease Prevention and Control for the financial year 2020;

2. Instructs its President to forward this decision to the Director of the European Centre for Disease Prevention and Control, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

DECISION (EU) 2022/1743 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Chemicals Agency (ECHA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Chemicals Agency for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0080/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), establishing a European Chemicals Agency, amending Directive 1999/45/EC and repealing Council Regulation (EEC) No 793/93 and Commission Regulation (EC) No 1488/94 as well as Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC and 2000/21/EC ([4]), and in particular Article 97 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on the Environment, Public Health and Food Safety,

— having regard to the report of the Committee on Budgetary Control (A9-0112/2022),

1. Grants the Executive Director of the European Chemicals Agency discharge in respect of the implementation of the budget of the Agency for the financial year 2020;

2. Sets out its observations in the resolution below;

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 396, 30.12.2006, p. 1.

([5]) OJ L 122, 10.5.2019, p. 1.

3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Executive Director of the European Chemicals Agency, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1744 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Chemicals Agency (ECHA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Chemicals Agency for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on the Environment, Public Health and Food Safety,

— having regard to the report of the Committee on Budgetary Control (A9-0112/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European Chemicals Agency (the 'Agency') for the financial year 2020 was EUR 109 362 158 representing a decrease of 3,08 % compared to 2019; whereas approximately 29,41 % of the Agency's budget derives from fees and charges and 67,48 % from the Union and third countries (in 2019, 39,51 % from fees and charges and 57,61 % from the Union and third countries); whereas the inflation rate was 0,7 % in the Union in 2020;

B. whereas the Court of Auditors (the 'Court') in its report on the annual accounts of the Agency for the financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurance that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Recognises that, since the final registration deadline under Regulation (EC) No 1907/2006 of the European Parliament and of the Council ([2]) in 2018, the Agency's fee income has significantly decreased, requiring it to rely increasingly on the Union to finance its operations;

2. Notes that, in 2020, the Agency collected fee income totalling EUR 32 292 704 (EUR 44 385 256 in 2019) while the Union subsidy amounted to EUR 73 795 512 (EUR 64 503 447 in 2019) including contributions from third countries of EUR 1 850 992 (EUR 1 615 032 in 2019);

3. Stresses the need to ensure that the Agency is able to fulfil its mandate in the long term; calls, in this regard, for the lack of predictability of the Agency's budget income to be addressed; while acknowledging the positive developments in the governance and financing structure of the Agency, notes the declining trend in fee income and believes that a new stable financing model should be developed and introduced without delay; highlights the fact that, despite previous observations made by the Parliament and the Court of Auditors, an unforeseen and significant drop of approximately EUR 7 000 000 in fee income under Regulation (EC) No 1907/2006 was reported by the Agency in 2020;

([1]) OJ C 114, 31.3.2021, p. 121.

([2]) Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), establishing a European Chemicals Agency, amending Directive 1999/45/EC and repealing Council Regulation (EEC) No 793/93 and Commission Regulation (EC) No 1488/94 as well as Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC and 2000/21/EC (OJ L 396, 30.12.2006, p. 1).

4. Underlines the necessity of ensuring the Agency has adequate staffing levels that reflect the needs associated with the implementation of the European Green Deal and the Union Chemical Strategy for Sustainability, the Circular Economy Action Plan and the zero-pollution ambition in particular; notes the positive work undertaken by the Agency under Directive 2008/98/EC of the European Parliament and of the Council ([3]) and notes the need for continued efforts to be made towards establishing a fully sustainable financing model;

5. Notes with satisfaction that budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 98,48 %, representing a slight decrease of 0,30 % compared to 2019 and that the payment appropriations execution rate was 94,16 %, representing an increase of 8,07 % in comparison to 2019;

6. Notes that, in follow-up to the observations received in the 2019 discharge procedure, the Agency continues its efforts to increase the efficiency of the system for ex-post verifications, aimed at reducing the time-lag between dossier submission and verification of the small and medium-sized enterprise (SME) status of an applicant; welcomes the fact that the additional registration fee income generated by the SME status verification process (included in the REACH registrations and updates income) amounted to EUR 1 370 000 (compared to EUR 700 000 in 2019); acknowledges that the increase can be attributed primarily to an effective 'SME campaign' that invited companies to correctly self-declare their company size before the start of the Agency's verification, waiving any administrative charge that would otherwise result from a previously declared incorrect size, and by prioritising companies with the highest financial reductions; notes that the company size of a total of 504 enterprises was verified in 2020 (compared to 333 in 2019) and, on top of the additional registration fees, the Agency generated EUR 1 050 000 in administrative charges (compared to EUR 1 010 000 in 2019), levied on companies that were not eligible for rebates that those companies had received; welcomes the fact that the Agency will continue its efforts in 2021 and is on track to complete the verification of the 2018 registration-deadline related claims by the end of 2023;

7. Observes that the European Chemicals Agency ('the Agency') is the driving force among regulatory authorities in implementing the Union's chemicals legislation for the benefit of human health and the environment, as well as for innovation and competitiveness; notes that the Agency provides information on chemicals, helps companies comply with legislation and promotes the safe use of chemicals; underlines that Regulation (EC) No 1907/2006 stipulates that this should be done in a way that ensures that animal testing is only ever a last resort and that the use of non-animal methods is promoted;

8. Acknowledges that the Agency continued to support the Union's efforts to reduce and replace animal testing by publishing new tools and expanding access to information, which facilitates the transition to alternatives that do not involve animal testing;

9. Stresses the need to allocate budgetary resources to the Agency to pursue closer cooperation to consolidate a unique Union chemical database with its sister agencies under the 'one substance-one assessment principle' ([4]) in particular by incorporating New Approach Methodology (NAM) entries into the International Uniform Chemical Information Database ([5]);

10. Emphasises that one of the Agency's fundamental tasks for the period ahead will continue to be implementation of the Chemicals Strategy for Sustainability ([6]) adopted by the Commission on 14 October 2020;

([3]) Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008 on waste and repealing certain Directives (OJ L 312, 22.11.2008, p. 3).

([4]) https://echa.europa.eu/documents/10162/21877836/efsa-echa-position-paper-osoa_en.pdf/74b1ae31-290b-a608-85e9-05b340840b34#:~:text=We%20propose%20that%20%E2%80%9Cone%20substance,built%20around%20three%20main%20principles%3A&text=%2D%20Better%20coordination%20on%20or%20distribution,uses%20of%20the%20same%20chemical

([5]) https://echa.europa.eu/documents/10162/29387629/annual_report_2020_en.pdf/09d078c5-ff40-6737-3e4c-41dea91a7738#:~:text=We%20note%20that%20the%20Agency's,final%20implementation%20rate%20of%2098.5%20%25, p. 63.

([6]) COM(2020) 667.

Performance

11. Notes that the Agency adopted a programming document for 2020-2023 which sets out the objectives for the Agency, in line with the strategic plan for that four-year period, and which was accompanied by the resource planning until 2023 and the 2020 work programme; notes that the Agency achieved 194 out of 210 actions and outputs set in the 2020 work programme and that the 16 actions and outputs not met were not met mainly due to the COVID-19 pandemic;

12. Takes note of the conclusions of the analysis carried out by the Agency, the Commission and the Exchange Network on Exposure Scenarios as part of the third review of Regulation (EC) No 1907/2006, according to which further efforts are needed, in particular by industry;

13. Notes that the Agency continues to collaborate with the Joint Research Centre on developing best available technology reference documents for ceramics, textiles, metals processing, and foundries under Directive 2010/75/EU of the European Parliament and of the Council ([7]); notes that the Agency worked with Member States, the Commission and the industry to establish a development plan for REACH Review Action 3, aimed at improving the workability and quality of extended safety data sheets;

14. Notes that the Agency cooperates closely with other Union agencies, such as the European Food Safety Authority, the European Centre for Disease Prevention and Control and the European Medicines Agency, by means of memoranda of understanding, to improve the exchange of information, to achieve better mutual understanding and, where appropriate, on joint projects; underlines the importance of such an approach as regards ensuring that the work of each agency is consistent with that of the other agencies and to meet the requirements of sound financial management; welcomes the sharing of services such as the Agency's internal audit capability with the European Union Agency for the Space Programme, and encourages cooperation among the Union agencies where and whenever possible;

15. Notes and welcomes the fact that the 271 full compliance checks covered 258 substances and that 76 targeted checks concerning 44 substances were carried out in 2020;

16. Welcomes the Agency's efforts to strengthen, clarify and speed up the process for approving and reviewing active substances with a biocidal effect under the Active Substances Action Plan;

17. Welcomes the Agency's analysis of the issue of microplastics and their unintentional release into the environment; agrees with the conclusion that a Union-wide ban under Regulation (EC) No 1907/2006 on products containing deliberately added microplastics which are released into the environment as a result of use is an appropriate approach to resolving this issue;

Staff policy

18. Notes that, on 31 December 2019, the establishment plan was 97,41 % executed, with 451 temporary agents appointed out of 463 temporary agents authorised under the Union budget (compared to 461 authorised posts in 2019); notes that in addition 122 contract agents and 3 seconded national experts worked for the Agency in 2020;

19. Regrets that the Agency, with regard to senior and middle management positions, reports that 23 (76,6 %) positions are filled by men and 7 (23,3 %) by women, and, with regard to the management board, that 14 positions are filled by men (37,8 %) and 23 by women (62,2 %); notes that this gender imbalance has persisted for a long time; notes with regard to staff overall that the Agency reports to employ 266 men (46,7 %) and 306 women (53,3 %); asks the Agency to pro-actively ensure gender balance at management level in the future; reiterates its call on the Commission and the Member States to take the importance of ensuring gender balance into account when appointing their members to the management board of the Agency;

([7]) Directive 2010/75/EU of the European Parliament and of the Council of 24 November 2010 on industrial emissions (integrated pollution prevention and control) (OJ L 334, 17.12.2010, p. 17).

20. Notes that the Agency has an anti-harassment policy and related guidelines in place; acknowledges that the Agency's management is promoting appropriate behaviour by providing meetings between the staff and confidential counsellors;

21. Underlines that the specific budget for training should ensure that Agency staff are properly trained regarding the latest NAMs, to create increased internal capacity for tackling chemical pollution and its adverse effects properly, with the latest tools ([8]) and concepts ([9]);

22. Welcomes the efforts made in the Agency's staff policy to promote teleworking and a healthy lifestyle and continues to encourage the Agency to pursue the development of a long-term human resources policy framework that addresses work-life balance, lifelong guidance and career development, gender balance, teleworking, the right to disconnect while respecting the balance between professional and private life, geographical balance and the recruitment and integration of people with disabilities;

Prevention and management of conflicts of interest, and transparency

23. Welcomes the fact that the Agency publishes on its website the CVs of all members of the management board and its committees, including those of its chairs who are Agency staff members, of the Executive Director and of all members of the board of appeal; welcomes the fact that the Agency's conflict of interest prevention policies cover the whole duration of the employment of staff and that, to safeguard independence, the external experts who participate in the scientific committees, management board and enforcement forum are screened against six targeted eligibility criteria;

24. Notes that one case of whistleblowing was reported in 2020, concerning a staff member who alleged retaliation for highlighting irregularities to his hierarchy concerning a procurement procedure, the alleged retaliation being a recommendation not to renew the staff member's contract of employment one year later; notes that an independent investigation into the allegations of irregularities in the procurement procedure was conducted and that the anonymity of the origin of the allegations was respected; notes that the investigation did not find any activities which would be in violation of the provisions of either the Agency's Financial Regulation or Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([10]); notes that the case is considered closed;

Internal control

25. Notes that in 2020 an internal audit was conducted by the Internal Audit Service (IAS) of the Commission on 'Integrated regulatory strategy-screening, evaluation and regulatory management option analysis in 2020' and that the audit provided three important recommendations: improve the planning, monitoring and reporting of the integrated regulatory strategy, document procedures and workflows for review and approval, review and improve tools, and document internal processes for managing comments from Member State competent authorities; notes that the Agency is following up on those recommendations and that, furthermore, it is considering how to address one open action from the follow-up audit on performance management conducted in 2020, which is related to defining an approach for reclassification in cases where the third language eligibility criterion has not been fulfilled;

26. Notes that the Agency's internal audit capability conducted a consultative audit on the 'harmonised classification and labelling' activity and that the main recommendations were to review the need, focus, format and depth of the checks done on classification proposal dossiers to determine whether they are fit for processing, lighten the overall workload of the plenary committee for risk assessment, for instance through increased use of working groups, and analyse the work in relation to harmonised classification and labelling (CLH) dossiers and to scrutinise, together with Member States, the mechanisms to increase the impact of the CLH process;

([8]) https://ec.europa.eu/info/research-and-innovation/funding/funding-opportunities/funding-programmes-and-open-calls/horizon-europe/european-partnerships-horizon-europe/candidates-european-partnerships-health_en

([9]) https://ec.europa.eu/jrc/en/science-update/next-generation-risk-assessment-cosmetics

([10]) 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 966/2012 (OJ L 193, 30.7.2018, p. 1).

27. Notes that the Agency's internal audit capability conducted an audit on the 'applications for authorisation' activity and that there were six important recommendations, namely to improve working methods, to improve knowledge management and consistency, to improve feedback mechanisms, to ensure sufficient resources for the Agency's secretariat and committees, to clarify the roles and responsibilities within the Agency, and to consider further process simplification and efficiency gains;

COVID-19 response and business continuity

28. Notes that the Agency made a smooth transition to large-scale teleworking for staff, continuing collaboration with external stakeholders and moving the operation of all of the Agency's bodies online following the outbreak of the pandemic; notes that, according to the Agency's report, the rapid transition to large-scale, long-term teleworking resulted in significant additional efforts for the Agency's security unit, not least because not all the Agency's contractors were prepared for such large-scale teleworking, and related arrangements had to be put in place, with high priority; calls on the Agency to carefully evaluate the arrangements in place, including from a cyber-security perspective, and related risks for business continuity;

29. Notes with satisfaction that the agency joined forces with the Commission to help Member States and companies place more disinfectants on the market;

Other comments

30. Notes the relocation of the Agency to new premises in early 2020 and that fire safety training and evacuation training courses were organised with the Helsinki Rescue Association, which were followed-up by internal fire safety walkthroughs and an evacuation exercise conducted in November 2020; welcomes the fact that the Agency developed, despite the teleworking conditions, an emergency plan for the new building, which was communicated to the Helsinki rescue authorities, making the return to the office of staff also possible from a safety perspective;

31. Regrets that the Agency has not yet acted on the recommendations of the discharge authority in its decision on discharge in respect of the implementation of the budget of the Agency for the financial year 2019 with regard to pro-active measures and resourcing for speeding up, improving and quantifying reductions in the number of animal tests and the replacement of such tests by NAMs, as well as the establishment within the Agency of a team exclusively dedicated to animal protection and the promotion of non-animal test methods;

32. Notes that the European Medicines Agency has a working group on the application of the 3Rs (Replacement, Reduction and Refinement) in Regulatory Testing of Medicinal Products and its 2025 strategy includes significant work on non-animal testing, and that the European Food Safety Authority includes in the remit of its Science Studies and Project Identification Office, the development of a roadmap to use non-animal methods to routinely address data gaps by 2027; regrets that the Agency lacks similar initiatives which could help to deliver the goal set out in the resolution of the European Parliament of 16 September 2021 on plans and actions to accelerate the transition to innovation without the use of animals in research, regulatory testing and education ([11]);

33. Notes that the Agency has adopted an environmental work plan which runs from 2020 to 2022; notes that the priority of the programme is to further reduce the Agency's CO_2 emissions from travel and utilities, namely to reduce building CO_2 emissions by 20 %, travel (meeting participants) emissions by 75 % and travel (staff missions) by 50 %;

34. Welcomes the Agency's decision to become climate-neutral in line with the Union's 2030 climate target and the Agency's ambition to extend environmental certification to the Union's eco-management and audit scheme;

35. Notes that the Agency currently maintains the largest database on chemicals, which makes it possible to provide transparent information on chemicals used within the Union; welcomes the Agency's efforts to increase the transparency of that database by providing more detailed information to its users and the general public;

([11]) Not yet published in the Official Journal.

36. Notes that the Agency made a special publicity effort with mainstream media and as a result increased its visibility in general-interest media outlets; notes that the staff continued active sharing of content via their own social media channels, reaching almost 3 million people in 2020;

37. Welcomes the Agency's cooperation with UK-based companies at the end of the transition period that followed the withdrawal of the UK from the Union, thus helping to prevent significant disruption to the Union market;

38. Highlights the importance of increasing the digitalisation of the Agency in terms of internal operation and management but also the importance of speeding up the digitalisation of procedures; stresses the need for the Agency to continue to be proactive in this regard in order to avoid, at all costs, a digital gap between the agencies; draws attention, however, to the need to take all the necessary security measures to avoid any risk to the online security of the information processed; calls on the Agency to develop its cybersecurity policy more swiftly, so that it can be delivered before 31 January 2023 and to report back to the discharge authority on this matter;

39. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([12]) on the performance, financial management and control of the agencies.

([12]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1745 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Chemicals Agency (ECHA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Chemicals Agency for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0080/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), establishing a European Chemicals Agency, amending Directive 1999/45/EC and repealing Council Regulation (EEC) No 793/93 and Commission Regulation (EC) No 1488/94 as well as Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC and 2000/21/EC ([4]), and in particular Article 97 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on the Environment, Public Health and Food Safety,

— having regard to the report of the Committee on Budgetary Control (A9-0112/2022),

1. Approves the closure of the accounts of the European Chemicals Agency for the financial year 2020;

2. Instructs its President to forward this decision to the Executive Director of the European Chemicals Agency, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 396, 30.12.2006, p. 1.

([5]) OJ L 122, 10.5.2019, p. 1.

DECISION (EU) 2022/1746 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Environment Agency (EEA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Environment Agency for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0081/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EC) No 401/2009 of the European Parliament and of the Council of 23 April 2009 on the European Environment Agency and the European Environment Information and Observation Network ([4]), and in particular Article 13 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on the Environment, Public Health and Food Safety,

— having regard to the report of the Committee on Budgetary Control (A9-0113/2022),

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 126, 21.5.2009, p. 13.

([5]) OJ L 122, 10.5.2019, p. 1.

1. Grants the Executive Director of the European Environment Agency discharge in respect of the implementation of the Agency's budget for the financial year 2020;

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 Executive Director of the European Environment Agency, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1747 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Environment Agency (EEA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Environment Agency for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on the Environment, Public Health and Food Safety,

— having regard to the report of the Committee on Budgetary Control (A9-0113/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European Environmental Agency (the 'Agency') for the financial year 2020 was EUR 89 649 723, representing an increase of 18,48 % compared to 2019 due to an increase in external assigned revenue; whereas the inflation rate was 0,7 % in the Union in 2020; whereas the Agency's budget derives mainly from the Union budget (75,29 %) and the contributions under specific agreement for the Copernicus programme (22,68 %);

B. whereas the Court of Auditors (the 'Court'), in its report on the annual accounts of the European Environmental Agency for the financial year 2020 (the 'Court's report'), has stated that it has obtained reasonable assurances that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with satisfaction that the budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 99,96 %, representing a slight decrease of 0,04 % compared to 2019; notes that the payment appropriations execution rate was 86,12 %, representing a decrease of 3,71 % compared to the previous year;

2. Notes the key role of the Agency in delivering quality data on the state of the environment, which becomes increasingly important in light of the huge challenges that the Union faces in tackling climate change and biodiversity loss; welcomes that the Agency's opinion is being heard throughout the institutions of the Union and recommends that the scientific committee of the Agency play a key role in advising the Commission;

Performance

3. Notes that the Agency reports that it has achieved what it had set out to do by exceeding the expectations of its key performance indicators in 2020 despite the risks and challenges the organisation had to manage due to the COVID-19 pandemic;

4. Notes, with regard to the follow-up to the 2019 discharge report, that the Agency engages with the Commission in identifying and sharing tasks with relevant Commission services, thereby avoiding overlapping tasks; notes that the Agency has not identified any overlapping tasks with other agencies in the EU Agencies' Network; notes that the Agency coordinates certain tasks and co-creates certain reports with other agencies such as the European Chemicals Agency (ECHA) and the European Food Safety Authority (EFSA);

([1]) OJ C 114, 31.3.2021, p. 14.

5. Notes, regarding the follow-up to observations from the 2019 discharge report concerning dissatisfaction with the delivery of some of the Agency's activities, that the Agency has taken on additional new tasks such as the European Green Deal, the 8th Environmental Action Programme and Sustainable Finance, which have not been accompanied by sufficient resources and staff to meet the ambitions laid down in its legislation; notes that the Agency directly supported the implementation of the European Green Deal and the 2030 policy framework on climate and energy through several activities and collaboration with the Commission; further notes that the Agency has allocated operational staff only to deliver these activities, which increasingly stresses its support functions; calls on the Agency to enter into discussion with the Commission, where appropriate through the EU Agencies Network, to address these issues and to report to the discharge authority on the developments in this regard;

6. Notes, with regard to the follow-up to observations from the 2019 discharge report concerning its IT network, that the Agency had initiated digitalisation initiatives prior to the pandemic in 2020 and that, since March 2020, those initiatives were accelerated by the lockdown situation; calls on the Agency to continue to monitor the cybersecurity threat landscape and take the appropriate measures;

7. Notes that the Agency presented the '2020 Air quality in Europe report', documenting the impact of lockdown measures on air quality in European cities, using the unique situation caused by the COVID-19 pandemic;

8. Stresses that the Agency provides sound, independent information on the environment; commends the quality of its outputs released in 2020, including assessing the effect of the COVID-19 lockdown measures on air pollutant concentrations, developing a new industrial emissions portal, collecting the first data on CO_2 emissions from heavy-duty vehicles and preparing for future reporting on real-world CO_2 emissions;

9. Recalls that, in 2020, the Agency provided the State of the Environment Report 2020 ([2]), alongside assessments and briefings on topics such as biowaste management and treatment, biodegradable plastics, the emerging challenges of waste management in Europe, air quality and noise pollution, and how Europe will be affected by key climate hazards such as droughts, floods, forest fires and sea level rise during the 21st century and beyond;

Staff policy

10. Acknowledges that, on 31 December 2020, the establishment plan was 96,92 % filled, with three permanent officials and 123 temporary agents appointed out of 130 posts authorised under the Union budget (124 authorised posts in 2019); notes that, in addition, 71 contract agents and 12 seconded national experts were working for the Agency in 2020;

11. Deplores that the ratio between support staff responsible for administration as well as coordination and operational staff working on content, is out of balance; suggests that the Agency should receive more support staff, to guarantee its functioning;

12. Notes the gender balance within the Agency's senior management members, with 5 out of 8 (62,50 %) being men; notes the gender balance within the Agency's management board, with 16 out of 30 (53,34 %) being men; notes the gender balance within the Agency's overall staff, with 111 out of 203 (54,68 %) being women; points out, however, that, in the recruitment of new staff and in connection with promotions, the Agency should bear in mind that candidates' skills, knowledge and experience are the most important factors; points out that the need for a geographical balance among staff members should also be borne in mind;

13. Notes, regarding the observations in the 2019 discharge on limited assets, that the Agency continues to report its assessment of resource needs to the Commission; further notes that these resources are not always met or included in the draft budget put forward by the Commission; calls on the Commission and the Agency to work out a sustainable plan to provide the Agency with resources according to its needs and tasks and to report back on the developments in this regard to the discharge authority;

([2]) European Environment – State and Outlook 2020 https://www.eea.europa.eu/soer/2020

14. Is concerned about the large size of the Agency's management board which makes decision-making difficult and generates considerable administrative costs;

15. Notes, regarding the replies to the standard questionnaire, that in 2020, in the legislation for Sustainable Finance, the Commission designated the Agency to deliver supporting tasks and included one temporary agent and one contract agent post, with an associated increase of EUR 0,3 million in the Agency's Union subsidy, in order to give the Agency the staffing to deliver the additional tasks; further notes that Parliament amended the Agency's 2020 budget, increasing the core subsidy by EUR 1,3 million and awarding five temporary agent and two contract agent posts in order to give the Agency resources to support new tasks under the European Green Deal, in particular that of fighting climate change and biodiversity loss;

16. Notes, with regard to the follow-up to the 2019 discharge report regarding staff guidelines, that the Agency revised its sensitive post policy and adopted on 3 December 2020 the decision of its management board on EEA Guidelines on the Identification and Management of Sensitive Posts in accordance with the recommendations of the Court of Auditors;

17. Welcomes the efforts made in staff policy to promote teleworking and healthy life and continues to encourage the Agency to pursue the development of a long term human resources policy framework that addresses the work-life balance, the lifelong guidance and career development, the gender balance, the teleworking, the geographical balance and the recruitment and integration of people with disabilities;

Procurement

18. Notes that the Agency actively pursues joint procurement procedures with the Commission; notes that the Agency focuses on converting to electronic administration processes (procurement, finance and human resources), which has delivered efficiency gains and supported it to switch quickly and effectively to a working-from-home environment at the onset of the COVID-19 pandemic;

Prevention and management of conflicts of interests, and transparency

19. Acknowledges the Agency's existing measures and ongoing efforts to secure transparency to prevent and manage conflicts of interests, and to provide whistleblower protection;

20. Notes, with regard to the follow-up to the 2019 discharge report, that the Agency's management board members are continuously reminded of the request to provide CVs and declarations of interest for publication on the Agency's website; is strongly of the opinion that the publication of CVs and declarations of interest of management board members should be obligatory and not done on a voluntary basis; calls on the Agency to make sure that management board members meet this requirement and report to the discharge authority on the developments in this regard;

Internal control

21. Acknowledges the assessment of the internal control framework carried out by the Agency and its conclusion that while in previous years some internal control principles were implemented and effectively functioned, these principles are now considered to be only partially implemented or partially effective; takes note of the Agency's conclusion that this requires a prompt response by management to a new way of working; notes that, despite the uncertain circumstances surrounding COVID-19, the Agency's internal control System show that the Agency's staff managed to adapt quickly to the situation and delivered the work programme envisaged for 2020, embedding new procedures in their actions;

COVID-19 response and business continuity

22. Notes that the Agency, in response to the pandemic-related restrictions, introduced online recruitment, supported by the implementation of the recruitment platform Systal, which allowed the Agency to complete a large number of recruitments in 2020 and leave a low vacancy rate at the end of the year;

23. Notes that the Agency's response to the COVID-19 pandemic and its related restrictions, had a positive impact on most of the environmental performance data of the Agency for 2020, showing a substantial fall in the greenhouse gas emissions from missions and meetings (a drop of approximately 90 % compared to the 2015-2019 average) and significant reductions in the use of electricity, heating, water, paper and waste due to fewer staff in the Agency's premises, calls on the Agency to carry forward into its operations in the coming years the lessons learned in the wake of the pandemic in this regard;

Other comments

24. Welcomes the Agency's decision to strengthen its commitment to move from climate-friendly to climate-neutral operations in line with the Union's increased climate targets;

25. Invites the Agency to continue promoting cooperation with other agencies of the Union and international organisations, in order to better assess the environmental impacts of human activity and fostering dialogue with stakeholders and citizens;

26. Welcomes the efforts made by the Agency to create an environment-friendly working frame and all the measures taken by the Agency to reduce its carbon footprint, its energy consumption and to develop a paperless workflow; notes, regarding the follow-up to observations from the 2019 discharge report on cost efficiency and environmentally friendly practices, that the Agency's office building dates back to the 19th century and the options to improve the energy efficiency of the premises are therefore limited; notes that, as part of its environmental management system, the Agency is committed to continuously improve its overall energy performance by replacing selected windows in the building and moving to an activity-based workspace on several floors that will deliver additional improvements of the energy performance per unit area; notes, in addition, that the Agency purchases 100 % of electricity from renewable sources; calls on the Agency to report to the discharge authority on the developments in this regard;

27. Notes, with regard to the follow-up observations on accessibility, that the Agency has yet to arrange its online platforms to make them accessible to persons with disabilities;

28. Recalls the importance to increase the digitalisation of the Agency in terms of internal operation and management but also in order to speed up the digitalisation of procedures; stresses the need for the Agency to continue to be proactive in this regard in order to avoid a digital gap between the agencies at all costs; draws attention, however, to the need to take all the necessary security measures to avoid any risk to the online security of the processed information; calls on the Agency to develop its cyber-security policy swifter, delivered it before 31 January 2022 and report back to the discharge authority;

29. Notes, regarding the follow-up observations on the dissemination of its results to the public, that the Agency has implemented online outreach activities and boosted innovative formats such as launch events, 'Ask an expert' series and debates in 2020; notes that the Agency participates in a cross-agency project to improve its indicators focused on their communication potential; notes that the number of registered sessions in the Agency's website was higher than 8 million in 2020; calls on the Agency to report to the discharge authority on future changes aimed to streamline the Agency's online presence;

30. Notes, regarding the follow-up from the Court observations on media reach, that the Agency continues to develop its visibility as a trustworthy source for environment and climate knowledge at Union level; notes that in 2020 the Agency published 25 626 media articles, an 80 % increase compared to 2019, and reached 178 593 combined followers, a 56 % increase compared to 2019;

31. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([3]) on the performance, financial management and control of the agencies.

([3]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1748 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Environment Agency (EEA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Environment Agency for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0081/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EC) No 401/2009 of the European Parliament and of the Council of 23 April 2009 on the European Environment Agency and the European Environment Information and Observation Network ([4]), and in particular Article 13 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on the Environment, Public Health and Food Safety,

— having regard to the report of the Committee on Budgetary Control (A9-0113/2022),

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 126, 21.5.2009, p. 13.

([5]) OJ L 122, 10.5.2019, p. 1.

1. Approves the closure of the accounts of the European Environment Agency for the financial year 2020;

2. Instructs its President to forward this decision to the Executive Director of the European Environment Agency, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

DECISION (EU) 2022/1749 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Fisheries Control Agency (EFCA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Fisheries Control Agency for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0082/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2019/473 of the European Parliament and of the Council of 19 March 2019 on the European Fisheries Control Agency ([4]), and in particular Article 45 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Fisheries,

— having regard to the report of the Committee on Budgetary Control (A9-0114/2022),

1. Grants the Executive Director of the European Fisheries Control Agency discharge in respect of the implementation of the Agency's budget for the financial year 2020;

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 Executive Director of the European Fisheries Control Agency, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 83, 25.3.2019, p. 18.

([5]) OJ L 122, 10.5.2019, p. 1.

RESOLUTION (EU) 2022/1750 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Fisheries Control Agency (EFCA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Fisheries Control Agency for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Fisheries,

— having regard to the report of the Committee on Budgetary Control (A9-0114/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European Fisheries Control Agency (the 'Agency') for the financial year 2020 was EUR 17 580 000, representing a decrease of 1,93 % compared to 2019; whereas the budget of the Agency derives mainly from the Union budget;

B. whereas the Court of Auditors (the 'Court'), in its report on the annual accounts of the Agency for the financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurance that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes that the budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 97,27 %, representing a slight reduction of 2,61 % compared to 2019; notes that the payment appropriations execution rate was at 81,18 %, representing a decrease of 4,51 % compared to 2019;

2. Notes that the Agency received a EUR 16,9 million contribution under the general budget of the Union in 2020, representing an increase of 1,2 % in respect of 2019; points out that both the Agency's annual budget and its total number of staff are among the lowest amongst Union agencies;

Performance

3. Recalls the importance of fisheries control in achieving the objectives of the common fisheries policy (CFP); acknowledges the Agency's vital contribution to implementing those objectives; stresses that it is the Member States that are primarily responsible for the control of fishing activities, while the Agency's tasks are supportive in nature; stresses that the revision of the Regulation governing fisheries control will increase the Agency's supportive workload; emphasises the incoherence of seeking to tackle growing obligations without sufficient resources to do so; stresses, therefore, that the financial and human resources available to the Agency need to be sufficient in the coming years;

4. Notes with satisfaction that the Agency uses certain measures as key performance indicators (KPIs) to assess the added value provided by its activities and other measures to improve its budget management, such as inspections and infringements trends, attendance at training sessions and budget implementation per quarter;

5. Notes that the Agency implemented 90 % of its activities on time following its Annual Work Programme; notes that implementation in 2020 was higher than expected given the special circumstances of the COVID-19 pandemic;

([1]) OJ C 114, 31.3.2021, p. 148.

6. Notes that the Agency, the European Border and Coast Guard Agency (Frontex) and the European Maritime Safety Agency continued following the tripartite working arrangement signed in 2019 defining cooperation between those Agencies and cooperation with national authorities carrying out coast guard functions by providing services, information, equipment and training, as well as by coordinating multipurpose operations; notes that the Agency assumed the chairmanship of that tripartite working arrangement in May 2020; notes that this specific inter-agency cooperation helps to create synergies and avoid duplication and/or redundancy of effort in cooperation between Agencies as well as relevant Member States, resulting in economies of scale; considers the arrangement an example of synergy between Union agencies that should inspire agencies in other areas; calls on the Agency to continue its efforts in that regard and considers it appropriate to increase the cooperation between the Agency and the European Environment Agency as well;

7. Notes that, in 2020, the Agency coordinated 38 452 fishing vessel inspections, which led to the detection of 1 682 suspected infringements, representing an increase, respectively, of 18,75 % and 44,25 % on the 2019 figures; believes that those figures show that inspections and follow-up activities remain a key tool for ensuring that the rules of the CFP are observed; notes, however, that that increase conceals disparities between areas, with an increase in Western Waters (+ 27 %) and in the Mediterranean Sea (+ 141 %) and a decrease in the Baltic Sea (– 20 %), the North Sea (– 49 %), the Black Sea (– 11 %) and NAFO-NEAFC (– 36 %); invites the Agency to provide more detailed information on the reasons for those changes; points out that inspections and other follow-up activities play a key role, not only in the proper management of fish stocks, but also in ensuring a level playing field for Union fishers;

8. Notes that the Agency, in close cooperation with the Commission and the Member States, carried out important preparatory work to face the possible consequences for fisheries control resulting from the UK's withdrawal from the Union in the North Sea and in the Western Waters of the Atlantic;

Staff policy

9. Notes that, on 31 December 2020, the establishment plan was 98,36 % implemented, with 60 officials and temporary agents appointed out of 61 temporary agents authorised under the Union budget (61 authorised posts in 2019); notes that, in addition, five contract agents and four seconded national experts have been working for the Agency in 2020;

10. Takes note of the Agency's policy of promoting equal treatment of staff and of its goal of achieving gender equality, both in terms of overall numbers and of grades and responsibility levels; strongly deplores the fact that women account for only 30 % of staff employed at grade AD 8 or higher; welcomes the recent nomination of a woman as the new executive director of the Agency; notes however that her nomination does not enable parity to be attained at management level, since all head of unit positions are held by men; calls on the Agency to step up its efforts to implement its gender parity policy to make progress towards parity at management level; notes with concern the gender imbalance on the administrative board of the Agency, with 46 men (70 %) and 20 women (30 %); reiterates its call on the Commission and the Member States to take the importance of ensuring gender balance into account when nominating their members to the administrative board;

Procurement

11. Highlights that the percentage of planned procurement procedures launched by the Agency surpassed the 80 % target and reached 83 % in 2020; notes that the use of planned procurement allows the Agency to maintain high levels of budget implementation performance;

12. Notes that the main procurement activity in 2020 was focused on signing three framework contracts as a result of open procedures launched for maritime legal assistance, cleaning services and interim staff; notes that the Agency set up further negotiated procedures such as insurance brokerage, internet services, and technical assistance on audits and control;

13. Welcomes the fact that, in accordance with the objective for Union agencies of sharing procurement efforts, the Agency joined 16 different inter-institutional tenders with the Commission and other agencies in 2020; calls on the Agency to report to the discharge authority on future developments regarding its joint procurement procedures;

14. Notes the efforts of the Agency in applying at least one criterion on the focus of the efficient environmental behaviour of the potential tenderers on the procurements launched by the Agency; calls on the Agency to evaluate the usefulness and effectiveness of that criterion and to share the results of the evaluation with the discharge authority;

Prevention and management of conflicts of interest, and transparency

15. Acknowledges the Agency's existing measures and ongoing efforts to secure transparency, prevention and management of conflicts of interest, and whistleblower protection; notes that two of the Agency's administrative board members' CVs and four declarations of interest out of 66 are not yet published on the Agency's website; calls on the Agency to publish the CVs and the declarations of interest of all the administrative board members and to report to the discharge authority on the measures taken in that regard;

16. Welcomes the further steps taken, following the 2019 discharge report, in order to enhance the transparency of the Agency's activities by reporting the meetings that the Agency's staff has with external stakeholders, and their availability on the Agency's website; calls on the Agency to regularly update the page so as to ensure full transparency and trust in the Agency's activities;

Internal control

17. Notes that the Commission's Internal Audit Service (IAS) established a new audit plan in 2020 (Strategic Internal Audit Plan 2021-2023); notes that that audit plan is based on the results of an in-depth risk assessment carried out by the IAS and consists of a review of the principal documentation regarding the Agency's activities and processes;

18. Notes that the Agency has performed an assessment of its internal control system and has concluded that the controls are working as intended; notes that the Agency's risks are being appropriately monitored and mitigated; notes that no significant control weaknesses were reported in 2020;

COVID-19 response and business continuity

19. Notes that the Agency did not implement 90 % of the meetings and missions budgeted in 2020 due to the COVID-19 pandemic; notes, however, that the Agency was able to compensate for that impact in the budget forecast by incorporating commitments for additional chartering of means, replacement of obsolete equipment, additional communication efforts and other contracts planned for 2021; further notes that the appropriations carried forward to 2020 were closely monitored, resulting in an execution rate of 93,5 % of those appropriations;

20. Notes that, from early March 2020 on, the Agency's Business Continuity Management Team monitored and analysed the impact of teleworking of all staff caused by the COVID-19 pandemic on business continuity and concluded that the Agency was well-prepared to continue its operations reliably by means of teleworking; notes, however, that the Agency's Business Continuity Management Team suggested some adaptations of the units' individual Recovery Action Plans;

21. Notes that the generalised teleworking conditions of the Agency led to a reduction of the overall CO_2 emissions for the Agency's headquarters of 67 %; notes however that that reduction has been outweighed by the need for the Agency's offshore patrol vessel 'Lundy Sentinel' to use the port of Vigo as point of departure and return for its missions in the North and Western Atlantic; notes that that practice has ultimately resulted in an increase in fuel consumption of 25 % and an increase of 28 % in CO_2 emissions compared to 2019;

Other comments

22. Notes that the Agency has initiated a process in order to be certified in the EU Eco-Management and Audit Scheme ('EMAS') and has taken a series of measures aimed at reducing its overall impact on the environment; notes that the Agency is looking at the various elements relating to the generation and measurement of its carbon footprint and the possibility of using offsetting schemes in line with practices in other Union institutions, bodies and agencies;

23. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([2]) on the performance, financial management and control of the agencies.

([2]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1751 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Fisheries Control Agency (EFCA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Fisheries Control Agency for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0082/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2019/473 of the European Parliament and of the Council of 19 March 2019 on the European Fisheries Control Agency ([4]), and in particular Article 45 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Fisheries,

— having regard to the report of the Committee on Budgetary Control (A9-0114/2022),

1. Approves the closure of the accounts of the European Fisheries Control Agency for the financial year 2020;

2. Instructs its President to forward this decision to the Executive Director of the European Fisheries Control Agency, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 83, 25.3.2019, p. 18.

([5]) OJ L 122, 10.5.2019, p. 1.

DECISION (EU) 2022/1752 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Food Safety Authority (EFSA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Food Safety Authority for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Authority in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0083/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of food law, establishing the European Food Safety Authority and laying down procedures in matters of food safety ([4]), and in particular Article 44 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on the Environment, Public Health and Food Safety,

— having regard to the report of the Committee on Budgetary Control (A9-0115/2022),

1. Grants the Executive Director of the European Food Safety Authority discharge in respect of the implementation of budget of the Authority for the financial year 2020;

2. Sets out its observations in the resolution below;

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 31, 1.2.2002, p. 1.

([5]) OJ L 122, 10.5.2019, p. 1.

3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Executive Director of the European Food Safety Authority, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1753 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Food Safety Authority (EFSA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Food Safety Authority for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on the Environment, Public Health and Food Safety,

— having regard to the report of the Committee on Budgetary Control (A9-0115/2022),

A. whereas, according to its statement of revenue and expenditure [1], the final budget of the European Food Safety Authority (the 'Authority') for the financial year 2020 was EUR 103 023 255,80, representing an increase of 27,60 % compared to 2019, mainly because of an increase in operating expenditure linked to the Authority; whereas the Authority's budget derives mainly from the Union budget;

B. whereas the Court of Auditors (the 'Court'), in its report on the annual accounts of the Authority for the financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurance that the Authority's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with satisfaction that the budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 100 %, representing a slight increase of 0,01 % compared to 2019; notes, furthermore that the payment appropriations execution rate was at 88,41 %, representing a decrease of 3,04 % compared to 2019;

Performance

2. Welcomes the contribution of the Authority to the safety of the Union food and feed chain, and its considerable efforts in providing risk managers with comprehensive, independent and up-to-date scientific advice on questions linked to the food chain, communicating clearly to the public on its outputs and the information on which they are based, and cooperating with interested parties and institutional partners to promote coherence and trust in the food safety system;

3. Highlights that, in 2020, the Authority finalised 697 questions through scientific outputs, technical reports and supporting publications; welcomes the Authority's timely support to policy-makers in providing scientific outputs following on mandates given by Parliament, mainly in the areas of animal health and welfare, bee health, welfare of rabbits, animal transport and antimicrobial resistance including external scientific and event reports;

4. Highlights the importance of a responsible, ethical and up-to-date, science-based approach to improving animal welfare; welcomes in that regard the Authority's work on the preparation of the Farm to Fork strategy;

[1] OJ C 114, 31.3.2021, p. 69.

5. Recalls that, in 2020, Parliament adopted two objections to extensions of approval periods of active ingredients used in pesticides which meet the cut-off criteria and should therefore not be authorised for use in the Union ([2]); urges the Authority to speed up its assessment of all draft review reports of active ingredients and to do all it can to speed up the reassessment process by the reporting Member States in order to avoid any new extensions of hazardous pesticides, stresses that the backlog in reassessing biocides is of particular concern as well and increased efforts are needed to resolve this;

6. Notes with satisfaction that the Authority is moving towards cutting-edge technologies, incorporating new alternative methodologies and artificial intelligence to supplement animal testing methods; recognises that the Authority along with European Chemicals Agency and European Centre for Disease Prevention and Control and five other agencies performed stress tests of their information and communications technology (ICT) systems before launching full teleworking arrangements which gave further assurance on the functioning of the ICT systems before the move to comprehensive teleworking; encourages the Authority to increase its efforts to protect animal welfare even further and to promote the use of non-animal testing methods, also in its cooperation with other institutions;

7. Welcomes the completion of the Union summary report on antimicrobial resistance in zoonotic and indicator bacteria from humans, animals and food, on which the Authority collaborated with the European Centre for Disease Prevention and Control; highlights in this regard the problem of the increasing resistance of these bacteria to commonly used antibiotics;

8. Notes that the Authority uses key performance indicators (KPIs) in its comprehensive performance-based management approach to measure the added value provided by its activities, especially concerning the sharing of scientific information; notes furthermore that the Authority uses other KPIs to enhance its budget management; notes that six indicators were deleted and two were added in 2020;

9. Notes that the Authority is committed to deliver its core business and in 2020 initiated the preparations for the implementation of Regulation (EU) 2019/1381 of the European Parliament and of the Council ([3]), aiming at developing new processes, reviewing staff structure, and leveraging its technology and information management capabilities; notes also that in 2020 the Authority was able to limit the impact of the pandemic on its performance, with only a slight fall in productivity, due to the Authority's technological readiness to switch from a physical to a digital working environment early enough; further notes that in 2020 the Authority was still developing its Strategy 2027; calls on the Authority to report to the discharge authority on the developments in that regard;

([2]) European Parliament resolution of 26 November 2020 on Commission Implementing Regulation (EU) 2020/1511 of 16 October 2020 amending Implementing Regulation (EU) No 540/2011 as regards the extension of the approval periods of the active substances amidosulfuron, bifenox, chlorotoluron, clofentezine, clomazone, cypermethrin, daminozide, deltamethrin, dicamba, difenoconazole, diflufenican, fenoxaprop-P, fenpropidin, fludioxonil, flufenacet, fosthiazate, indoxacarb, lenacil, MCPA, MCPB, nicosulfuron, paraffin oils, picloram, prosulfocarb, sulphur, triflusulfuron and tritosulfuron (OJ C 425, 20.10.2021, p. 87) and European Parliament resolution of 10 June 2021 on Commission Implementing Regulation (EU) 2021/745 of 6 May 2021 amending Implementing Regulation (EU) No 540/2011 as regards the extension of the approval periods of the active substances aluminium ammonium sulphate, aluminium silicate, beflubutamid, benthiavalicarb, bifenazate, boscalid, calcium carbonate, captan, carbon dioxide, cymoxanil, dimethomorph, ethephon, extract from tea tree, famoxadone, fat distillation residues, fatty acids C7 to C20, flumioxazine, fluoxastrobin, flurochloridone, folpet, formetanate, gibberellic acid, gibberellins, heptamaloxyloglucan, hydrolysed proteins, iron sulphate, metazachlor, metribuzin, milbemectin, Paecilomyces lilacinus strain 251, phenmedipham, phosmet, pirimiphos-methyl, plant oils/rape seed oil, potassium hydrogen carbonate, propamocarb, prothioconazole, quartz sand, fish oil, repellents by smell of animal or plant origin/sheep fat, S-metolachlor, Straight Chain Lepidopteran Pheromones, tebuconazole and urea (OJ C 67, 8.2.2022, p. 75).

([3]) Regulation (EU) 2019/1381 of the European Parliament and of the Council of 20 June 2019 on the transparency and sustainability of the EU risk assessment in the food chain and amending Regulations (EC) No 178/2002, (EC) No 1829/2003, (EC) No 1831/2003, (EC) No 2065/2003, (EC) No 1935/2004, (EC) No 1331/2008, (EC) No 1107/2009, (EU) 2015/2283 and Directive 2001/18/EC (OJ L 231, 6.9.2019, p. 1).

10. Welcomes the efforts taken by the Authority to strengthen its collaboration with other Union agencies, notably focusing on the sharing of knowledge and best practices and looking into potential synergies through the establishment of networks in areas such as procurement planning, information and communication technologies, artificial intelligence, outward communication and human resources management; notes that the Authority has undertaken such activities with the European Centre for Disease Prevention and Control, the European Chemicals Agency, the European Medicines Agency, and the European Environment Agency;

11. Notes, with regard to the follow-up observations to the 2019 discharge, that the Authority strongly agrees with the objective to digitalise Union agencies; notes that, in accordance with its 2027 Strategy, the Authority aims to continue investing in the digitalisation of its processes and to modernise existing IT infrastructure, to maximise collaboration and the exchange of knowledge within and outside the Authority, thereby ensuring broader, more efficient and faster access to scientific intelligence; further notes that the Authority contributes to the Commission's digital strategy, by participating in the Health Policy Agencies and European Commission Collaboration (HPAC) initiative led by the Directorate-General for Health and Food Safety, pursuing efficiency via synergies and collaborations in the delivery of common digital solutions;

Staff policy

12. Notes that, on 31 December 2020, the establishment plan was 97,46 % implemented, with five officials and 340 temporary agents appointed out of 354 posts authorised under the Union budget (compared to 320 authorised posts in 2019); notes that, in addition, 122 contract agents and 14 seconded national experts worked for the Authority in 2020;

13. Invites the Commission to grant the Authority, in duly justified cases, the option of hiring contract agents in excess of the establishment plans, for a limited period of time and without exceeding the Authority's agreed annual budget envelope; considers that such flexibility would speed up the reduction of the cumulated backlog of work and the belated completion of ongoing dossiers owing to a lack of human resources; insists that those contract agents obviously need to comply with the Authority's independence rules;

14. Considers that it is the role of the Authority to look actively for high-level experts and convince them to take part in its work, by acknowledging the relevance and reliability of their peer-reviewed research when conducting its own scientific analysis in line with Article 8(5) of Regulation (EC) No 1107/2009 of the European Parliament and of the Council ([4]);

15. Notes the gender balance within the Authority's senior management members, with three out of five (60 %) being women; notes with concern the gender unbalance within the Authority's management board with 12 out of 15 (80 %) being men; notes the gender balance within the Authority's overall staff, with 285 out of 467 (61,03 %) being women; asks the Commission and the Member States to take the importance of ensuring gender balance into account when nominating their members to the Agency's administrative board;

16. Notes that the Authority continued its activities and was able to deliver its work programme despite the COVID-19 pandemic; notes, however, that the Authority's budget underwent changes with a decrease of commitments and payments appropriations by EUR 5 000 000 due to the impact of the COVID-19 pandemic on missions, training, energy supplies, maintenance and the cancellation of physical meetings; notes that the Authority correspondingly experienced a decrease in revenues due to the epidemiologic situation;

([4]) Regulation (EC) No 1107/2009 of the European Parliament and of the Council of 21 October 2009 concerning the placing of plant protection products on the market and repealing Council Directives 79/117/EEC and 91/414/EEC (OJ L 309, 24.11.2009, p. 1).

17. Notes that the Authority welcomes the discharge authority's recommendation and is fully aware of the need for better geographical balance within its organisation, notably including citizens of the Member States that acceded to the Union in 2004; notes that the Authority is currently promoting a series of targeted initiatives to increase its attractiveness and improve its nationality balance; notes that the Authority is in particular focussing on increasing its visibility with the support of the Communication and Cooperation Department, the EU Agencies Network, as well as other international agencies and partner organisations; notes that the Authority is also working on a targeted dissemination of its vacancies to under-represented countries to enlarge the pool of applicants through the use of LinkedIn, job boards and the support of our national Focal Points; calls on the Authority keep the discharge authority updated on the developments in that regard;

Procurement

18. Notes that the Authority was involved in the Network of Procurement Officers (NAPO), contributing significantly to the implementation of its 2020 work programme, launching and signing seven inter-agency procurement calls in 2020, resulting in an estimated saving of EUR 2,1 million to the Union budget; notes that the Authority led seven out of nine inter-agency procedures with EUR 2,4 million estimated savings in total; welcomes the Authority's continuing collaboration with other Union agencies such as the European Chemicals Agency, the European Centre for Disease Control, the European Medicines Agency, and the European Environmental Agency to identify opportunities for joint procurement on common scientific topics; calls on the Authority to report to the discharge authority on the developments in that regard;

Prevention and management of conflicts of interest, and transparency

19. Acknowledges the Authority's existing measures and ongoing efforts to secure transparency, prevention and management of conflicts of interests, and whistleblower protection; regrets that the Authority does not publish the curriculum vitaes of its staff members online; encourages the Authority to take measures in that regard;

20. Encourages higher transparency towards stakeholders especially from the non-governmental organisation community; supports the Authority's strategic objective to further foster partnerships with other agencies, as well as with international organisations and third countries, towards an One Health Union ecosystem, while continuing its engagement with its stakeholders and the public through appropriate platforms and fora, which should result in further economies of scale;

21. Recognises the efforts of the Authority to alleviate concerns in relations to conflicts of interest of its employees; notes that conflict of interest standards can be further strengthened;

22. Notes that in 2020 the Authority identified and managed 31 conflicts of interest at the level of annual declarations of interests pertaining to external experts; notes that the Authority decided to exclude one expert from membership of the Authority's scientific group; calls on the Authority continue its efforts in identifying and managing conflicts and potential conflicts of interest and to keep the discharge authority informed;

23. Notes, with regard to the follow-up observations to the 2019 discharge on the European Ombudsman's case that the Authority is considering the development of internal procedures for preventing access to confidential information when it is notified that a member of staff is moving to another job outside the Authority after the end of service; calls on the Authority to report on the developments in that regard;

COVID-19 response and business continuity

24. Notes that the Authority continued its activities and was able to deliver its work programme despite the COVID-19 pandemic; notes, however, that the Authority's budget underwent changes with a decrease of commitments and payments appropriations by EUR 5 000 000 due to the impact of the COVID-19 pandemic on missions, training, energy supplies, maintenance and the cancellation of physical meetings; notes that the Authority correspondingly experienced a decrease in revenues due to the epidemiologic situation;

25. Acknowledges the statement of the Authority that its governance and work programme structure remained fully operational despite the restrictions and confinement due to the COVID-19 pandemic and that the Authority continued its activities and was able to deliver its work programme; acknowledges the changes that were made to the Authority's budget, with a decrease of commitments and payments and a corresponding decrease in revenues, following a detailed SARS-COV-2 impact assessment analysis that was conducted by the Authority in cooperation with the Directorate-General for Health and Food Safety;

Internal control

26. Notes that the Authority has performed an assessment of its internal control systems for the reporting year and concluded that, overall, all internal control components and principles were present and functioning as intended; welcomes that the Authority nevertheless identified a number of measures that will be taken to further strengthen the management of sensitive information, the Authority's process architecture, the process management methodology, and risk management and internal control;

27. Notes that the internal audit service performed an audit on the assessment and adoption of scientific outputs in the food ingredients and packaging domain and in October 2020 issued its final report to the Authority; notes that the internal audit service concluded that although the process for assessing and adopting scientific outputs under the food ingredients and packaging domain is overall adequately designed, effective and efficient, one very important audit observation was issued regarding the weakness in the effective and timely implementation of the re-evaluation of food additives and enzymes;

28. Notes that in October 2020 the internal audit service started an internal audit on the Authority's procurement and grant award procedures; notes that the audit, which covers the procurement and grant award procedures finalised in the years 2019 and 2020, was published in the first semester of 2021;

Other comments

29. Notes the Authority's efforts to ensure a cost-effective and environment-friendly working place; notes the Authority's adoption of structural and plant solutions aimed at reducing energy, water consumption and CO_2 emissions;

30. Notes the Authority's efforts to use social media platforms as a primary tool to disseminate its communication material to reach stakeholders and citizens; notes that the Authority's social media activities achieved strong results, with a year-on-year increase of followers on its social media accounts of almost 30 % compared to 2019; notes that the Authority continued to implement its social science roadmap in 2020, which provides the Authority with a better understanding of citizens' risk perceptions and information needs, and in turn allows for a more targeted and impactful risk communication; further notes that the Authority continued to invest in its website and digital publications, with specific improvements delivered in 2020 that included the migration of the hosting of the Authority website to Amazon Web Services' cloud, as well as an upgrade to the Drupal 8 content management system; calls on the Authority to report on the developments on its communication strategy and digital transition;

31. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([5]) on the performance, financial management and control of the agencies.

([5]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1754 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Food Safety Authority (EFSA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Food Safety Authority for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Authority in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0083/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of food law, establishing the European Food Safety Authority and laying down procedures in matters of food safety ([4]), and in particular Article 44 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on the Environment, Public Health and Food Safety,

— having regard to the report of the Committee on Budgetary Control (A9-0115/2022),

1. Approves the closure of the accounts of the European Food Safety Authority for the financial year 2020;

2. Instructs its President to forward this decision to the Executive Director of the European Food Safety Authority, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 31, 1.2.2002, p. 1.

([5]) OJ L 122, 10.5.2019, p. 1.

DECISION (EU) 2022/1755 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Institute for Gender Equality (EIGE) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Institute for Gender Equality for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Institute in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0084/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EC) No 1922/2006 of the European Parliament and of the Council of 20 December 2006 on establishing a European Institute for Gender Equality ([4]), and in particular Article 15 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Women's Rights and Gender Equality,

— having regard to the report of the Committee on Budgetary Control (A9-0091/2022),

1. Grants the Director of the European Institute for Gender Equality discharge in respect of the implementation of the Institute's budget for the financial year 2020;

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 Director of the European Institute for Gender Equality, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 403, 30.12.2006, p. 9.

([5]) OJ L 122, 10.5.2019, p. 1.

RESOLUTION (EU) 2022/1756 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Institute for Gender Equality (EIGE) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Institute for Gender Equality for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Women's Rights and Gender Equality,

— having regard to the report of the Committee on Budgetary Control (A9-0091/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European Institute for Gender Equality (the 'Institute') for the financial year 2020 was EUR 7 749 900, representing a decrease of 1,24 % compared to 2019; whereas the entire budget of the Institute derives from the Union budget;

B. whereas the Court of Auditors (the 'Court'), in its report on the annual accounts of the European Institute for Gender Equality for the financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurance that the Institute's annual accounts are reliable and that the underlying transactions are legal and regular;

C. whereas, pursuant to Article 8 of the Treaty on the Functioning of the European Union, the Union is to aim to eliminate inequalities, and to promote equality, between men and women in all its activities, thereby establishing the principle of gender mainstreaming, including via gender budgeting at all levels of the budgetary process;

D. whereas women are disproportionately affected by the COVID-19 pandemic, particularly women working in precarious employment, feminised sectors and the informal economy as well as women affected by increased gender-based violence and harassment, unpaid and unequal care and domestic responsibilities, and restricted access to sexual and reproductive health and rights; whereas the COVID-19 pandemic threatens to roll back progress with regard to gender equality, especially in Member States where the pre-pandemic indicators of gender equality were lower; whereas the 2021 Gender Equality Index registered a minuscule increase of just 0,6 points in comparison with the previous year ([2]);

Budget and financial management

1. Notes with satisfaction that the budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 97,75 %, representing a decrease of 1,21 % compared to 2019; notes that the payment appropriations execution rate was 74,82 %, representing a decrease of 7,68 % compared to 2019;

2. Notes an increase in the Institute's carry-over operating expenditure to 49,49 % in 2020 (compared to 28,01 % in 2019);

3. Observes from the Court's report that, on 17 December 2019, the Institute signed an amendment to the agreement with the Commission's Directorate-General for Neighbourhood Policy and Enlargement Negotiations for the provision of EUR 378 950 under the Instrument for Pre-Accession Assistance for the implementation of the action entitled 'Increased capacity of EU candidate countries and potential candidates to measure and monitor the impact of gender equality policies (2018 to 2021)', and that the amount was received on 27 December 2019 but that information relating to that amount was not included in the budget; remarks that, pursuant to Article 157 of the Financial Regulation, such information must be reported; regrets that the Institute did not publish an amendment to its 2020 budget in order to include the amount cashed and did not include it in the 2020 budget published on 31 March 2021, and that a similar issue was previously reported in 2019; notes that. at the end of 2021, the

([1]) OJ C 114, 31.3.2021, p. 135.
([2]) https://eige.europa.eu/gender-equality-index/2021

Institute implemented the Court's observation on budgetary management in the audit of the 2020 accounts and that the Institute proceeded with the publication of a corrigendum ([3]) to its 2020 budget regarding the contribution from the Instrument for Pre-Accession Assistance; notes that the action is currently under follow-up by the Court; calls on the Institute, as the Courts notes this is indicative of a systemic issue, to provide the discharge authority with an explanation for the reoccurrence of the reporting issue in 2020; calls on the Institute to inform the discharge authority about other measures it has taken to prevent it from happening again;

4. Recalls that the Institute was established in order to contribute to and strengthen the promotion of gender equality in the Union and to support the integration of gender equality in all Union policies and the resulting national policies; acknowledges the specialisation and great expertise of the Institute in studies, research, the collection of high-quality data, the development of methodological tools and the assessment of national policies, especially in relation to gender-based violence and femicides across all Member States; recalls that, especially in the context of the COVID-19 pandemic's impact on gender equality and the backlash against women's rights and gender equality, increased budget and human resources, including more staff, are needed for the Institute to adequately carry out its functions;

Performance

5. Welcomes the ongoing cooperation between the Institute and Parliament's Committee on Women's Rights and Gender Equality (the 'FEMM Committee') and the Institute's contribution to the ongoing work of the FEMM Committee such as work on the impact of the COVID-19 pandemic, gender-based violence, equal pay, gender budgeting and the development of a gender-sensitive parliament tool; stresses the valuable contribution that the Institute can make to all of Parliament's committees, and encourages Parliament to establish an ever closer cooperation with the Institute; encourages collaboration between the Institute and other Union agencies;

6. Notes with satisfaction that the Institute uses certain key performance indicators in relation to operational objectives and the management of financial and human resources to assess the added value provided by its activities; welcomes the fact that the majority of targets have been achieved and that the Institute designed specific indicators for measuring the performance of horizontal services in the annual section of the 2022–2024 single programming document;

7. Welcomes the publication and translation of the Institute's step-by-step gender-budgeting toolkit in 2020, which is destined to help those working with Union Funds to integrate gender equality into their programmes; welcomes also the online release of the Gender Equality Index in October 2020 as a useful benchmarking tool that allows Member States to easily monitor and compare their progress over time and understand where improvements are most needed;

8. Welcomes the fact that in 2020, the management board approved the composition of the steering committee for the Institute's second external evaluation, which was postponed in 2019 and scheduled to take place in 2022, and welcomes the terms of reference for the Institute to commission the independent external evaluation of its achievements;

9. Welcomes the fact that the Institute cooperates closely with Union agencies by means of bilateral collaboration and active participation in established networks and that the Regulation establishing the Institute provides for agreements to cooperate with the European Foundation for the Improvement of Living and Working Conditions (Eurofound), the European Agency for Safety and Health at Work, the European Centre for the Development of Vocational Training, and the European Union Agency for Fundamental Rights; notes that, in addition, the Institute actively participates in the Justice and Home Affairs agencies network; welcomes that cooperation and those synergies as an example for other agencies and institutions worth following;

([3]) Statement of revenue and expenditure of the European Institute for Gender Equality for the financial year 2020 – amending budget No 1 (OJ C 114, 31.3.2021, p. 238).

Staff policy

10. Notes that, on 31 December 2020, the establishment plan was 100 % executed, with 27 temporary agents appointed out of 27 temporary agents authorised under the Union budget (compared with 27 authorised posts in 2019); notes that 11 calls for applications were launched, including two for contract agent posts, eight for seconded national experts and one for a trainee position; notes that during the course of 2020, the turnover rate was 11 %; welcomes the measures taken by the Institute to reduce the turnover;

11. Notes with concern the unbalanced gender distribution in senior management, with one man (25 %) and three women (75 %), on the management board, with seven men (21,9 %) and 25 women (78,1 %) and among staff overall, with 11 men (23,4 %) and 36 women (76,6 %); reiterates its call on the Institute to ensure gender balance at senior management level in the future; reminds the Institute that in the selection of candidates, competence, knowledge and experience are important, as well as geographical and gender balance among staff members; reiterates its call on the Commission and the Member States to take the importance of ensuring gender balance into account when nominating their members to the management board of the Institute; notes that the Institute, excluding applications for traineeships and seconded national expert posts, received 142 applications in 2020, 67 % of which were submitted by women, representing a change compared to 2019, when 87 % of the applications were submitted by women;

12. Welcomes the efforts made in staff policy to promote teleworking and healthy life and continues to encourage the Institute to pursue the development of a long term human resources policy framework which addresses work-life balance, lifelong guidance and career development, gender balance, teleworking, geographical balance and recruitment and integration of people with disabilities;

13. Notes that in 2020 the Institute continued using the framework contract for the provision of interim personnel; notes that, at the beginning of 2018, some interim workers challenged their working conditions with the contracted company and that the case was dealt with by the Lithuanian labour dispute committee, which decided in favour of the interim staff; notes that the decision of the Lithuanian labour dispute committee was contested by the contracted company; remarks that the Institute acted as a third party in that case; remarks moreover that Directive 2008/104/EC of the European Parliament and of the Council ([4]) did not provide *a priori* legal clarity about whether Union agencies fall under its scope as regards employing temporary workers; notes that on 30 December 2019 the Lithuanian Supreme Court addressed questions to the Court of Justice of the European Union (CJEU) in Case C-948/19; notes that, according to the Court's report, the fact that the CJEU was ruling on the matter might have an impact on the Court's position concerning the Institute's use of interim workers and that observations on the matter would be provided when the CJEU issued a final ruling in the case; notes that the case was resolved in November 2021, as the CJEU ruled that Union agencies fall under the scope of Directive 2008/104/EC when they employ temporary agency workers through temporary employment agencies;

14. Notes that, according to the Court's report, in the 2019 audit, the procedures used for selecting and contracting external experts lacked a solid audit trail (as required by Article 36(3) of the Financial Regulation) and that, as a result, all subsequent payments associated with those contracts were irregular; highlights the fact that in 2020, the related payments amounted to EUR 4 400;

Procurement

15. Notes that 47 administrative procurement procedures and 61 operational procurement procedures were completed in 2020; notes with satisfaction that the Institute provided regular internal training sessions to staff on procurement matters; notes that, in accordance with Procurement Directives and the Financial Regulation, the Institute applied uniform standards for the electronic exchange of information with third parties participating in procurement procedures by using an e-tendering and e-submission tool;

([4]) Directive 2008/104/EC of the European Parliament and of the Council of 19 November 2008 on temporary agency work (OJ L 327, 5.12.2008, p. 9).

Prevention and management of conflicts of interests and transparency

16. Notes with satisfaction the Institute's existing measures and ongoing efforts to secure transparency, the prevention and management of conflicts of interest and whistleblower protection; welcomes the fact that the 2021–2023 Anti-Fraud Strategy was adopted in 2020 and several training sessions in the area of ethics and integrity were conducted; notes the publication of the CV of the Institute's director on its website;

Internal control

17. Notes that, following the Commission's Internal Audit Service's 2019–2021 Strategic Internal Audit Plan, the audit on the implementation of the project-led organisation approach in the Institute took place in 2020 and that the final audit report contained one important and two very important recommendations that were accepted by the Institute; notes that the very important recommendations concern improvements to the Institute's project management framework and underline the need to communicate the Institute's project management approach as staff had not been following the guidelines; notes that the important recommendation calls on the Institute to analyse and consider enhancing its project management;

18. Notes that the Court presented three observations on the legality and regularity of transactions, budgetary management and internal controls in 2019; notes that, regarding the first observation related to the assignment of tasks to external experts on the basis of pre-defined selection criteria, as set out in Article 36(3) of the Financial Regulation, the Institute examined the current processes and prepared a new call for expression of interest that takes into account the Court's suggestion; notes that the second observation was related to the Instrument for Pre-Accession Assistance and that the Institute contacted the Commission's Directorate-General for Budgets on the issue of presenting project-based funds in the annual budget; calls on the Institute to provide a coordinated approach to the Court on the way it intends to deal with that specific issue in the future in order to ensure that the Court's finding is properly addressed; notes that the third observation concerned the fact that the authorising officer may, by delegation, put in place *ex-post* controls to detect errors and irregularities, but that the Institute has not carried out such *ex-post* controls; notes that the actions taken by the Institute to address that observation were ongoing in 2020;

19. Notes with concern the conclusion of the internal control assessment for the year 2020 that states that the internal control system is partially effective due to an issue in component 3, 'control activities', as the business continuity plan is obsolete, and that there has been a lack of business continuity testing since 2015; recalls the findings and recommendations of both the Commission's Internal Audit Service and the Court and calls on the Institute to reflect those findings in the assessment of the internal control system, if not already done; welcomes the mitigating measures taken by the Institute and calls on the Institute to keep the discharge authority informed about the progress made; notes with concern that the Institute has not carried out any *ex post* controls of operations and budgetary implementation since September 2016;

COVID-19 response and business continuity

20. Notes that the Institute reprioritised and reorganised its activities to mitigate the risks on business continuity and staff well-being posed by the COVID-19 pandemic; notes that the measures taken, such as teleworking, reinforced security for remote access, the introduction of digital workflows and e-signature, have been reported in the amended 2020–2022 single programming document;

21. Appreciates the fact that the Institute supported Member States during the COVID-19 pandemic in their effort to tackle violence against women and that, in 2020, it launched a webpage on the impact of COVID-19 on gender equality and produced 63 publications with the aim of assisting policymakers in delivering on gender equality;

Other comments

22. Acknowledges that in 2020 a new director took office; acknowledges that a new vice-president of the Institute's management board was also elected;

23. Notes the Institute's efforts to ensure a cost-effective and environmentally friendly workplace; welcomes the fact that the Institute nominated a green officer to work on reducing the impact of its operations on the environment; encourages the Institute to share its challenges and lessons learned in the EU Agencies Network; notes the Institute's improvement on disseminating the results of its research to the public and to reach out to the public via social media and other outlets;

24. Calls for buildings to be modernised in order to meet zero-emission standards, in particular by installing solar panels on all buildings belonging to the Institute;

25. Recalls the importance of increasing the digitalisation of the Institute in terms of internal operation and management and the importance of speeding up the digitalisation of procedures; stresses the need for the Institute to continue to be proactive in that regard in order to avoid a digital gap between Union agencies at all costs; draws attention, however, to the need to take all the necessary security measures to avoid any risk to the online security of the information processed; calls on the Institute to develop its cybersecurity policy more quickly and to deliver it without delay;

26. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([5]) on the performance, financial management and control of the agencies.

([5]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1757 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Institute for Gender Equality (EIGE) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Institute for Gender Equality for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Institute in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0084/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EC) No 1922/2006 of the European Parliament and of the Council of 20 December 2006 on establishing a European Institute for Gender Equality ([4]), and in particular Article 15 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Women's Rights and Gender Equality,

— having regard to the report of the Committee on Budgetary Control (A9-0091/2022),

1. Approves the closure of the accounts of the European Institute for Gender Equality for the financial year 2020;

2. Instructs its President to forward this decision to the Director of the European Institute for Gender Equality, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697
([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 403, 30.12.2006, p. 9.
([5]) OJ L 122, 10.5.2019, p. 1.

DECISION (EU) 2022/1758 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Insurance and Occupational Pensions Authority (EIOPA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Insurance and Occupational Pensions Authority for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Authority in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0085/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) No 1094/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Insurance and Occupational Pensions Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/79/EC ([4]), and in particular Article 64 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— 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 (A9-0101/2022),

1. Grants the Executive Director of the European Insurance and Occupational Pensions Authority discharge in respect of the implementation of the budget of the Authority for the financial year 2020;

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 Executive Director of the European Insurance and Occupational Pensions Authority, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 331, 15.12.2010, p. 48.

([5]) OJ L 122, 10.5.2019, p. 1.

RESOLUTION (EU) 2022/1759 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Insurance and Occupational Pensions Authority (EIOPA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Insurance and Occupational Pensions Authority for the financial year 2020,

— 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 (A9-0101/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European Insurance and Occupational Pensions Authority (the 'Authority') for the financial year 2020 was EUR 28 386 398, representing an increase of 4,60 % compared to 2019; whereas the Authority is financed by a contribution from the Union (EUR 10 489 363, representing 36,59 %) and contributions from national supervisory authorities of the Member States (EUR 17 491 035, representing 61,63 %);

B. whereas the Court of Auditors (the 'Court'), in its report on the annual accounts of the European Insurance and Occupational Pensions Authority for the financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurance that the Authority's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with appreciation that budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 100 %, similar to 2019; notes that the payment appropriations execution rate was 82,80 %, representing a decrease of 2,83 % compared to 2019;

2. Notes the Court's observation that the Authority did not apply the late interest specified in the Financial Regulation to late payments of 2020 contributions received from a number of Member States' and EFTA countries' national competent authorities (NCAs) with the amount of outstanding interest determined by the Court at EUR 9 952; notes that the Authority, after consulting with the Commission, decided to apply the late payment interest and that it informed the NCAs about that in the letters sent to them about their 2021 contributions; welcomes the Authority's corrective actions in that regard;

Performance

3. Notes that the Authority uses certain measures such as key performance indicators to assess the added value provided by its activities and other measures to improve its budget management; notes with appreciation that all but one target have been met, despite the difficulties that the COVID-19 pandemic crisis posed and the efforts that the Authority needed to invest in crisis management, in addition to implementing its work programme;

4. Notes that 295 products and services, or 88 % of the total, were delivered on time by the Authority, with a further 26 products and services experiencing minor delays and 13 not taken forward, often as a result of prioritisation of other more pressing demands caused by the COVID-19 crisis;

5. Notes the efforts invested by the Authority in crisis management due to the COVID-19 pandemic, which absorbed resources both for internal mitigating measures, such as the introduction of teleworking, and for crisis management in relation to its core operational processes and oversight role;

([1]) OJ C 114, 31.3.2021, p. 161.

6. Stresses the important role that the Authority has in contributing actively to the development of the Union regulatory and practical framework for sustainability that is required to meet the political ambition and pressing timetable of the European Green Deal; notes in this regard the mandate given by the Commission to the Authority to investigate the environmental, social and governance (ESG) fitness of the prudential regime of Solvency II, and assess the current suitability of Directive (EU) 2016/2341 of the European Parliament and of the Council ([2]) (IORP II Directive) regarding a long-term perspective; emphasises that the Authority's mandate on sustainability includes contributing to safeguarding the financial system's resilience against physical risks (such as natural disasters) as well; welcomes the Authority's work on the management of sustainability risks throughout 2020, for instance via sensitivity analyses, discussion papers, reports, workshops and consultations;

Staff policy

7. Notes the reappointment of the Authority's Executive Director for a second five-year term on 29 September 2020;

8. Notes that, on 31 December 2020, 100 % of the establishment plan was implemented, with 127 temporary agents appointed out of 127 temporary agents authorised under the Union budget (compared to 115 authorised posts in 2019); notes that, in addition, 29 contract agents and 19 seconded national experts were employed by the Authority in 2020 (with 39 and 27 posts authorised respectively);

9. Welcomes the fact that the Authority, while working remotely, also performed its recruitment remotely, continued to put its focus on having the right profiles to ensure continued delivery of the Authority's mandate, and that the Authority continued integrating newcomers throughout the year by providing them with specific induction sessions and necessary support when joining the Authority remotely;

10. Notes that the Authority has six men (75 %) and two women (25 %) in senior management positions, four men (57,1 %) and three women (42,9 %) on its management board, and 81 men (48,5 %) and 86 women (51,5 %) in its overall staff; regrets the gender imbalance at senior management level and asks the Authority to ensure gender balance at the management levels in the future;

11. Notes that an internal re-organisation took place in the Authority to strengthen its supervisory role by moving some teams across departments and transferring some teams to units in the Supervisory Processes Department and in the Oversight Department;

Procurement

12. Notes from the Court's report that on 19 May 2020 the Authority signed a contract for the provision of in-person training courses with an estimated maximum contract value of EUR 1 050 000; notes the Court's observation that despite the unfolding of the COVID-19 pandemic crisis at that time, and the limitations on events requiring presence in person, the Authority signed the contract and subsequently signed an amendment to the contract in August 2020 that included new contract items such as the provision of virtual training courses; notes that these virtual courses were set at fixed prices which were higher than the price of onsite training courses agreed in the initial contract, with those changes constituting new contract conditions that, had they been part of the initial procurement procedure, could have potentially attracted additional bidders without any geographical limitation imposed by the need for in-person training, at a more competitive cost; notes the Court's conclusion that the scope of the tender had been extended considerably, and that the amendment to the contract was substantial, thereby contravening Article 72(4)(a) and (c) of Directive No 2014/24/EU of the European Parliament and of the Council ([3]), resulting in the Court declaring the amendment to the contract and all related payments before VAT of EUR 3 850 in 2020 irregular; welcomes the corrective actions taken in that regard by the Authority;

([2]) Directive (EU) 2016/2341 of the European Parliament and of the Council of 14 December 2016 on the activities and supervision of institutions for occupational retirement provision (IORPs) (OJ L 354, 23.12.2016, p. 37).

([3]) Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC (OJ L 94, 28.3.2014, p. 65).

Prevention and management of conflicts of interest, and transparency

13. Notes that the Authority's report stated that all members and alternates of governing bodies shall duly sign a declaration of intention and a declaration of interest before being admitted to these governing bodies, and that there shall be bi-annual renewals of these declarations after admission, and that the Authority has procedures in place to identify, handle and mitigate any potential and actual conflicts of interests related to members and alternates; notes that both aforementioned declarations are published without undue delay on the Authority's website for transparency reasons and that it is also clearly indicated on the Authority's website that board of supervisors' members or alternates also serve as management board members or alternates; welcomes the fact that the Authority publishes the CVs of members and alternates on its website;

Internal control

14. Welcomes the fact that the Authority has implemented all critical and very important recommendations of the Commission's Internal Audit Service and that it closely follows the implementation of the remaining recommendations;

15. Notes the Court's observation that the Authority has neither an *ex ante* nor an *ex post* control system in place to verify whether the amount of costs reimbursed to and requested by the national authorities for seconded national experts (SNEs) is as agreed; notes in relation to this that in 2020 the Authority reimbursed the gross salary of two SNEs from two different national authorities for the full period of their secondment, with the concerned amounts of EUR 71 875 and EUR 74 880 paid in advance to the respective national authorities without appropriate verification of the correctness of the amount reimbursed, thus exposing the Authority to the risk that the reimbursement for the staff cost of SNEs may be calculated on the basis of inaccurate costs, or that subsequent staff cost changes may not be captured and addressed on time; welcomes the Authority's response to the Court's observations by enhancing the controls for future SNEs' agreements;

16. Notes that the Authority carried out the annual assessment of its internal control framework, concluding that all components and principles are implemented and function as intended, with a number of improvements required; recalls the Court's finding on the amount of costs reimbursed to and requested by the national authorities for SNEs and notes that this finding of the Court, which was accepted by the Authority, potentially constitutes a weakness in internal control principle 10 (Select and develop control activities that mitigate risks) and principle 12 (Deploy control activities through policies and procedures), which potentially call into question the functioning of internal control component 3 (Control activities); further recalls the finding of the Court on procurement, that also potentially constitutes a weakness in the same internal control principles; calls on the Authority to explain to the discharge authority how the weaknesses identified by the Court were considered in the Authority's internal control assessment and why it still concluded that all components and principles function as intended;

COVID-19 response and business continuity

17. Notes that the Authority has put in place different measures regarding staff, visitors and board members to slow down the spread of the COVID-19 virus and to ensure business continuity and notes in particular that all of the Authority's staff, governing bodies and working groups continued to work remotely, benefitting from the automatic workflows already in place; notes that the Authority reported budget savings of around EUR 1 000 000, primarily as a result of suspension of staff travel and exclusively remote meetings of staff, the management board and board of supervisors;

Other comments

18. Notes that, in 2020, the Agency provided factsheets for the general public, disseminated through the website and social media, including information on what consumers could expect from their insurance company in the context of the COVID-19 crisis, and what consumers should think about in the context of the UK's withdrawal from the Union;

19. Welcomes the continuing collaboration of the Authority with other agencies in the field of information technology; notes the rollout of Sysper in September 2020, the work on an online voting tool for board meetings based on software already chosen by other agencies and the jointly negotiated implementation of several important security initiatives; asks the Authority to report on the progress regarding the planning of a shared Security Operations Centre with the European Banking Authority, and the planning of a shared communication and collaboration space for the European Supervisory Authorities and all their stakeholders;

20. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([4]) on the performance, financial management and control of the agencies.

([4]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1760 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Insurance and Occupational Pensions Authority (EIOPA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Insurance and Occupational Pensions Authority for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Authority in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0085/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) No 1094/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Insurance and Occupational Pensions Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/79/EC ([4]), and in particular Article 64 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— 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 (A9-0101/2022),

1. Approves the closure of the accounts of the European Insurance and Occupational Pensions Authority for the financial year 2020;

2. Instructs its President to forward this decision to the Executive Director of the European Insurance and Occupational Pensions Authority, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697
([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 331, 15.12.2010, p. 48.
([5]) OJ L 122, 10.5.2019, p. 1.

DECISION (EU) 2022/1761 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Institute of Innovation and Technology (EIT) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Institute of Innovation and Technology for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Institute in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0086/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EC) No 294/2008 of the European Parliament and of the Council of 11 March 2008 establishing the European Institute of Innovation and Technology ([4]), and in particular Article 21 thereof,

— having regard to Regulation (EU) 2021/819 of the European Parliament and of the Council of 20 May 2021 on the European Institute of Innovation and Technology ([5]), and in particular Article 23 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([6]), and in particular Article 105 thereof,

— 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 (A9-0094/2022),

1. Grants the Director of the European Institute of Innovation and Technology discharge in respect of the implementation of the Institute's budget for the financial year 2020;

2. Sets out its observations in the resolution below;

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 97, 9.4.2008, p. 1.

([5]) OJ L 189, 28.5.2021, p. 61.

([6]) OJ L 122, 10.5.2019, p. 1.

3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Director of the European Institute of Innovation and Technology, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1762 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Institute of Innovation and Technology (EIT) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Institute of Innovation and Technology for the financial year 2020,

— 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 (A9-0094/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European Institute of Innovation and Technology (the 'Institute') for the financial year 2020 was EUR 625 088 022,57, representing an increase of 12,04 % compared to 2019; whereas the overall contribution of the Union to the Institute's budget for 2020 amounted to EUR 546 629 182,74 representing an increase of 31,4 % compared to 2019; whereas the Union's inflation rate was 0,7 % in 2020;

B. whereas the Court of Auditors (the 'Court'), in its report on the Institute's annual accounts for the financial year 2020 (the 'Court's report'), states that the Court has obtained reasonable assurance that the Institute's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with satisfaction that the budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 99,85 %, representing an increase of 2,81 % compared to 2019; notes that the payment appropriations execution rate was 99,13 %, representing an increase of 1,56 % compared to 2019;

2. Notes, with regard to the follow-up observation in relation to the reimbursement of travel and subsistence expenses of EUR 1 200 incurred by an interim member of staff of the Institute, that in order to ensure prudence and to prevent the risk of double-funding, the Institute's framework contract for interim staff services excludes the use of reimbursements for the representatives of contractors; notes that as a corrective measure, the Institute is in the process of adjusting its policies to cover the mission costs actually incurred by the interim agents; further notes the Institute's reply that no missions have been carried out by its interim staff in 2020; calls on the Institute to report to the discharge authority on the future developments in this area;

Performance

3. Notes that the Knowledge and Innovation Communities (KICs) did not fully use the grant amounts awarded by the Institute; notes that the increase in the Institute's budget and the growing number of KICs to oversee have not been accompanied by a respective increase in the number of posts;

4. Welcomes that, as a response to the challenges raised by the COVID-19 pandemic, the Institute successfully launched and managed the crisis response initiative, as part of its pandemic response projects that aimed to support the innovation cluster in Europe; notes that in 2020 the Institute's governing board decided to mobilise EUR 60 000 000 of additional funding for innovators powering high-impact solutions that tackle the unprecedented social and economic challenge brought about by the COVID-19 pandemic;

([1]) OJ C 114, 31.3.2021, p. 189.

5. Notes, regarding the follow-up observations from previous years, that the Institute has identified opportunities to share resources, develop its synergies and increase cooperation with other Union agencies with a view to improving efficiency; welcomes, in particular, the signature in 2020 of three memoranda of understanding concerning training services, procurement practices, content sharing and HR management, with the European Intellectual Property Office, the European Insurance and Occupational Pensions Authority and the European Union Agency for Law Enforcement Training; notes, furthermore, that the Institute is interested in participating in a project implemented by the Hungarian government which aims to provide shared office facilities for all international organisations based in Budapest; calls on the Institute to report to the discharge authority on the developments concerning these partnerships;

6. Notes that the Institute has taken actions to improve its online security and to increase its digitalisation in terms of internal operations and management procedures; calls on the Institute to report to the discharge authority on the implementation of these measures;

Staff policy

7. Notes that, on 31 December 2020, the establishment plan was 95,56 % implemented, with 43 temporary agents appointed out of 45 temporary agents authorised under the Union budget (compared with 44 authorised posts in 2019); notes that, in addition, 22 contract agents and one seconded national expert worked for the Institute in 2020;

8. Notes with concern the lack of gender balance within the Institute's senior and middle management positions, namely five out of six (83 %) men; welcomes the gender balance within the Institute's management board, namely six out of 12 (50 %) of each gender, as well as among the Institute's staff overall, namely 37 out of 64 (57,81 %) women;

9. Notes that three of the Institute's governing board members still receive money from the budget as advisors, contracts agents or other functions within the Institute specifically, two former Members of European Parliament and a former Commissioner; notes, furthermore, that another former Member of Parliament received EUR 15 000 in 2020-2021 under a service contract with the Institute for the provision of advisory services on synergies with the European Structural and Investment Funds;

10. Notes that in 2020 there was an increase in the workload and additional tasks, due to the transition period from Horizon 2020 to Horizon Europe; notes that an increased financial contribution of EUR 600 million was allocated in 2020 to the Institute's eight Knowledge and Innovation Communities for the implementation of their 2020 business plans; notes, furthermore, that due to the COVID-19 pandemic, the Institute launched the Crisis Response Initiative to support the Institute's Community and the European innovation family;

11. Notes from the Court's report that the implementation of an observation stemming from 2017 regarding the publication of vacancy notices is still ongoing, since the Institute does not consistently post its vacancies on the website of the European Personnel Selection Office;

12. Welcomes the efforts made in staff policy to promote teleworking and healthy life and continues to encourage the agency to pursue the development of a long-term human resources policy framework that addresses work-life balance, lifelong guidance and career development, gender balance, teleworking, geographical balance and the recruitment and integration of people with disabilities;

Procurement

13. Notes that new procedures were added to the Institute's 2020 procurement plan during the year; notes that the Institute completed 95 % of procurement procedures in accordance with its plan; notes that the Institute reported that all its priority procedures were completed except for the new framework contract for communication services and event management; further notes that there were no formal complaints and no court cases in relation to procurement procedures in 2020;

Prevention and management of conflicts of interest and transparency

14. Acknowledges the Institute's existing measures and ongoing efforts to secure transparency, prevention and management of conflicts of interest, and to ensure the protection of whistleblowers; notes that the Institute published the declarations of conflicts of interest and CVs of its governing board and senior management on its website;

15. Notes that the Institute reported on one whistleblowing case in 2019 and that the internal rules were applied; notes that the Institute's whistleblower policy is not yet aligned with the Directive (EU) 2019/1937 of the European Parliament and of the Council ([2]); calls on the Institute to ensure full alignment when the policy is next revised;

16. Notes, with respect to the follow-up of the 2019 discharge, that in 2020 the Institute initiated the process of reviewing the application of the good governance principles ('GGP') by the Institute's KICs;

Internal control

17. Notes that, according to the Institute's internal audit capability report, out of 69 recommendations in the scope of the follow-up audit, 28 open recommendations have been closed, seven open recommendations have been downgraded, and one open recommendation concerning IT access management following the 2016 IT Audit has been upgraded to critical; calls on the Institute to consider this critical risk in its assessment of the internal control system as a potential weakness in principle 11;

18. Notes that no major weaknesses were found in any of the Institute's internal control system components that could jeopardise the achievement of operational, financial or control objectives and prevent the director from signing his declaration of assurance; notes, however, that some further improvements are needed, regarding principles 12 and 17 which fall under category 2, notably by reducing the delay in the planned pace of the open recommendations' implementation and by decreasing communication time of the corrective measures taken in 2020;

COVID-19 response and business continuity

19. Notes that the Institute's governing board decided in May 2020 to mobilise EUR 60 million of unallocated Institute's funds to further support students, entrepreneurs and innovators affected by the global spread of COVID-19; notes that the Institute's crisis response initiative (CRI) supported new projects and ventures responding to the COVID-19 pandemic via the venture support instruments, which provided targeted support to high impact and growth potential ventures, scale-ups and small and medium-sized enterprises, and pandemic response projects, which generated and implemented short-term innovation response projects directly addressing the COVID-19 pandemic;

Other comments

20. Welcomes the efforts taken by the Institute to continue improving its social media presence and its strategy for sustainable development in 2020;

21. Notes the Institute's implementation process for the general information security policy, including the information and communication technology aspects of cyber security; notes that the principal outcome of the guidance and implementation of this program so far is that the Institute has not reported any cyber-security incidents;

22. Recalls the importance of increasing the digitalisation of the Institute in terms of internal operation and management but also in order to speed up the digitalisation of procedures; stresses the need for the Institute to continue to be proactive in this regard in order to avoid a digital gap between the agencies at all costs; draws attention, however, to the need to take all the necessary security measures to avoid any risk to the online security of the information processed; calls on the Institute to speed up the development of its cybersecurity policy and to inform the discharge authority once it has been completed;

([2]) Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law (OJ L 305, 26.11.2019, p. 17).

23. Regrets that the Institute has so far not set CO_2 reduction targets; welcomes however the efforts made by the Institute to create an environment-friendly working frame and all the measures taken by the Institute to reduce its carbon footprint, its energy consumption and to develop a paperless workflow; also welcomes the phase-out of the use of plastic water bottles;

24. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([3]) on the performance, financial management and control of the agencies.

([3]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1763 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Institute of Innovation and Technology (EIT) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Institute of Innovation and Technology for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Institute in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0086/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EC) No 294/2008 of the European Parliament and of the Council of 11 March 2008 establishing the European Institute of Innovation and Technology ([4]), and in particular Article 21 thereof,

— having regard to Regulation (EU) 2021/819 of the European Parliament and of the Council of 20 May 2021 on the European Institute of Innovation and Technology ([5]), and in particular Article 23 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([6]), and in particular Article 105 thereof,

— 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 (A9-0094/2022),

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 97, 9.4.2008, p. 1.

([5]) OJ L 189, 28.5.2021, p. 61.

([6]) OJ L 122, 10.5.2019, p. 1.

1. Approves the closure of the accounts of the European Institute of Innovation and Technology for the financial year 2020;

2. Instructs its President to forward this decision to the Director of the European Institute of Innovation and Technology, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

DECISION (EU) 2022/1764 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Medicines Agency (EMA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Medicines Agency for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0087/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EC) No 726/2004 of the European Parliament and of the Council of 31 March 2004 laying down Union procedures for the authorisation and supervision of medicinal products for human use and establishing a European Medicines Agency ([4]), and in particular Article 68 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on the Environment, Public Health and Food Safety,

— having regard to the report of the Committee on Budgetary Control (A9-0103/2022),

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 136, 30.4.2004, p. 1.

([5]) OJ L 122, 10.5.2019, p. 1.

1. Grants the Executive Director of the European Medicines Agency discharge in respect of the implementation of the Agency's budget for the financial year 2020;

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 Executive Director of the European Medicines Agency, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1765 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Medicines Agency (EMA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Medicines Agency for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on the Environment, Public Health and Food Safety,

— having regard to the report of the Committee on Budgetary Control (A9-0103/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European Medicines Agency (the 'Agency') for the financial year 2020 was EUR 369 749 000, representing an increase of 6,63 % compared to 2019; whereas the inflation rate in the Union was 0,7 % in 2020; whereas the Agency is a fee-funded agency, with approximately 84,00 % of its 2020 revenue stemming from fees paid by the pharmaceutical industry for services provided, 15,92 % stemming from the Union budget and 0,08 % stemming from external assigned revenue;

B. whereas the Court of Auditors (the 'Court') in its report on the annual accounts of the Agency for the financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurance that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with satisfaction that budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 98,83 %, representing an increase of 0,27 % compared to 2019; notes that the payment appropriations execution rate was 78,47 %, representing a decrease of 4,58 % compared to 2019;

2. Notes the Agency's decision to waive all fees for scientific advice applications from developers of potential COVID-19 therapeutics or vaccines, as of 13 March 2020, and welcomes the waiving of all fees for provision of scientific advice to academic researchers developing orphan medicines from 19 June 2020; believes that other instances of waiving fees subject to specific criteria set out by the Agency, in particular regarding small and medium-sized enterprises (SMEs), should follow;

Performance

3. Emphasises the important role of the Agency in protecting and promoting public and animal health by making independent, science-based recommendations on the quality, safety and efficacy of medicines, and providing scientific advice and incentives to stimulate the development and improve the availability of innovative new medicines;

4. Recognises the contribution made by the Agency in giving six medicines a recommendation for marketing authorisation following an accelerated assessment, 13 medicines a recommendation for conditional marketing authorisation, and authorising five medicines under exceptional circumstances;

([1]) OJ C 114, 31.3.2021, p. 25.

5. Notes that, despite the unprecedented difficulties since the start of the global COVID-19 pandemic in 2020, the Agency continued to act in the interests of the public health of all European citizens as they were confronted with COVID-19, by acting as the hub of the European network of regulatory medicines authorities that implements the applicable Union legislative framework for such products; highlights the important role the Agency played in preparation of the Union's response to the COVID-19 pandemic and praises its efforts to effectively analyse and to quickly approve vaccines against COVID-19 in the Member States;

6. Is pleased that the Agency successfully maintained the quality and continuity of its operations whilst relocating its seat to its new premises in Amsterdam following the United Kingdom's withdrawal from the Union; notes that potential liabilities arising from the lease on the Agency's former office premises in London remain a matter of concern; recognises that the Agency was able to respond effectively to the workload associated with the COVID-19 pandemic and welcomes the Agency's work on facilitating access to new vaccines and therapeutics to treat and prevent the spread of COVID-19;

7. Highlights the fact that, in 2020, the Agency recommended 97 new human medicines for marketing authorisation, including 39 new active substances, and 20 new veterinary medicines, including 13 new active substances;

8. Emphasises the fact that, despite the Agency's hard work in 2020, the COVID-19 pandemic challenged the existing public health security infrastructure, and underlines the need to strengthen the capabilities of the Agency so as to improve its resilience and effectiveness during periods of emergency; stresses that the European Green Deal also requires additional efforts from the Agency, which justify an expansion of resources; welcomes the fact that steps have been taken to redesign the public health security infrastructure in the Union, including via the EU4Health Programme established by Regulation (EU) 2021/522 of the European Parliament and of the Council ([2]), via Regulation (EU) 2022/123 of the European Parliament and of the Council ([3]) and via the communication of the Commission of 25 November 2020 entitled 'Pharmaceutical Strategy for Europe'; calls upon the Court to expand in its audit for the 2021 financial year on the functioning of the Agency within the adjusted institutional context; calls upon the Court to expand on whether within the adjusted institutional setting, the Agency has enough resources to implement its expanded mandate effectively;

9. Notes, with regard to the follow-up to last year's discharge observations, that the Agency is revising its set of indicators and metrics with the objective of further reducing complexity, increasing transparency and extending the efficacy of monitoring its activities; calls on the Agency to report to the discharge authority on the developments in this regard;

10. Notes with satisfaction that the Agency cooperates with other agencies, in particular with the European Centre for Disease Prevention and Control (ECDC) and with the European Food Safety Authority (EFSA), including on the European Vaccination Information Portal, for the purpose of monitoring vaccine safety and reporting side effects, as well as with regard to antimicrobial consumption and resistance;

11. Highlights the importance of involving the relevant stakeholders, such as representatives of health professionals, of patients and of other parties, in the light of the alarming prevalence of disinformation regarding the COVID-19 pandemic in public debate on protection of public health, and calls on the Agency to continue to contribute to such debate as actively as possible, based on the latest scientific knowledge;

12. Welcomes the fact that tackling increasing antimicrobial resistance, in particular by supporting the development of new medicines, collecting data on veterinary antimicrobial consumption and promoting responsible use of antimicrobial medicines, remains one of the Agency's priorities, even in the light of the current situation;

([2]) Regulation (EU) 2021/522 of the European Parliament and of the Council of 24 March 2021 establishing a Programme for the Union's action in the field of health ('EU4Health Programme') for the period 2021-2027, and repealing Regulation (EU) No 282/2014 (OJ L 107, 26.3.2021, p. 1).

([3]) Regulation (EU) 2022/123 of the European Parliament and of the Council of 25 January 2022 on a reinforced role for the European Medicines Agency in crisis preparedness and management for medicinal products and medical devices (OJ L 20, 31.1.2022, p. 1).

13. Emphasises that the COVID-19 pandemic is impacting all aspects of healthcare, including the availability of medicines, due to supply chain disruptions; considers that the situation has only served to highlight the need, of which we were already aware, for the Union to reach the highest possible level of self-sufficiency in the development and production of medicines; welcomes the Agency's commitment to continue contributing to the development and strengthening of the Union's response system in the event of reduced availability of medicines;

14. Welcomes the level of assistance that the Agency has provided to companies developing vaccines and medicines against COVID-19; lauds its consistently scientific approach, which places the health of Union citizens above all else;

15. Notes, regarding the follow-up to last year's discharge observations, that the Agency shares services with the Commission and other Union agencies and often participates in joint inter-agency procurements; further notes that the Agency cooperates with the EU Agencies Network in order to share and adopt best practices aimed at increasing efficiency among all agencies and joint undertakings; notes that, as a result of a cyberattack in December 2020, the Agency increased its cooperation in the area of cybersecurity, in particular with the Computer Emergency Response Team for the EU institutions, bodies and agencies (CERT-EU) and the European Union Agency for Law Enforcement Cooperation (Europol), as well as an external third-party service provider with specific expertise in IT security-incident response;

16. Notes that, according to the Court's Special Report No 22/2020 'Future of EU Agencies – Potential for more flexibility and cooperation', the Agency needs to improve its cooperation with the Commission; calls on the Agency and the Commission to report back on the developments in this regard to the discharge authority;

Staff policy

17. Welcomes the fact that, on 31 December 2020, the establishment plan was 100,00 % implemented, with 596 temporary agents appointed out of 596 temporary agents authorised under the Union budget (compared to 591 authorised posts in 2019); notes that, in addition, 197 contract agents and 32 seconded national experts worked for the Agency in 2020;

18. Welcomes the proposal to extend the Agency's mandate but expresses concern that the addition of significant new tasks and its increasing workload over the years has not been accompanied by corresponding increases in the Agency's staff and resources, and that such a shortage of staff puts the continuity of its operations under significant pressure at an already critical time;

19. Recommends, in particular, that sufficient additional resources be allocated to the Agency to improve its competence in the fight against medicine shortages; invites the Commission to evaluate in detail the feasibility of granting the Agency additional capacity to manage shortages, including by means of the desired future transformation of the European Shortages Monitoring Platform into a proper and effective common European database;

20. Notes the gender balance in the Agency's senior management, with 16 out of 26 (61,54 %) being men, and the gender balance in the Agency's management board, with 40 out of 65 (61,54 %) being men; further notes the gender balance among the Agency's overall staff, with 536 out of 802 (66,83 %) being women;

21. Notes that the Court found a weakness in the Agency's process for appointing selection panels for recruitment; welcomes the measures the Agency has taken to address this issue;

22. Is concerned about the large size of the Agency's management board which makes decision making difficult and generates considerable administrative costs;

23. Welcomes the efforts made in the Agency's staff policy to promote teleworking and a healthy lifestyle; calls on the Agency to closely monitor the workload burden allocated to staff, especially under exceptional peak periods related to COVID-19; calls on the Agency to undertake measures to the extent possible to ensure staff's well-being and to have anti-burnout and anti-harassment policies in place; continues to encourage the Agency to pursue the development of a long term human resources policy framework that, addresses work-life balance, lifelong guidance and career development, gender balance, teleworking, geographical balance and the recruitment and integration of people with disabilities; acknowledges the efforts already made by the Agency in this regard; calls on the Agency to report on staff well-being for the discharge of the 2021 financial year;

24. Notes that, according to the 2018 follow-up report and the Court's 2019 report, the Agency has still not fully implemented the Court's recommendation on the use of external consultants; welcomes, however, the efforts of the Agency in 2020 to follow up on this observation by significantly decreasing the use of IT consultants;

25. Notes that the COVID-19 pandemic dominated the Agency's activities in 2020 which resulted in substantial resources being allocated to respond to the public health crisis; notes that, as a consequence, the scope of the Agency's 2020 work programme had to be reduced, with important public health activities either delayed or suspended, in line with the business continuity plan, such as clinical data publication for non-COVID-19 related products and the development of guidelines for and provision of support to scientific working parties; notes with concern the words of the former executive director of the Agency who stated that he was 'very concerned' about the redeployment of the Agency's staff, emphasising that the pressure under which his staff operated could not last forever; notes that the granting of 40 temporary agent posts by the budgetary authority helped the Agency to respond to the exceptional workload; further notes the Agency's statement that those positions were only granted in November 2020, when it was operationally too late to significantly mitigate the COVID-19 related workload of the year;

Procurement

26. Notes the Agency's reply to the follow-up observation from the Court's report of last year regarding the combination of unrelated items (provision of printers and management of the loading bay) in a single lot for tender for a framework contract, that it would have been unpractical and inefficient to put those services out to tender in isolation; notes that, following input from the Advisory Committee on Procurement and Contracts, the Agency's contract duration scheme for the aforementioned framework contract became 4 + 1 + 1, meaning that after 4 years the contract could be ended if needed; calls on the Agency to check for compatibility of combined services by including a tender strategy that is supported by market analysis as part of each procurement procedure, and to take that strategy into account during the tendering phase, and to keep the discharge authority informed about the developments in this regard;

27. Notes, with regard to the follow-up to last year's discharge observations, that the Agency signed a framework contract in 2019 with three companies for the supply of temporary workers without providing any breakdown of the estimated gross staff cost for the interim agents in each requested staff category; notes that, as a result, the Agency was not in a position to evaluate whether the service provider's mark-up or gross profit was reasonable in relation to similar contracts; acknowledges that the Agency has contacted the EU Agencies Network and has carried out market research to understand the local market conditions for contracted workers; calls on the Agency to communicate with the Court so that the Agency can determine which actions would be appropriate to address those findings;

Prevention and management of conflicts of interest, and transparency

28. Stresses that despite the majority of its funding coming from private sources, the Agency is a public authority; underlines that the perception of the Agency's independence and integrity is crucial and that therefore there is a need to ensure a high degree of transparency in all its activities to avoid regulatory capture and ensure citizens maintain their faith in the marketing authorisation system in the Union;

29. Welcomes the revised policy on the handling of competing interests of the management board, which took effect from 1 July 2020 and the practice of systematic *ex ante* controls on all declarations of interest submitted by management board members together with the requirement that those members undertake training before their declaration of interest can be submitted;

30. Notes with satisfaction the exceptional transparency measures the Agency implemented with regard to medicines for COVID-19, including accelerated publication timelines for clinical data and providing more information to the general public, such as publication of the product information with details of the conditions of use, at the time of the positive opinion of the Committee for Medicinal Products for Human Use on the marketing authorisation application; publication of the full European public assessment report, within 3 days of authorisation by the Commission; publication of clinical data submitted to the Agency in support of the applications for COVID-19 medicines after the authorisation of a medicine and once personal data have been anonymised; and the publication of the full risk management plan for authorised COVID-19 medicines; invites the Agency to apply the same transparency measures to all products regulated by the Agency;

31. Acknowledges the Agency's existing measures and ongoing efforts to secure transparency, to prevent and manage conflicts of interest, and to provide whistleblower protection; notes that, in 2020, no internal whistleblowing case was reported, however, 25 reports of external whistleblowing cases were received; notes that 15 cases were closed and 10 cases are still ongoing; calls on the Agency to report to the discharge authority on the progress in those cases;

32. Welcomes the Agency's efforts to increase the level of transparency of its decision-making, as evidenced, for example, by the publication of data from clinical trials submitted in the marketing authorisation process for COVID-19 medicines or the increased level of communication with the media and the public; considers that this transparent approach is crucial in the current situation;

33. Notes with satisfaction that in 2020 no case of conflict of interest was reported by the Agency and that the Agency published the conflict of interest declarations of its management board members and its senior management; notes with satisfaction that the Agency published the CVs of its management board members, senior management and of its external and in-house experts;

34. Welcomes the further steps taken in order to enhance the transparency of the Agency's activities by reporting the meetings that the Agency's staff have with external stakeholders and their availability on the website of the Agency; notes the substantial and consistent concerns about the lack of transparency about vaccine contracts with pharmaceutical companies, but emphasises that although the Agency approves of those vaccines the Commission and not the Agency is a party in those contracts;

Internal control

35. Notes that the internal control system which the Agency has in place, both in terms of the individual elements and the system as a whole, is effective overall, with some improvements needed to further enhance the effectiveness of some specific elements; notes, furthermore, that the internal control procedures are considered to provide reasonable assurance that the resources under the responsibility of the executive director were used for their intended purposes and in accordance with the principles of sound financial management;

36. Notes the Court's observation related to the amendment of prices for a catering and restaurant services framework contract that only allowed the amendment to be made in 2021 and that the 2020 price revision was deemed irregular by the Court; further notes that, for one audited payment of EUR 125 954, the Agency could not reconcile the charged costs with the provisions and rates set out in the framework contract, thereby contravening the Financial Regulation; notes that both observations point to internal control weaknesses, which should be addressed in the annual assessment of the internal control framework; calls on the Agency to include the Court's findings in its annual assessment and to report to the discharge authority on the outcome of the assessment;

COVID-19 response and business continuity

37. Notes that, following the outbreak of COVID-19, the Agency invoked its business continuity plan and public health threat plan, in order to protect staff, delegates and contractors' health and safety while continuing to deliver on its mandate; notes that the Agency monitored closely the developments concerning various dimensions of the pandemic impact and followed the guidance and decisions made by the Commission, by the government of the Netherlands, which is the host Member State, and by health organisations such as the ECDC and the World Health Organization;

38. Notes that the Agency waived fees for provision of scientific advice to pharmaceutical companies developing COVID-19 treatments and vaccines, in order to facilitate research concerning the COVID-19 virus in 2020; notes, however, that the Agency did not experience an impact on its revenue estimates, as the fees waived were not part of the initial budget estimations;

Other comments

39. Notes, regarding the follow-up to last year's statement of assurance and the emphasis of matter paragraph in the Court's report in 2020, that the Agency is concerned about the lease and sublease agreement of its former premises in London which lasts until 2039; welcomes the fact that the Agency's management board has requested the Commission to work on this issue at the political level since the matter was not resolved during the negotiations relating to the withdrawal of the United Kingdom from the Union; notes with concern that the activities linked to the lease and sublease agreement are resource-intensive and lie outside the Agency's public health responsibilities; further notes that the current volatility of the United Kingdom and the global economy, caused, inter alia, by the COVID-19 pandemic, accentuate the urgency of the need for a fast resolution of the matter so as to allow the Agency to fully dedicate its resources to fighting the public health crisis and to focus its efforts on its public health mission;

40. Recognises the progress the Agency has achieved in developing information and communication technology systems enabling efficient medicines authorisation and monitoring, as well as implementation of recent Union law such as Regulation (EU) No 536/2014 of the European Parliament and of the Council ([4]) and Regulation (EU) 2019/6 of the European Parliament and of the Council ([5]);

41. Notes with regret that the Agency was the victim of a cyberattack in December 2020; notes that a full criminal investigation was undertaken by law enforcement authorities, in cooperation with CERT-EU and Europol, as well as an external third-party service provider with specific expertise in IT security-incident response; notes that the Agency's defensive cybersecurity capabilities have been enhanced since then, with further investment to protect the Agency from future attacks; welcomes the efforts made by the Agency and calls on the Agency to also take account of the reputational risks and the destabilising effects on public opinion when information obtained through such an attack is abused; calls on the Agency to further strengthen its cybersecurity policy and report back in that regard to the discharge authority;

42. Highlights the importance of increasing the digitalisation of the Agency in terms of internal operation and management but also the importance of speeding up the digitalisation of procedures; stresses the need for the Agency to continue to be proactive in this regard in order to avoid, at all costs, a digital gap between the agencies;

43. Welcomes the fact that the Agency joined the initiative launched by EFSA to explore the potential of artificial intelligence (AI) in different areas of the Agencies' work, such as forecasting, automated reporting, image processing, content sanitisation, and expert identification; calls on the Agency to continue its efforts in this initiative in the coming years and asks the Agency to report back on its experience regarding the use of AI in its work;

([4]) Regulation (EU) No 536/2014 of the European Parliament and of the Council of 16 April 2014 on clinical trials on medicinal products for human use, and repealing Directive 2001/20/EC (OJ L 158, 27.5.2014, p. 1).

([5]) Regulation (EU) 2019/6 of the European Parliament and of the Council of 11 December 2018 on veterinary medicinal products and repealing Directive 2001/82/EC (OJ L 4, 7.1.2019, p. 43).

44. Notes that the Agency developed and implemented a communication plan for 2020 that aimed to broaden the reach of its communication activities, especially those related to the unprecedented situation of the COVID-19 pandemic;

45. Welcomes the efforts made by the Agency to put in place a comprehensive strategy for sustainable development, including steps to reduce CO_2 emissions and energy consumption and to ensure that the Agency is a cost-effective and environment-friendly working place; encourages the Agency to further strengthen its efforts for sustainability; calls on the Agency to report to the discharge authority on the developments in this regard;

46. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([6]) on the performance, financial management and control of the agencies.

([6]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1766 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Medicines Agency (EMA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Medicines Agency for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0087/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EC) No 726/2004 of the European Parliament and of the Council of 31 March 2004 laying down Union procedures for the authorisation and supervision of medicinal products for human use and establishing a European Medicines Agency ([4]), and in particular Article 68 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on the Environment, Public Health and Food Safety,

— having regard to the report of the Committee on Budgetary Control (A9-0103/2022),

1. Approves the closure of the accounts of the European Medicines Agency for the financial year 2020;

2. Instructs its President to forward this decision to the Executive Director of the European Medicines Agency, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 136, 30.4.2004, p. 1.

([5]) OJ L 122, 10.5.2019, p. 1.

DECISION (EU) 2022/1767 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Centre in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0088/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EC) No 1920/2006 of the European Parliament and of the Council of 12 December 2006 on the European Monitoring Centre for Drugs and Drug Addiction ([4]), and in particular Article 15 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0118/2022),

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 376, 27.12.2006, p. 1.

([5]) OJ L 122, 10.5.2019, p. 1.

1. Grants the Director of the European Monitoring Centre for Drugs and Drug Addiction discharge in respect of the implementation of the Centre's budget for the financial year 2020;

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 Director of the European Monitoring Centre for Drugs and Drug Addiction, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1768 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0118/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European Monitoring Centre for Drugs and Drug Addiction (the 'Centre') for the financial year 2020 was EUR 18 048 883, representing a minimal decrease of 0,71 % compared to 2019; whereas the Centre's budget derives mainly (90 %) from the Union budget;

B. whereas the Court of Auditors (the 'Court'), in its report on the Centre's annual accounts for the financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurance that the Centre's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with satisfaction that the budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 100 %, the same rate as in 2019; notes that the payment appropriations execution rate was 94,73 %, representing a decrease of 3,56 % compared to the previous year;

Performance

2. Highlights the important role of the Centre in providing policy-makers and practitioners with analyses and information concerning drugs and drug addiction as well as emerging trends with a view to effectively countering illicit drug use and trafficking and in contributing to a healthier Europe by addressing important drug-related public health concerns; recalls that drug trafficking has been identified as a main source of profit and a channel of recruitment for organised crime and terrorism, and therefore highlights the contribution of the Centre also to a more secure Europe;

3. Notes with satisfaction the 35 publications by the Centre, including strategic and situational analyses and threat assessments, which inform policy and practice; welcomes the close cooperation between the Centre and other Justice and Home Affairs (JHA) agencies, such as the Union Agency for Fundamental Rights and Europol, and the joint publications issued in 2020;

4. Welcomes the organisation of the 2020 European Drugs Summer School in a fully digital format, attracting 49 participants from 30 countries; considers it is crucial to continue raising awareness of the importance that all drugs policies have a prevention and mental-health-based approach;

5. Highlights the contribution of the Centre, by means of its annual reports, to the development of the EU Agenda and Action Plan on Drugs 2021–2025, and the role the Centre is going to play in its implementation;

([1]) OJ C 114, 31.3.2021, p. 32.

6. Notes that the Centre's performance measurement model identifies a limited number (10) of composite key performance indicators (KPIs), which are used to measure the effectiveness of delivering the desired outputs and the efficiency of using resources allocated, and which are complemented by higher level KPIs that focus on outcomes and impacts; notes that the Centre set out 55 targets for the higher level performance indicators; notes that in 2020 two targets turned out to be not applicable, 81 % were achieved, and 19 % were partially achieved;

7. Notes that most of the Centre's work in 2020 was dedicated to investigating the impact of COVID-19 on the drug situation in Europe and that the Centre launched twelve new resources in 2020, including special reports and web pages, in an effort to timely contribute with information and resources to the fight against COVID-19;

8. Notes that the Centre partially achieved its target for the number of training days per member of staff (target of 3 days, achieved 1,9 days) since as a result of the pandemic several planned trainings had to be cancelled due to force majeure; notes that the target for the supporting documents made available to the national focal points (NFPs) two weeks prior to the meetings was partially achieved, given the uncertainty around many of the Centre's meetings caused by the unexpected lockdown and the uncertainty regarding the format of the meetings; notes that the KPIs concerning the delivery of the work programme and the efficient implementation of the technical assistance projects with third countries were all only partially achieved due to the effect of the pandemic;

9. Welcomes the Centre's cooperation with other agencies and its contribution to the JHA agencies' network;

Staff policy

10. Notes that, on 31 December 2020, the establishment plan was 93,69 % implemented, with seven officials and 62 temporary agents appointed out of 10 officials and 66 temporary agents authorised under the Union budget (compared to 76 authorised posts in 2019); notes that, in addition, 34 contract agents, one seconded national expert and three interims and consultants worked for the Centre in 2020;

11. Reiterates its concern that the Court has identified a recurrent shortcoming applying to several agencies in the use of external staff and interim workers; calls for the dependency on external recruitment in this important area to be addressed and for applicable labour law to be respected; notes the judgment of the Court of Justice of 11 November 2021 in Case C-948/19 ([2]) which considered temporary agency workers at Union agencies to be part of the scope of application of Directive 2008/104/EC of the European Parliament and of the Council ([3]); calls on the Centre to rely as much as possible on permanent staff and on the Commission to ensure appropriate human resources allocations for that purpose;

12. Notes with concern the lack of gender balance on the Centre senior management with two women (22,2 %) and seven men (77,8 %) and on its management board with 22 men (69 %) and 10 women (31 %); notes that the staff overall is composed of 46 men (45,1 %) and 56 women (54,9 %); asks the Centre to ensure gender balance at the management level in the future; asks the Commission and the Member States to take into account the importance of ensuring gender balance when nominating their members to the Centre's management board;

Procurement

13. Welcomes that the Centre concluded a service-level agreement in 2020 with the Commission's Directorate-General for Informatics (DIGIT) for the provision of services relating to ICT procurement and e-procurement (e-Prior services); notes that, in terms of procurement execution, the 2020 procurement plan was put in place in line with the Centre's 2020 management plan, and was successfully executed in close collaboration with all units; welcomes the fact that the Court did not have remarks about the Centre's application of public procurement rules;

([2]) Judgment of the Court of Justice of 11 November 2021, UAB *„Manpower Lit" v E.S. and Others,* C-948/19, ECLI:EU:C:2021:906.

([3]) Directive 2008/104/EC of the European Parliament and of the Council of 19 November 2008 on temporary agency work (OJ L 327, 5.12.2008, p. 9).

Prevention and management of conflicts of interest, and transparency

14. Acknowledges the Centre's existing measures and ongoing efforts to secure transparency, prevent and manage conflicts of interest, and provide whistleblower protection; notes that the Centre published on its website the curriculum vitaes of the members of its management board, of its director, and of the external experts who are members of its scientific committee; welcomes that the Centre publishes the declarations of interest of the members of its management board;

15. Notes that the existence of a risk of conflict of interest is assessed under the authority of the Centre's director, and that the management board, as required, adopts the measures aimed at preventing or avoiding a conflict of interest; notes that no case of conflict of interest was reported, investigated or concluded in 2020;

COVID-19 response and business continuity

16. Welcomes that the Centre established a task force to coordinate the public health response to the pandemic in March 2020 after activating the Centre's contingency management plan, and putting in place measures to ensure the safety of the staff and business continuity; notes that the Centre activated its business continuity plan and that, in addition to the teleworking of members of staff, the key measures included weekly meetings of the incidence response team (consisting of the Centre's director, the business continuity manager, the Centre's medical adviser and other key staff), establishing clear protocols and procedures for accessing the Centre premises and for communicating on COVID-19-related events, redefining the workflows in some key areas in order to switch from paper-based to fully electronic work circuits and ensuring that the ICT infrastructure would support the organisation's teleworking efforts;

17. Welcomes the setting up of the COVID-19 hub page to provide resources and raise awareness on the impact of the diseases on people who use drugs and on drugs service providers, including prison services, as well as the 28 new projects designed by the Centre, 11 of which were focused on COVID-19;

Internal control

18. Notes that the Centre completed the follow-up for the recommendations of the 2017 audit of the internal audit service (IAS) on the management of data and its related action plan; notes that the IAS strategic internal audit plan 2020–2022 includes two prospective audit topics for the Centre, namely, human resources management and strategic planning and programming, and that the audit plan also includes follow-up activities and a reserve audit topic on international cooperation; notes that the IAS started the preliminary interviews for the audit on human resources management in November 2020 and that the fieldwork was carried out in January 2021;

19. Acknowledges that the audit report on information technology project management in the Centre included two 'very important' recommendations, to define and adopt a process for requirement management, and to adopt a methodology for systems' development; notes that both recommendations were implemented in 2019 and formally closed by the IAS in 2020; notes that the audit report on the management of data collection, validation and quality assurance in the Centre included one 'very important' recommendation aimed at improving the definition of the Centre's business needs and identifying the related IT functionalities to support data collection, validation and the quality assurance process; welcomes that the Centre agreed with the IAS on an action plan to address that recommendation, which was adequately and effectively implemented and that the recommendation was formally closed by the IAS in January 2020;

20. Notes that, following the introduction of the new internal control framework (ICF) in 2017 and the establishment of a repository with the state of play of implementation in 2018, the final version of the repository on the new ICF was approved by the Centre's director in March 2019; notes that the Centre performed an assessment of its internal control system in 2020, concluding that all components are present and functioning and that the assessment identified two internal control principles where some improvements are needed, on the control activities and information and communication, but which did not affect the overall effectiveness of the internal control system; welcomes that the Centre is taking the necessary corrective actions to improve the identified shortfalls;

21. Notes that the Centre's anti-fraud strategy dates back to August 2016 and has been reported as fully implemented in the Centre's consolidated annual activity report; notes that the Centre started the procedure of reviewing the anti-fraud strategy that was expected to be fully renewed by June 2021; calls on the Centre to speed up the update and to report to the discharge authority on the progress made;

Other comments

22. Notes that the Centre has been actively monitoring its environmental performance and CO_2 footprint with continuous improvement cycles reducing its CO_2 footprint over the years in comparison to the established 2014 baseline, from 9,99 tonnes per member of staff, to 5,66 tonnes in 2019; notes the considerable drop for 2020 to 0,82 tonnes per staff member, caused by a COVID-19 related reduction in missions and transport, as well as to the Centre's switch from to CO_2 neutral electricity generated from renewable energy sources; calls on the Centre to keep monitoring its energy consumption and to keep taking measures to reduce its CO_2 footprint, while also acknowledging that the Centre has an exemplary system in place;

23. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([4]) on the performance, financial management and control of the agencies.

([4]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1769 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Centre in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0088/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EC) No 1920/2006 of the European Parliament and of the Council of 12 December 2006 on the European Monitoring Centre for Drugs and Drug Addiction ([4]), and in particular Article 15 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0118/2022),

1. Approves the closure of the accounts of the European Monitoring Centre for Drugs and Drug Addiction for the financial year 2020;

2. Instructs its President to forward this decision to the Director of the European Monitoring Centre for Drugs and Drug Addiction, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 376, 27.12.2006, p. 1.

([5]) OJ L 122, 10.5.2019, p. 1.

DECISION (EU) 2022/1770 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Maritime Safety Agency (EMSA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Maritime Safety Agency for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0089/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EC) No 1406/2002 of the European Parliament and of the Council of 27 June 2002 establishing a European Maritime Safety Agency ([4]), and in particular Article 19 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Transport and Tourism,

— having regard to the report of the Committee on Budgetary Control (A9-0100/2022),

1. Grants the Executive Director of the European Maritime Safety Agency discharge in respect of the implementation of the Agency's budget for the financial year 2020;

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 Executive Director of the European Maritime Safety Agency, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3, https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697
([2]) OJ C 439, 29.10.2021, p. 3, https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 208, 5.8.2002, p. 1.
([5]) OJ L 122, 10.5.2019, p. 1.

RESOLUTION (EU) 2022/1771 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Maritime Safety Agency (EMSA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Maritime Safety Agency for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Transport and Tourism,

— having regard to the report of the Committee on Budgetary Control (A9-0100/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European Maritime Safety Agency (the 'Agency') for the financial year 2020 was EUR 96 724 337,95 representing a slight decrease of 0,07 % compared to 2019; whereas the Agency's budget derives entirely from the Union budget;

B. whereas the Court of Auditors (the 'Court'), in its report on the annual accounts of the Agency for the financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurance that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with satisfaction that the budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 98,89 %, representing a slight decrease of 0,33 % compared to 2019 and a payment appropriations execution rate of 96,08 %, representing also a slight decrease of 0,36 %;

2. Notes, following the observations of the Court, that the Agency has had a high rate of late payments in the last 4 years, and in 11 % of the payments in 2020; notes that the late payments for 2020 showed an improvement of 7 %, compared to 18 % of late payments in 2019; notes that the late payments' figure for 2020 still includes the backlog of late payments that was 'carried over' from 2019; notes that, without the aforementioned accumulation of late payments, the payments made later than the legal time limits and related to 2020 activities were equal to 3 %; notes that most late payments concerned the reimbursement of travel costs for participants to workshops; acknowledges the Agency's reply stating that additional staff were added to process payments and to fully clear the 2019 backlog during the course of 2020; notes that the Agency also decided to explore the possibility to outsource the reimbursements of expenses for experts and participants to workshops to the Commission's Paymaster Office; reiterates the need to address the late payment situation and to mitigate the financial and reputational risk described by the Court;

Performance

3. Welcomes the Agency's 2020-2024 strategy that will enable it to fulfil its maritime surveillance, safety and security tasks while contributing efficiently to the Union's digital and environmental priorities; welcomes in particular the Agency's drafting, with the European Environment Agency, of the first European Maritime Transport Environmental Report, collecting verified information on the environmental footprint of shipping activities; commends the Agency's continued enhancement of the THETIS-MRV system and stresses the importance of giving EMSA the necessary powers and resources to monitor emission reporting from vessels; welcomes in particular the fact that, for the second year in a row, EMSA gathered data on the CO_2 emissions from ships of over 5 000 GT operating in EU waters and made this information public in June 2020 for 12 000 ships thanks to THETIS-MRV; points out, moreover, that with additional capacity the Agency could play an even more important role in mitigating sectorial greenhouse gas emissions, as well as other shipping-related environmental risks;

([1]) OJ C 114, 31.3.2021, p. 75.

4. Notes that the Agency uses key performance indicators (KPIs) to measure the implementation of its annual work programme; notes that the periodical evaluation of the Agency is the main instrument to assess the added value provided by its activities;

5. Welcomes the Agency's efforts to contribute to the European green agenda for maritime transport by strengthening the EU capacity to protect the marine environment, manage climate change including through the shift to sustainable mobility with the contribution of maritime transport reflected in the Sustainable and Smart Mobility Strategy adopted in December 2020, which announced the revision of EMSA's mandate in its accompanying Action Plan; highlights that maritime safety and environmental legislation is being updated in parallel with the launch of the revision of EMSA's mandate; furthermore, highlights the role that EMSA could play in enhancing risk-assessment capabilities in safety domains, including for alternative fuels infrastructure deployment; therefore stresses that adjustments to EMSA's mandate may need to be made accordingly to ensure the Agency can enhance its support, possibly accompanied by budgetary means;

6. Welcomes in particular the fact that the Agency's role in helping to assess and verify the implementation of EU maritime security legislation has increased over the years, in step with the demand for support to the Commission and the EFTA Surveillance Authority, which is expected to continue upwards, reflecting the growing priority at EU level;

7. Welcomes the rapid expansion of the Copernicus Maritime Surveillance Services, both in terms of the number of organisations served and earth surveillance products delivered;

8. Welcomes the Agency's assistance for the Commission and the Member States to advance the simplification, harmonisation and rationalisation of reporting formalities;

9. Welcomes the fact that for the third full year of Remotely Piloted Aircrafts Services (RPAS) operations offered by EMSA, the Agency increased its RPAS services to 944 operational days (1 372 flight hours) in the scope of coast guard functions and supporting the Member States and EU agencies in maritime surveillance operations;

10. Notes that the Agency experienced some limitations on its planned activities in 2020 due to the COVID-19 pandemic; notes that the Agency was unable to organise the participation of its pollution response assets in exercises, using the mobilisation procedure of the Emergency Response Coordination Centre; notes that the Agency could not arrange 'hands-on' training in the use of the equipment assistance service for Member States' operators; notes that the Agency was unsuccessful in organising meetings of the Agency's CleanSeaNet User Group; notes that despite the COVID-19 outbreak the Agency was able to successfully complete most of the objectives set in its performance plan for the year 2020;

11. Notes that the Agency cooperates closely with the European Border and Coastguard Agency and the European Fisheries Control Agency on coast guard functions following its Annual Strategic Plan 2020; welcomes the efforts of the Agency to collaborate with Member States and other Agencies on the exchange of operational information, surveillance, communication services and the identification of specific opportunities for capacity sharing;

12. Welcomes the fact that, since 2017, the tripartite working arrangement between the Agency, the European Fisheries Control Agency (EFCA) and the European Border and Coast Guard Agency (Frontex) has functioned well; considers the arrangement an example of synergy between EU agencies that should inspire agencies in other areas;

13. Notes that the European Aviation Safety Agency did not sign the service level agreement with the Agency in 2020, concerning safe and efficient remotely piloted services; calls on the Agency to inform the discharge authority about the state of play and to indicate any resulting consequences for the budget implementation of the Agency;

Staff policy

14. Notes that, on 31 December 2020, the establishment plan was 97,64 % fulfilled, with 207 officials and temporary agents appointed out of 212 officials and temporary agents authorised under the Union budget (compared to 212 authorised posts in 2019); notes that, in addition to 30 contract agents financed from the Agency's budget, 3 contract agents from the Copernicus budget and 14 seconded national experts worked for the Agency in 2020;

15. Notes the gender balance within the Agency's senior management members, with 3 out of 5 (60 %) being women; notes the lack of gender balance within the Agency's management board members, with 46 out of 61 (75,41 %) being men; further notes the lack of gender balance within the Agency's overall staff, with 159 out of 253 (62,85 %) being men; asks the Commission and the Member States to take into account the importance of ensuring gender balance when nominating their members to the Agency's management board;

16. Notes that the Agency has signed a new framework contract for interim services in May 2020, which is fully in line with the national law transposing the Directive 2008/104/EC of the European Parliament and of the Council ([2]);

Procurement

17. Notes that the three vessels contracted at the end of 2019 to replace the response capacity for the Adriatic Sea, Western and Central Mediterranean Sea, successfully completed the preparation phase and entered into operational service in mid-2020 and that, in addition, one vessel from a running contract in the Atlantic North area was replaced; notes that the Agency, following a public procurement procedure, awarded contracts for three vessels to replace the response capacity for the Southern Atlantic coast, Western and Central Mediterranean Sea, with the three vessels becoming operational by the end of 2021; further notes that in addition, the contracts covering the Baltic Sea, the Canary Islands and Madeira were renewed for an additional 4-year period;

Prevention and management of conflicts of interest and transparency

18. Notes, following the remarks of the Court, that the Agency reviewed its procedure and guidelines related to the identification and management of conflicts of interest of selection committee members; notes that the new procedure was implemented in early 2020 and ensures a proper reporting and management of potential conflicts of interest and a fair and transparent recruitment process;

19. Acknowledges that the Agency employs, and publishes, declarations of conflicts of interest for its management board members and senior management and that the Agency has issued guidelines on conflict of interest and has implemented whistleblowing arrangements, which are an important tool to detect fraud, corruption and serious irregularities;

Internal control

20. Notes that the Agency paid installation and daily subsistence allowances to all staff members who were recruited as temporary agents immediately after their secondment to the Agency; notes that the Agency did not take sufficient steps to verify entitlements to these allowances and concludes that this practice constitutes an internal control weakness;

21. Notes that five staff members in management positions at the Agency had delegations of power that enabled them to exercise exactly the same powers as the Executive Director for all budget items; notes that this, in itself, constitutes a risk, and is not conducive to a clear hierarchy of authority, responsibility and accountability at the Agency;

([2]) Directive 2008/104/EC of the European Parliament and of the Council of 19 November 2008 on temporary agency work (OJ L 327, 5.12.2008, p. 9).

22. Notes that the Agency's Executive Director signed a decision appointing acting Executive Directors and acting appointing authorities by delegation during the Executive Director's annual leave, delegating the exercise of those two roles completely during that period; notes that this decision exceeded the powers assigned to the Executive Director in Article 15 of the Agency's founding regulation;

23. Notes the increase of registered exceptions that were, according to the Agency, directly relating to the COVID-19 pandemic; welcomes the report on these exceptions by the Agency, since it shows that the Agency has internal control procedures in place and also makes reasoned decisions to deviate from them, when the circumstances so require;

24. Notes the annual assessment on the internal control system carried out by the Agency and its conclusion that all internal control principles and the five internal control components have been adequately implemented and are effective overall, that only minor improvements are needed, and that no significant control weaknesses were reported; calls on the Agency to take account of the weaknesses identified by the Court as they seem to indicate that certain internal control principles are in need of reinforcement;

25. Welcomes the fact that in 2020 the Internal Audit Service of the Commission and the European Court of Auditors did not issue any critical recommendations or observations that could lead to a reservation in the annual declaration of assurance; however, stresses the need to minimise risks for internal budgetary control weaknesses as much as possible ([3]) but welcomes the Agency's measures of June 2021 as a response to that;

COVID response and business continuity

26. Salutes the fact that the Agency was able to adapt quickly to the COVID-19 crisis and the fact that it was able to continue providing its stakeholders with the range and quality of services they expect;

27. Notes that, in light of the developments of the COVID-19 pandemic, the Agency's staff was provided with computers to work remotely and that work continued as planned in 2020; notes that the Agency increased the use of video conferencing for internal meetings, selection committees for recruitment and meetings with external stakeholders; further notes that the Agency adjusted its working methods to ensure alternative forms of delivery of as many services as possible and developed new methods and tools that could continue to be useful in the future, such as live broadcast workshops and eTraining modules; encourages the Agency to continue to maintain lessons learned during the pandemic and to keep using the working methods developed out of necessity during the pandemic, if they serve an added value in the post-pandemic era;

28. Notes that the Agency adjusted its budget and activities to the COVID-19 outbreak through an in-house analysis of the evolution of the pandemic and its impact on the Agency's work programme; notes that the Agency's total excess from the reprogramming of its activities during this period was estimated at EUR 1 379 110 in commitment appropriations and EUR 1 602 088 in payment appropriations which were returned to the European Commission in the framework of its global transfer exercise;

29. Notes from the Court's report that the Agency organised teleworking for all staff, starting from 16 March 2020, and was immediately operational; notes the Agency's statement that by 3 June 2020, its staff had carried out 68 000 one-to-one Skype meetings, organised 3 444 Skype conferences, 2 203 one-to-one Teams meetings and 287 group Teams meetings;

Other comments

30. Notes that the Agency is progressing with the implementation of the European Union Eco-Management and Audit Scheme, which supports the Agency's commitment to creating and sustaining an environmentally-friendly workplace and to improving its environmental performance in general; calls on the Agency to inform the Discharge Authority of the progress made in the implementation in the course of 2021;

([3]) ECA annual report on EU agencies for the financial year 2020, p. 130.

31. Reiterates its call to the Agency to increase the availability of its website in languages other than English; considers that greater linguistic diversity will facilitate access to information for European citizens and thus enhance their understanding and knowledge of the European Union's action in terms of maritime safety;

32. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([4]) on the performance, financial management and control of the agencies.

([4]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1772 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Maritime Safety Agency (EMSA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Maritime Safety Agency for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0089/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EC) No 1406/2002 of the European Parliament and of the Council of 27 June 2002 establishing a European Maritime Safety Agency ([4]), and in particular Article 19 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Transport and Tourism,

— having regard to the report of the Committee on Budgetary Control (A9-0100/2022),

1. Approves the closure of the accounts of the European Maritime Safety Agency for the financial year 2020;

2. Instructs its President to forward this decision to the Executive Director of the European Maritime Safety Agency, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 208, 5.8.2002, p. 1.

([5]) OJ L 122, 10.5.2019, p. 1.

DECISION (EU) 2022/1773 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of ENISA (European Union Agency for Cybersecurity) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of ENISA (European Union Agency for Cybersecurity) for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0090/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2019/881 of the European Parliament and of the Council of 17 April 2019 on ENISA (the European Union Agency for Cybersecurity) and on information and communications technology cybersecurity certification and repealing Regulation (EU) No 526/2013 (Cybersecurity Act) ([4]), and in particular Article 31 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— 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 (A9-0119/2022),

1. Grants the Executive Director of ENISA (European Union Agency for Cybersecurity) discharge in respect of the implementation of the Agency's budget for the financial year 2020;

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 Executive Director of ENISA (European Union Agency for Cybersecurity), 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 151, 7.6.2019, p. 15.

([5]) OJ L 122, 10.5.2019, p. 1.

RESOLUTION (EU) 2022/1774 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of ENISA (European Union Agency for Cybersecurity) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of ENISA (European Union Agency for Cybersecurity) for the financial year 2020,

— 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 (A9-0119/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of ENISA (European Union Agency for Cybersecurity) (the 'Agency') for the financial year 2020 was EUR 21 682 883, representing an increase of 28,05 % compared to 2019; whereas that increase results mainly from an increase in expenditure on staff, information and communications technology and core operational activities, related to the adoption of the Regulation (EU) 2019/881 of the European Parliament and of the Council ([2]) (Cybersecurity Act); whereas the budget of the Agency derives mainly from the Union budget;

B. whereas the Court of Auditors (the 'Court'), in its report on the Agency's annual accounts for the financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurance that the Agency's annual accounts are reliable and that the underlying transactions as regards revenue are legal and regular in all material aspects; whereas the Court provides the basis for a qualified opinion on the legality and regularity of the payments underlying the accounts;

Budget and financial management

1. Notes that the budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 97,35 %, representing an increase of 0,55 % compared to 2019; notes furthermore that the payment appropriations execution rate was 68,62 %, representing a decrease of 1,49 % compared to 2019;

2. Deplores the Court's observation that forms the basis for a qualified opinion on the legality and regularity of the payments underlying the accounts; notes that the Court found that a temporary delegation granted by the previous executive director to a staff member expired on 31 December 2019 and that that staff member was granted a new delegation by the new executive director on 12 February 2020; notes that the Court found that in the intervening time, that member of staff authorised, in the pursuance of the Agency's objectives, budgetary commitments amounting to EUR 529 120 and payments amounting to EUR 914 100 without a valid delegation (3,5 % of the total payment appropriations available in 2020); welcomes the observation of the Court that following its audit, the Agency has taken steps to mitigate the identified risks in the future;

Performance

3. Welcomes, regarding the Agency's following up of the discharge authority's observations in its 2019 discharge, the revision of the Agency's key performance indicators (KPIs) in 2020 with the purpose of better reflecting the new challenges and mandate conferred to the Agency by the Cybersecurity Act;

4. Notes the Agency's statement that it responded to the global COVID-19 pandemic by playing a key role in preventing malicious cyber actors from taking advantage of the health crisis and turning it into a large-scale cyber pandemic;

([1]) OJ C 114, 31.3.2021, p. 86.

([2]) Regulation (EU) 2019/881 of the European Parliament and of the Council of 17 April 2019 on ENISA (the European Union Agency for Cybersecurity) and on information and communications technology cybersecurity certification and repealing Regulation (EU) No 526/2013 (OJ L 151, 7.6.2019, p. 15).

Staff policy

5. Notes that on 31 December 2020 the establishment plan was 89,86 % implemented, with 62 temporary agents appointed out of 69 temporary agents authorised under the Union budget (compared to 59 authorised posts in 2019); notes that, in addition, 26 contract agents and 8 seconded national experts worked for the Agency in 2020; notes the increased establishment plan is due to the new Agency's mandate that conferred greater competencies and resources following the adoption of the Cybersecurity Act;

6. Notes with concern the lack of gender balance within the Agency's senior management, namely eight out of nine (88,9 %) men; notes the gender balance within the Agency's overall staff, namely 41 out of 79 (51,9 %) men; asks the Agency to make further efforts towards a better gender balance at senior management level; reminds the Agency that in the selection of candidates, competences, knowledge and experience are important, as well as the geographical and gender balance among staff members;

7. Notes that the Agency has adopted a policy on protecting the dignity of the person and preventing harassment; takes note of the fact that one case of harassment has been reported and investigated in 2020; calls on the Agency to inform the discharge authority on the outcome of the case;

8. Notes that since 2019 the Agency has a new mandate and tasks entrusted by the Cybersecurity Act; notes that the new activities are supported by the budgetary authority with increased human resources in 2020 and onwards;

9. Notes, regarding the follow-up of the 2019 discharge report, that the Agency has some difficulties in recruiting, attracting and retaining suitably qualified staff; notes that the main problem with regard to the fulfilment of the Agency's vacancies is caused by the low correction coefficient applied to the staff's salaries in Greece and the professionals' deficit in the IT security market in the Union; welcomes the Agency's social measures implemented to increase attractiveness and lower annual staff turnover; calls on the Agency to keep this issue on the agenda and where appropriate to address it through the EU Agencies Network;

10. Notes, with regard to the follow-up of the 2019 discharge report that the review of the handover procedures to new staff members was postponed and is still currently ongoing; notes also that the handover procedures are considered to be included in the sensitive posts policy; calls on the Agency to report on the future development and on the adoption of the sensitive posts policy;

11. Notes that due to unfilled vacant posts and heavy workload the Agency relies on interim staff to perform some of its tasks of its annual work programme; welcomes the efforts taken by the Agency in 2020 to re-define its recruitment strategy, by reducing its dependency on interim agents; notes that the Agency's expected costs of interim workers for 2021 should not exceed EUR 700 000, compared to EUR 923 000 for 2019; further welcomes the Agency's efforts to ensure that interim workers have the same working conditions as directly employed workers; calls on the Agency to report on the developments of interim staff dependency;

Procurement

12. Notes that the Agency has actively implemented the green public procurement award criteria in its tendering documentation, with relevant procedures launched in 2020 such as the provision of stationery and printing supplies, laptop computers and docking stations, and the production and supply of branded promotional material; calls on the Agency to actively share its experience with green award criteria with other Agencies and, where appropriate, through the EU Agencies Network;

13. Notes that the Court identified non-critical weaknesses on the Agency's public procurement procedures; notes that selection and award criteria in the procurement notice could be improved and respect of publishing within the deadlines should be better monitored; calls on the Agency to report on the future developments in this regard;

14. Notes, regarding the follow-up of the Court's observations in 2020, that the Agency has implemented corrective actions to ensure compliance with the applicable financial rules in procurement procedures, including a monitoring to respect the deadlines regarding the publication of the award notice to the *Official Journal of the European Union*;

15. Notes, with regard to the follow-up of the Court's observations in 2020, that the price criterion has been specifically re-assessed in the revision of its internal procurement process to ensure the most economical implementation of the financial offers; notes, furthermore, that the Agency has updated its requirements for minimum turnover for future tenders; calls on the Agency to report to the discharge authority on the developments of upcoming procurement procedures;

Prevention and management of conflicts of interest, and transparency

16. Notes the Agency's existing measures and ongoing efforts to secure transparency, prevention and management of conflicts of interest and notes that the CVs of the members of the management board and their declaration of conflicts of interests are being published on its website;

17. Welcomes the further steps taken in order to enhance the transparency of the Authority's activities by reporting the meetings that the Authority's staff have with external stakeholders, and their availability on the Authority's website;

Internal control

18. Notes that the Agency's internal control assessment concluded that the structures supporting internal controls and compliance appear to be spread out and weak; notes the suggestion to implement an independent quality control system to reinforce the monitoring of performance assessment in the Agency; further notes the advice to restructure the Agency's horizontal tasks such as internal controls, *ex ante* verification, ISO, budget monitoring and quality controls;

19. Regrets that the Agency has postponed its plans to adopt a new sensitive posts policy for 2020; calls on the Agency to report the developments on this topic;

20. Notes that the Agency took the necessary actions to close four audit recommendations reported by the Internal Audit Service; notes, however, that three recommendations remain open as further actions are required to be implemented; calls on the Agency to report on their implementation status in the future;

COVID-19 response and business continuity

21. Acknowledges the Agency's efforts in the wake of the COVID-19 pandemic when the Agency was called to help coordinate activities of the Member States and Union bodies by issuing recommendations for the critical infrastructure industry, supporting the toolbox of EU tracing apps, and providing advice to small and medium-sized enterprises and guidance to the healthcare sector to support their response to increased phishing campaigns and ransomware attacks;

22. Welcomes the decisive targeted actions of the Agency prior to the lockdown imposed by the Greek government to counter the COVID-19 outbreak, such as continuing to ensure high health and safety measures in place for its staff (ample supplies of disinfectant, disposable gloves, masks, basic medicine, hand disinfectant); notes that staff guidelines were drawn up and teleworking was authorised for all staff as of 11 March 2020, and that missions and public events were halted;

23. Notes that the restrictions imposed from March 2020 and for the best part of that year, such as imposed teleworking and heavily restricted travel for work related missions, led to a number of environmental benefits, in particular a significant reduction of the carbon footprint and a reduction of the use of paper due to increased digitalised processes;

Other comments

24. Notes that the Agency's new internal structure was established in June 2020, strengthening the ability to build internal and external synergies with the introduction of 'cross-structural teams' for tasks that require contributions from other units; notes the creation of four operational units (policy development and implementation unit, capacity building unit, operational coordination unit, and market, certification and standardisation unit), each aiming to implement a specific element from the Cybersecurity Act; calls on the Agency to inform the discharge authority of the benefits and lessons learned from this reorganisation;

25. Calls for buildings to be modernised in order to meet zero-emission standards, in particular by installing solar panels on all buildings belonging to the Agency;

26. Notes from the Agency's replies to the discharge authority's questions that the Agency is in the process of updating its cybersecurity policy, especially by taking actions on active directory security, windows client security and windows server security assessments, de-commissioning old systems and regular vulnerability scans;

27. Notes, with regard to the follow-up to the 2019 discharge, that the Agency has increased efforts to improve its focus on key activities and engage with the highest possible number of stakeholders; notes that the Agency's work is being disseminated through its website and its social media channels where the level of engagement has been increased in 2020;

28. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([3]) on the performance, financial management and control of the agencies.

([3]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1775 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of ENISA (European Union Agency for Cybersecurity) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of ENISA (European Union Agency for Cybersecurity) for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0090/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2019/881 of the European Parliament and of the Council of 17 April 2019 on ENISA (the European Union Agency for Cybersecurity) and on information and communications technology cybersecurity certification and repealing Regulation (EU) No 526/2013 (Cybersecurity Act) ([4]), and in particular Article 31 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— 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 (A9-0119/2022),

1. Approves the closure of the accounts of ENISA (European Union Agency for Cybersecurity) for the financial year 2020;

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 151, 7.6.2019, p. 15.

([5]) OJ L 122, 10.5.2019, p. 1.

2. Instructs its President to forward this decision to the Executive Director of ENISA (European Union Agency for Cybersecurity), the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

DECISION (EU) 2022/1776 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Union Agency for Railways (ERA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Union Agency for Railways for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0091/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2016/796 of the European Parliament and of the Council of 11 May 2016 on the European Union Agency for Railways and repealing Regulation (EC) No 881/2004 ([4]), and in particular Article 65 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Transport and Tourism,

— having regard to the report of the Committee on Budgetary Control (A9-0120/2022),

1. Grants the Executive Director of the European Union Agency for Railways discharge in respect of the implementation of the Agency's budget for the financial year 2020;

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 Executive Director of the European Union Agency for Railways, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 138, 26.5.2016, p. 1.

([5]) OJ L 122, 10.5.2019, p. 1.

RESOLUTION (EU) 2022/1777 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Union Agency for Railways (ERA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Union Agency for Railways for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Transport and Tourism,

— having regard to the report of the Committee on Budgetary Control (A9-0120/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European Union Agency for Railways (the 'Agency') for the financial year 2020 was EUR 30 764 883, representing an increase of 13,36 % compared to 2019; whereas the budget of the Agency derives mainly from the Union budget;

B. whereas the Court of Auditors (the 'Court'), in its report on the annual accounts of the Agency for the financial year 2020 (the 'Court's report'), has stated that it has obtained reasonable assurance that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with satisfaction that the budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 99,98 %, equal to the implementation rate in 2019; notes that the payment appropriations execution rate was 89,28 %, representing a decrease of 2,97 % compared to 2019;

2. Notes that, since 2019, the Agency has started collecting fees and charges for certification tasks; notes that following the mandate on its new Regulation the Agency must take into account the specific needs of small and medium-sized enterprises (SMEs); calls on the Agency to introduce effective controls to check the SME status of applicants;

3. Notes that the cancelled payment appropriations amounted to almost 5 % (mainly due to the COVID-19 crisis) while the implementation rate for current-year appropriations was 89,3 %;

4. Notes that the budget outturn in 2020 was EUR 114 225, up from EUR 59 486 in 2019;

5. Recalls that the Agency has the smallest budget among the transport agencies despite the outstanding environmental and climate performance and other benefits of rail transport; stresses in particular that the Agency should not be put in a position where it feels compelled to request additional support from the Commission, due to inadequate financial means, especially at a time when railways are a policy priority of the Union, particularly within the Sustainable and Smart Mobility Strategy and as demonstrated by the designation of 2021 as the European Year of Rail; calls for an increase of the budget of the Agency so that it has the necessary means to enable it to act as an efficient authority and to fulfil its tasks, particularly those with regard to increasing competitiveness, improving safety and cross-border interoperability, and particularly its enhanced role and responsibilities in the timely deployment of ERTMS;

Performance

6. Acknowledges that, despite the challenges presented by the COVID-19 pandemic, the Agency, in implementing its 2020 work programme, met its targets for the various outputs to a satisfactory extent, as confirmed by the management board, as well as attaining a satisfactory level of achievement for its set of KPIs;

([1]) OJ C 114, 31.3.2021, p. 91.

7. Notes, with regard to the follow-up of last year's discharge observations, that the Agency is improving how it defines and monitors its KPIs; notes that specific actions have been taken in this respect, such as focusing the Agency's work programme on the intervention logic, measuring the added value on the railway system and implementing a dashboard to direct the governance of the Agency based on data; welcomes the actions that have been initiated and calls on the Agency to report to the discharge authority on the developments in this regard;

8. Notes that the Agency is located in both Lille and Valenciennes, which indicates that costs could be reduced if all operations were centralised in one location; acknowledges however, that the remedy for the related observation in the Court's report is not under the Agency's control;

9. Notes from the Agency's replies that, since 2020, the Agency has dedicated more focus to the final impact and outcomes to which its activities contribute; notes in particular that the Agency wishes to apply the intervention logic consistently through its 'plan-do-check-act cycle', which will encourage a longer-term resource management perspective;

10. Notes that the Agency shares its resources with other Union agencies, especially in respect of its administrative and support functions, and cooperates with other Union transport agencies on operational matters; notes that the Agency is also in the process of developing a strategy for achieving efficiency gains as part of its single programming document which will provide an inventory of existing arrangements with other agencies and explore potential new collaborations with other Union bodies; further notes that there are concrete discussions underway with another agency on concluding a Memorandum of Cooperation;

11. Notes that, in 2020, the Agency prepared an integrated performance management programme intended to improve the Agency's efficiency in the short and long term;

12. Notes the Agency's timely and adequate response to the consequences of the COVID-19 pandemic, in relation to both its staff/working arrangements and to the railway sector in general, in particular by drafting guidance documents and EU COVID-19 roadmaps for public transport by rail; salutes the fact that the Agency made good use of the funds made available by cancellations of missions abroad thereby ensuring its ability to continue to perform its tasks; regrets, however, the budget constraints under which the Agency has to operate;

13. Welcomes the fact that, following a successful start in 2019, the Agency has continued to perform its role of single Union authority responsible for issuing authorisations for placing railway vehicles on the market, single safety certificates for railway undertakings and ERTMS trackside approvals, as stated in the legal framework of the 4th Railway Package; notes that 2020 was an important milestone for the implementation of the 4th Railway Package, with the transition milestone of 16 June 2020 finally moved to the end of October 2020, marking the moment by which all 27 Member States had transposed the technical pillar;

14. Stresses that this has entailed a considerable increase of workload within the agency, beyond the forecast level for 2020; points out that resources have not yet been allocated for a number of the important tasks also mandated to the agency; concludes therefore that the agency urgently needs a considerable increase in funding, as strongly recommended by the management board of the Agency;

15. Welcomes the successful performance of the agency within the framework of the 4th Railway Package technical pillar; notes in particular that the number of ERTMS authorisations, vehicle authorisations and community safety certificates issued increased by 700 %, 300 % and 400 %, respectively, compared to 2019 levels; welcomes the fact that many manufacturers choose to lodge their dossiers with the Agency even if they related only to one Member State; notes that the COVID-19 pandemic has had the effect of accelerating the digitisation of the Agency's work and procedures, in particular with regard to the archiving of files; salutes the Agency's effective maintenance of the One-Stop Shop (OSS) and the advancements made to develop ERTMS long-term evolution, through, for example, the issuance of its ERTMS Opinion service pack 3 on the handling of change requests;

16. Commends the agency on the progress that it has made with the safety culture model and with attracting more organisations to sign the safety declaration, for example through its successful contribution to promoting the Risk Management Framework for the Transport of Dangerous Goods, and by focusing particularly on the improvement of ERTMS robustness against cyber threats, as well as by strengthening the cooperation with EC and ENISA with the aim of developing a coherent approach at Union level;

17. Welcomes the Agency's continuous commitment to the objective of creating a Single European Railway Area and its sustained work in key areas such as reducing national rules and ensuring the maturity of its technical specifications;

18. Applauds the Agency's recommendation to the Commission and multi-annual planning leading to a full revision of the TAP TSI by 2022, thereby facilitating ticketing and multi-modal travel at national and domestic level;

Staff policy

19. Notes that, on 31 December 2020, the establishment plan was 97,29 % executed, with 144 temporary agents appointed out of 148 temporary agents authorised under the Union budget (compared with 148 authorised posts in 2019); notes that, in addition, 32 contract agents and one seconded national expert worked for the Agency in 2020;

20. Notes with concern the gender imbalance within the Agency's senior management, with seven out of eight (87,5 %) being men and within the Agency's management board, with 44 out of 61 (72,1 %) being men; further notes the gender distribution within the Agency's overall staff, with 109 out of 174 (62,6 %) being men; invites the Agency to increase its efforts to achieve a better gender balance at all management and staff levels in the future; reiterates its call on the Commission and the Member States to take the importance of ensuring gender balance into account when appointing their members to the management board of the Agency;

21. Notes that the levels of fees and charges set for the activities of the agency are too low to enable it to properly finance its missions; further stresses that, in addition to the constraints related to its budget, the Agency is limited by a staffing table that imposes a cap on its human resources at 148 permanent staff; notes that the Agency has 144 permanent staff and calls on the Commission to raise the authorised staff ceiling;

22. Encourages the Agency to pursue the development of a long term human resources policy framework which addresses work-life balance, lifelong guidance and career development, gender balance, teleworking, geographical balance and the recruitment and integration of people with disabilities;

23. Notes that, in the course of 2020, three cases of harassment were reported within the Agency; notes, nevertheless, that no investigations were carried out and no cases were brought before a court;

24. Notes that the Agency has become the single authority in the Union for delivering single safety certificates and vehicles authorisations, as well as the European Rail Traffic Management System's Trackside Approvals, which has significantly increased the workload of its staff members;

Procurement

25. Notes that the original procurement plan, which was approved by the Management Board as part of the single programming document 2020 and which is used as the Agency's financing decision, had to be modified throughout the year in order to meet the operational requirements and budgetary constraints of COVID-19; notes that three procedures had to be cancelled, in particular, those related to monitoring training, multimedia content production and communication services, with a total value of EUR 1 852 500;

26. Notes that the Agency carried out four open calls for tenders and four negotiated procedures of low value and without publication of a contract notice in 2020; further notes that one of those negotiated procedures, of which the value was about EUR 950 000, was awarded to support the off-site development of the railways operational system;

Prevention and management of conflicts of interest, and transparency

27. Notes that the Agency has published the CVs and declaration of interests of management board members and its senior management on the Agency's website; notes that the Agency does not publish the CVs of external experts and in-house experts;

28. Welcomes the Agency's efforts to enhance the transparency of the Agency's activities by regularly publishing on its website information on all meetings held by the Executive Director with organisations or self-employed individuals on issues relating to the activities of the Agency;

29. Welcomes the fact that the Agency continued to implement the measures prescribed by the Framework for Good Administrative Behaviour and continued the training on ethics and antifraud which is mandatory for all staff; welcomes the fact that no cases of suspicion of fraud have been transmitted to OLAF;

Internal control

30. Notes that, in 2020, the Agency had fewer non conformities/non-compliance events compared to 2019; acknowledges the efforts of the Agency to strengthen its *ex-ante* verification function, with areas for improvement identified on the basis of the detected non-conformities; acknowledges the efforts of the Agency to strengthen its internal organisation and resources in connection with verification and control, by focusing on prevention rather than correction;

31. Notes the observation in the Court's report that the Commission, under a service level agreement, overcharged the Agency for the provision of different IT services by invoicing those systems based on an incorrect number of users; notes the weaknesses in the internal controls of the Agency identified by the Court, which found that no check had been carried out to ensure that the invoiced amount complied with the terms of the service level agreement; calls on the Agency to assess the identified weakness, to introduce preventive measures, to address the risks identified and to inform the discharge authority about the measures taken;

32. Notes that the Agency performed an assessment of its internal control framework, concluding that the Agency is compliant with its Management Standards; notes that the formulation of that conclusion is different from the one other agencies use, and does not provide insight into whether principles and components of the internal control framework have been implemented and function effectively; calls on the Agency to fully implement the internal control framework in accordance with the guidance provided by the Directorate-General for the Budget; calls on the Agency to take account of the Court's findings in its assessment and to properly evaluate its impact;

COVID-19 response and business continuity

33. Notes from its consolidated annual activity report that the Agency responded in a timely manner and adequately to the COVID-19 pandemic, in relation to both its staff and working arrangements, and to the railway sector; notes that the management board adopted the necessary decisions to ensure the Agency's business continuity during the pandemic, including the necessary decision making arrangements for teleworking for the Agency's staff and the digital support needed for effective remote work; notes that the Agency has put in place a task force for timely monitoring of the pandemic situation and for taking real time decisions in order to safeguard staff health and safety at work, while preserving efficiency; welcomes the fact that the Agency organised regular general assembly meetings to keep its staff informed and involved during this period;

Other comments

34. Notes that the Agency has signed a service level agreement with the computer emergency response team (CERT-EU) and has developed an action plan that includes actions such as the blocking of internal web sites that are not used by external users, the disabling of telemetry features and the deployment of a user risk policy;

35. Notes that the Agency did not set any CO_2 reduction target in 2020; notes, nevertheless, that the Agency is in the process of developing a detailed environmental management annex to the single programming document; notes that the Agency is also following the initiatives of the EU Agency Network related to the eco management and audit scheme and ISO 14001 certification services;

36. Highlights the importance of increasing the digitalisation of the Agency in terms of internal operation and management but also the importance of speeding up the digitalisation of procedures; stresses the need for the Agency to continue to be proactive in this regard, in order to avoid, at all costs, a digital gap between the agencies; draws attention, however, to the need to take all the necessary security measures to avoid any risk to the online security of the information processed;

37. Emphasises the importance for the Agency of developing greater visibility in the media and on the internet in order to make its work better known;

38. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([2]) on the performance, financial management and control of the agencies.

([2]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1778 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Union Agency for Railways (ERA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Union Agency for Railways for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0091/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2016/796 of the European Parliament and of the Council of 11 May 2016 on the European Union Agency for Railways and repealing Regulation (EC) No 881/2004 ([4]), and in particular Article 65 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Transport and Tourism,

— having regard to the report of the Committee on Budgetary Control (A9-0120/2022),

1. Approves the closure of the accounts of the European Union Agency for Railways for the financial year 2020;

2. Instructs its President to forward this decision to the Executive Director of the European Union Agency for Railways, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697
([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 138, 26.5.2016, p. 1.
([5]) OJ L 122, 10.5.2019, p. 1.

DECISION (EU) 2022/1779 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Securities and Markets Authority (ESMA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Securities and Markets Authority for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Authority in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0093/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC ([4]), and in particular Article 64 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— 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 (A9-0108/2022),

1. Grants the Executive Director of the European Securities and Markets Authority discharge in respect of the implementation of the budget of the Authority for the financial year 2020;

2. Sets out its observations in the resolution below;

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 331, 15.12.2010, p. 84.

([5]) OJ L 122, 10.5.2019, p. 1.

3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Executive Director of the European Securities and Markets Authority, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1780 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Securities and Markets Authority (ESMA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Securities and Markets Authority for the financial year 2020,

— 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 (A9-0108/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European Securities and Markets Authority (the 'Authority') for the financial year 2020 was EUR 56 246 722, representing an increase of 18,72 % compared to 2019; whereas the Authority is financed by a contribution from the Union (EUR 16 765 425, representing 29,81 % of the total budget), contributions from national supervisory authorities of the Member States (EUR 21 603 906, or 38,41 %) and fees received from supervised entities (EUR 15 561 159, or 27,67 %);

B. whereas the Court of Auditors (the 'Court'), in its report on the annual accounts of the European Securities and Markets Authority for the financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurance that the Authority's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with satisfaction that the budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 99,03 %, representing a slight decrease of 0,92 % compared to 2019; notes that the execution rate of payment appropriations was at 85,51 %, representing a decrease of 3,26 % compared to the previous year;

2. Notes the Court's observation that in March 2020 the Authority signed a 'data services master agreement' with a Canadian company, for a maximum period of seven years; notes that the maximum amount of the contract was not clearly stated, which reduces the transparency of the signed agreement; notes that, subsequent to the audit, the Authority took corrective actions to address that serious internal control weakness by countersigning the framework contract;

3. Notes that the Court's report stated that the Authority did not apply the interest rate set out in the European Commission's Delegated Regulations on the late payments made by a number of credit rating agencies and trade repositories in connection with their 2020 contributions; notes that the authorising officer also did not establish the amounts receivable and did not take a formal decision to waive the recovery of the late payment interest (penalty) as required by Article 101 of the Financial Regulation; further notes that the amount of the accrued interest for 2020 is EUR 13 601 which is, according to the Authority, 0,1 % of the total fees in 2020; notes the corrective measures taken and calls on the Authority to report to the discharge authority on any relevant developments;

4. Notes that the Authority charges fees to credit rating agencies and trade repositories and that such fees should only cover the Authority's expenditure related to fees charged; notes, however, that the Court found that fees charged exceeded the associated expenditure, thus creating surpluses; notes that the Authority will follow the Commission's guidance on the budgeting model for its fees and aims to limit cross-financing where possible; notes, however, the complexity of the Authority's budget structure, which makes that increasingly difficult and limits the Authority's ability to adapt to market events as a supervisor, using a risk-based approach;

([1]) OJ C 114, 31.3.2021, p. 177.

5. Notes, with regard to the observations from the Court's report, that the surpluses and deficits from the fees charged to credit rating agencies and trade repositories can lead to an annual cross-financing of activities; notes that the Authority should find a means of avoiding such cross-financing; calls on the Authority to inform the discharge authority on the developments in that regard;

6. Notes, regarding the observations from the Court's report, that the Authority has never adjusted, or made plans to adjust, national competent authorities' estimation-based pension contributions for year N to actual figures; calls on the Authority to take action in that regard;

7. Notes that the Authority lacks the legal basis to request trade repositories to have their trade figures certified by independent auditors; notes the Authority's reply that the delegated regulation on fees for trade repositories should be amended to harmonise the calculation system, in line with the recommendations of the Commission's Internal Audit Service; further notes that in 2020 the Authority submitted proposals to the Commission and shared them with the Court in order to deal with this issue;

Performance

8. Notes with satisfaction that the Authority uses certain measures such as key performance indicators to assess the added value provided by its activities and other measures to improve its budget management, such as the number of risk topics analysed, the rate of cancellation of payment appropriations and the staff turnover rate;

9. Notes that the Authority reviewed its key performance indicators for its 2020 annual work programme, focussing on impact measurement; further notes that the Authority continues to review its work in a qualitative manner, by producing ad hoc internal reviews or 'lessons learned' of projects;

10. Notes that the Authority works with the two other European Supervisory Authorities (ESAs), the European Insurance and Occupational Pensions Authority and the European Banking Authority (EBA), via the Joint Committee of the ESAs; notes that the Joint Committee works in the areas of micro-prudential analyses of cross-sectoral developments, risks and vulnerabilities for financial stability, supervision of financial conglomerates, accounting and auditing, retail investment products and consumer and investor protection issues; notes that the Joint Committee also plays an important role in the exchange of information with the European Systemic Risk Board (ESRB) and in developing the relationship between the ESRB and the ESAs; notes that in 2013 the Authority and the Agency for the Cooperation of Energy Regulators also signed a Memorandum of Understanding which established a framework for exchanging information when the regulatory responsibilities of both Union bodies coincides in relation to wholesale energy markets, which encompasses trading in commodity and derivative contracts; notes that the Authority shares the accounting officer function with the EBA, and the majority of its procurements are joint procurements with other agencies and the Commission; further notes that the Authority has implemented its administrative digitalisation programme based on joint IT software shared by six Union agencies, which together cooperate to communicate on best user practices and new releases;

11. Notes that, as a consequence of the impact of the COVID-19 pandemic, the Authority completed 81,5 % of the activities included in its annual work programme in 2020, representing a decrease of 13,5 % compared to 2019;

12. Notes that the Authority welcomes Parliament's positive appraisal of the Authority's involvement in the area of sustainable finance, to ensure transparency about the sustainability impacts and risks for financial products and markets; notes with satisfaction that the Authority continues to contribute actively to the development of the Union regulatory and practical framework for sustainability that is required to meet the political ambition and pressing timetable of the European Green Deal, especially in relation to the Directive 2014/95/EU of the European Parliament and of the Council ([2]), Regulation (EU) 2019/2088 of the European Parliament and of the Council ([3])

([2]) Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups (OJ L 330, 15.11.2014, p. 1).

([3]) Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (OJ L 317, 9.12.2019, p. 1).

and Regulation (EU) 2020/852 of the European Parliament and of the Council ([4]); welcomes in that regard the Authority's Sustainable Finance Strategy that was published on 6 February 2020, that, among other things, prioritised the integration of sustainability into the single rulebook;

Staff policy

13. Notes that, on 31 December 2020, the establishment plan was 76,11 % implemented, with 172 temporary agents appointed out of 226 temporary agents authorised under the Union budget (compared to 210 authorised posts in 2019); notes that, in addition, 68 contract agents and 10 seconded national experts worked for the Authority in 2020;

14. Notes the gender distribution within the Authority's senior management members, with 3 out of 5 being women; notes the gender distribution within the Authority's management board, with 3 out of 6 being of the same gender; further notes the gender distribution within the Authority's overall staff, with 134 out of 250 being men; points out, however, that, in the recruitment of new staff and in connection with promotions, the Authority should bear in mind that candidates' skills, knowledge and experience are the most important factors; points out that the need for a geographical balance among members of staff should also be borne in mind;

15. Notes that the Authority experienced a planned increase in its workload in 2020, for which it received 16 new posts that had been foreseen in the Multiannual Financial Framework for 2020; notes that the Authority also reallocated posts internally to continue to provide input in the Capital Markets Union agenda and to manage the pressure on the Authority's activities as a result of the UK's withdrawal from the Union; further notes that in 2020 the Authority was required to revise its work programme, delaying certain planned tasks and conducting another internal reallocation of staff, in order to respond to the crisis caused by the COVID-19 pandemic;

16. Notes with satisfaction that when teleworking arrangements were introduced as a result of the COVID-19 pandemic, the Authority organised online sessions following its policy on protecting the dignity of the person and preventing psychological and sexual harassment; welcomes that in 2020 there were no harassment cases reported, investigated, or taken to court;

Procurement

17. Notes the efforts made by the Authority to create synergies through joint procurement procedures with other Union agencies; notes that in 2020 the Authority was part of 20 new inter-institutional procurement procedures with other agencies, the Commission, and the European Parliament, including one procedure led by the Authority itself; encourages the Authority to continue developing synergies with other Union bodies;

18. Notes that in 2020 the Authority benefited more than ever from the full digitalisation of all its financial and procurement processes, because of the introduction of a paperless system; notes that the Authority continued its administrative processes during the pandemic and improved its efficiency as a result of the addition of digital signatures practices;

Prevention and management of conflicts of interest, and transparency

19. Notes that 27,66 % of the Authority's budget came from fees charged to the entities it supervises; notes that measures have been implemented in order to mitigate any conflicts of interest, and that those structures and processes have been audited by Union bodies and external auditors; calls on the Authority to continue reporting to the discharge authority on the measures it has taken to ensure that no conflict of interest occurs;

([4]) Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (OJ L 198, 22.6.2020, p. 13).

20. Notes that, given the impact of the COVID-19 pandemic and the severe turbulence in the markets in the spring of 2020, the Authority's management board amended the ethics policy for staff in order to introduce the possibility of a temporary general ban on trading in financial instruments, under certain conditions, to prevent any risk of insider dealing; welcomes that the Authority diligently took on board the European Ombudsman's recommendations to EBA on prevention of conflicts of interest in the context of post-employment activities of leaving senior managers, and incorporated them in its ethics policy for staff in December 2020;

21. Welcomes the steps taken to enhance the transparency of the Authority's activities by reporting the meetings of the Authority's staff with external stakeholders and making them available on the Authority's website;

22. Welcomes the fact that the Authority publishes CVs and declarations of interest of its management board members and management staff;

Internal control

23. Welcomes the annual assessment of the Authority's internal control system and the conclusion that it exists and functions well; notes that, in total, the Authority identified 22 deficiencies, most of which were minor and none of which called into question the existence and proper functioning of the internal control principles; notes, that the observed opportunities for improvement are mainly related to the components 'control environment' and 'control activities'; calls on the Authority to evaluate explicitly the Court's observations, many of which have a bearing on the internal control system, in its annual assessment;

24. Notes that the Court found weak internal controls in monitoring the time charged to the Authority in a 'time and means' contract under a framework contract for IT consultancy services; notes that the Court found that the checks performed by the Authority to verify the actual number of days worked off-site for that contract were inadequate; further notes that the Authority did not regularly keep track of the time charged by the contractor, even though the framework contract specified that it should; notes that the Authority had therefore weak controls in place to confirm that the payments made to the contractor were based on valid timesheets submitted at the proper time, which constitutes a significant internal control deficiency; calls on the Authority to take measures in this regard;

25. Notes that the Internal Audit Service of the Commission (IAS) concluded that the Authority's management and control systems put in place for activity-based management and fee collection were adequately designed and effectively implemented; notes that out of the five recommendations provided in the IAS report, four have already been closed; further notes that the Authority will implement the last one by the end of 2021, together with the implementation of a new IT tool for activity-based management; calls on the Authority to report to the discharge authority on the developments in this regard;

COVID-19 response and business continuity

26. Notes that the Authority launched its business continuity plan and set up a business continuity management team in February 2020; notes that, overall, the pandemic had several key impacts on the Authority, including more frequent meetings of the board of supervisors and other group meetings of the Authority, an increase in the digitalisation and use of audio and video conferencing and voting tools, an increase in the importance of having an online presence on social media and attending online conferences, and a reduced carbon footprint as a result of less printing and less travelling;

27. Notes that, in response to the COVID-19 crisis, the Authority reinforced its coordination role regarding the supervision of investment funds through the organisation of frequent exchanges with national competent authorities on market developments and supervisory risks, in particular on liquidity issues;

Other comments

28. Notes that the Authority continued to prepare for the end of the transition period of the UK's withdrawal from the Union, in line with its mission to enhance investor protection and promote stable and orderly financial markets; notes that the Authority resumed to conduct a systematic analysis of the potential impact of the UK's withdrawal across Union securities markets and for financial market participants, and worked closely with the competent authorities, the Commission and the UK's Financial Conduct Authority to mitigate any issues that arose;

29. Notes that, throughout 2020, the Authority worked on how to continue the use of remote meetings past the pandemic to maintain the related reduction in travel and the associated environmental benefits; encourages the Authority to do so and calls on the Authority to report on any developments in this regard;

30. Calls for buildings to be modernised in order to meet zero-emission standards, in particular by installing solar panels on all buildings belonging to the Authority;

31. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([5]) on the performance, financial management and control of the agencies.

([5]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1781 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Securities and Markets Authority (ESMA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Securities and Markets Authority for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Authority in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0093/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC ([4]), and in particular Article 64 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— 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 (A9-0108/2022),

1. Approves the closure of the accounts of the European Securities and Markets Authority for the financial year 2020;

2. Instructs its President to forward this decision to the Executive Director of the European Securities and Markets Authority, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 331, 15.12.2010, p. 84.

([5]) OJ L 122, 10.5.2019, p. 1.

DECISION (EU) 2022/1782 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Training Foundation (ETF) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Training Foundation for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Foundation in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0094/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EC) No 1339/2008 of the European Parliament and of the Council of 16 December 2008 establishing a European Training Foundation ([4]), and in particular Article 17 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Employment and Social Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0105/2022),

1. Grants the Interim Director of the European Training Foundation discharge in respect of the implementation of the Foundation's budget for the financial year 2020;

2. Sets out its observations in the resolution below;

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 354, 31.12.2008, p. 82.

([5]) OJ L 122, 10.5.2019, p. 1.

3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Interim Director of the European Training Foundation, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1783 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Training Foundation (ETF) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Training Foundation for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Employment and Social Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0105/2022),

A. whereas, according to its statement of revenue and expenditure [1], the final budget of the European Training Foundation (the 'Foundation') for the financial year 2020 was EUR 20 957 000, representing an increase of 2,00 % compared to 2019; whereas the budget of the Foundation derives entirely from the Union budget;

B. whereas the Court of Auditors (the 'Court'), in its report on the Foundation's annual accounts for the financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurance that the Foundation's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes that budget monitoring efforts during the financial year 2020 resulted in a high budget implementation rate of 99,88 %, representing a slight decrease of 0,08 % compared to 2019; takes note that the payment appropriations execution rate was 95,65 %, representing a decrease of 0,25 % compared to the previous year;

2. 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;

Performance

3. Notes that the Foundation uses certain measures as key performance indicators (KPIs) to measure performance, as surveys, and other to improve its budget management, such as commitment appropriation implementation, payment appropriations cancellation rate, timely payments, rate of outturn; notes with satisfaction that the Foundation has added four KPIs for measuring added value of its activities in 2020;

4. Notes that the Foundation achieved an 86,84 % activity completion rate, a slight decrease compared to 2019, with a timely completion rate of 75,94 %; notes that the Foundation has achieved all the KPIs, with only few exceptions; notes that in 2020, as a result of the COVID-19 pandemic, the activity completion was negatively affected;

5. Notes that the Foundation launched a network for excellence in 2020, offering a platform to exchange partnership among new and existing centres of excellence; notes in addition that the Foundation created tools to support digital learning, such as SELFIE (a self-assessment tool), which is currently used in South-Eastern Europe, Turkey and in three selected eastern partnership countries;

6. Notes that, in terms of contribution to the Union external action policies in 2020, the Foundation's expertise was used in formulation, implementation and monitoring of Union programmes in human capital development, amounting to approximately EUR 305 million; notes that the Foundation continued its cooperation with international and bilateral development actors, such as organisations and financial institutions;

[1] OJ C 114, 31.3.2021, p. 22.

7. Welcomes the Foundation's continued cooperation with other agencies, in particular with the European Centre for Development of Vocational Training (Cedefop) and Eurofound, which improved efficiency and enabled significant knowledge sharing in their field of expertise;

8. Welcomes in particular the Foundation's ongoing initiative 'Skills for Enterprise Development' addressing the need for skills adaptation and enhancement, enabling enterprises to respond and manage challenges, including those resulting from the COVID-19 pandemic, contribute to greener, inclusive and innovative societies and boost sustainable competitiveness and resilience;

9. Welcomes the Foundation's activities in helping Union partner countries harness the potential of their human capital and improve the employment prospects of their citizens through the reform of education, vocational training, skills and labour market systems, in the context of the Union's external relations policies; highlights the need to ensure adequate human and financial resources allowing the Foundation to continue implementing its work programme with a very high activity completion rate;

10. Recognises that the Foundation's objectives and actions are closely aligned with Union policies and activities in the field of vocational education and training, human development, skills and migration;

Staff policy

11. Notes that, on 31 December 2020, the establishment plan was 98,8 % implemented, with 85 temporary agents appointed out of 86 temporary agents authorised under the Union budget (compared to 86 authorised posts in 2019); notes that in addition, 41 contract agents and 1 local agent worked for the Foundation in 2020;

12. Notes that the gender balance among middle and senior management in 2020 was six women out of ten (compared to 2019, when it was five out of nine); notes that the gender balance among the members of the management board is 40 % men and 60 % women and among staff overall 32,3 % men and 67,7 % women; asks the Foundation to ensure better gender balance at the management and staff levels in the future; asks the Commission and the Member States to take into account the importance of ensuring gender balance when nominating their members to the Foundation's management board; notes that the Foundation receives a higher number of applications from its host country despite the wide publication of its vacancy notices, which explains the higher number of Italian nationals recruited (in 2020, 41 % of staff had the Italian nationality); notes that the Foundation is using a merit-based selection procedure, with in presence of equal merits, the choice in favour of candidates with under-represented nationalities; calls on the Foundation to continue to enhance the geographical balance of its staff in order to establish a proper representation of nationals from all Member States, with a particular focus at management level;

13. Notes with satisfaction that the Foundation updated its own manual of procedures including a policy on preventing harassment; notes that in 2020, the Foundation organised a supervision session with a psychologist to share best practices and difficult situations in managing cases; notes that a new human resources strategy for the period 2021-2027 has been adopted and that this strategy includes a policy of zero-tolerance for non-respectful behaviour; notes with satisfaction that in 2020, all newcomers received an induction session on harassment and a presentation by the confidential counsellors;

14. Underlines the need to avoid digital overloading and emphasizes that staff should work only within working hours; welcomes the Foundation's new tools that were recently uploaded for the delivery of messages within working hours; calls on the other agencies to follow this as a good practice;

Prevention and management of conflicts of interest, and transparency

15. Notes that the Foundation published all the declarations of conflict of interest and CVs for management board members, and senior and middle managers;

Procurement

16. Notes that synergies with other institutions on procurement have been sought with a systematic ad-hoc opportunity assessment to all procurement needs; notes that in 2020, the Foundation was part of 56 interinstitutional contracts, nine service-level agreements and seven contracts open to other agencies; notes that the procurement team continued to participate actively within the network of senior procurement advisers of the EU Agencies Network;

17. Notes with satisfaction that the Foundation in 2020 has started to implement green public procurement; further notes that the Foundation's e-procurement project progressed with the receipt of electronic invoices (54 % of incoming invoices were received electronically in 2020 versus 42 % in 2019) and the receipt of electronic tenders for all open tenders (e-tendering and e-submission); notes that, apart from efficiency gains and reduction of paper use in the procurement and payment processes, this deployment also guaranteed business continuity in the area of work programme implementation, especially while working under remote conditions; encourages the Foundation to make further use of innovative digital solutions;

18. Notes that the time-to-pay has improved in 2020 to 17,5 days on average, compared to 18,5 in 2019;

Internal control

19. Regrets that, according to the Court's report, the Foundation did not comply with internal control principle 12 of its internal control framework, under which the exceptions and non-compliance events should be recorded in the register of exceptions; notes that the Court in particular identified several deviations from established procedures, such as the use of electronic signatures for documents which required traditional signatures; notes that the Court concluded that this undermines the transparency and the effectiveness of the Foundation's internal control systems; calls on the Foundation to increase transparency by registering all exceptions in the register, distinguishing between *ex-ante* exceptions and *ex-post* non-compliance events, and to report to the discharge authority;

20. Regrets that the internal audit service (IAS) did not carry out an internal audit in 2020; notes that an IAS strategic risk assessment has been carried out, which led to the development of the IAS multi-annual planning document and that it has been adopted by the governing board; notes that the Foundation has formally closed all previous IAS audit recommendations and that it does not have any outstanding open audit recommendation;

21. Notes that the Foundation has one open Court observation, which was issued in 2018 and reported as outstanding in 2019; notes that it refers to a public procurement procedure for temporary agency services where the Foundation applied award criteria that consisted mostly of non-competitive price elements; recalls the Court's conclusion that the Foundation should use award criteria that focus on competitive award price elements; acknowledges that the Foundation will address this issue when launching the next procurement procedure for interim workers, by including competitive price elements in the award criteria;

22. Notes the Foundation's assessment of its internal control system, concluding that twelve internal control principles were implemented and effective and five principles were functioning well with some minor improvements needed, showing progress in comparison with 2019; calls on the Foundation to incorporate the Court's findings in the assessment, in particular its observation on the register of exceptions;

23. Notes that the Foundation has developed and implemented its own anti-fraud strategy elaborated using the methodology developed by OLAF;

COVID-19 response and business continuity

24. Notes that the Foundation set up various measures in response to the COVID-19 pandemic, such as permitting telework and limiting the access to the Foundation building for the majority of 2020, providing means and tools to support coping with change and disruptive social and working environments, and reprioritising the activities in the work programme 2020; notes that the implementation rate of the work programme was at 87 %, according to the

Foundation due to the fact that many actions were postponed from the second to the last quarter of the year which put a strain on the implementation capacity of the Foundation and on partner countries with some actions carried forward into 2021; notes that access for the Foundation staff to COVID-19 testing was arranged; notes that regular staff meeting were held;

25. Notes that in 2020, the Foundation launched a web-campaign to offer support during the COVID-19 crisis, called '#learningconnects', focusing on how education and training systems, businesses, schools, teachers, students and their families could adapt to the challenges of teaching and learning at a distance, often using unfamiliar and untried technology and imperfect systems and infrastructure;

Other comments

26. Notes that the Foundation implemented the key measures in place to address cybersecurity, such as the collaboration with CERT-EU and the implementation of multi-factor authentication notes that in 2020 a working group was set up to tackle security issues, focusing on actions to mitigate the risks linked to cyber security;

27. Notes that, in 2020, the Foundation implemented the environmental management system leading to the successful completion of ISO Certification and of the audit process for EMAS registration in 2021; notes with satisfaction that the Foundation has developed five environmental improvement plans, concerning key areas waste, water, material, energy and emissions;

28. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([2]) on the performance, financial management and control of the agencies.

([2]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1784 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Training Foundation (ETF) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Training Foundation for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Foundation in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0094/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EC) No 1339/2008 of the European Parliament and of the Council of 16 December 2008 establishing a European Training Foundation ([4]), and in particular Article 17 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Employment and Social Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0105/2022),

1. Approves the closure of the accounts of the European Training Foundation for the financial year 2020;

2. Instructs its President to forward this decision to the Interim Director of the European Training Foundation, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 354, 31.12.2008, p. 82.

([5]) OJ L 122, 10.5.2019, p. 1.

DECISION (EU) 2022/1785 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA) for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0095/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2018/1726 of the European Parliament and of the Council of 14 November 2018 on the European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA), and amending Regulation (EC) No 1987/2006 and Council Decision 2007/533/JHA and repealing Regulation (EU) No 1077/2011 ([4]), and in particular Article 47 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0116/2022),

1. Grants the Executive Director of the European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA) discharge in respect of the implementation of the Agency's budget for the financial year 2020;

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 295, 21.11.2018, p. 99.

([5]) OJ L 122, 10.5.2019, p. 1.

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 Executive Director of the European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA), 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1786 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA) for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0116/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA) (the 'Agency') for the financial year 2020 was EUR 240 119 000, representing a decrease of 16,74 % compared to 2019, when the Agency's budget was increased by 40,23 % compared to 2018; whereas the Agency's budget derives almost exclusively from the Union budget;

B. whereas the Court of Auditors (the 'Court') in its report on the annual accounts of the Agency for the financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurance that the Agency's annual accounts are reliable, and that the underlying transactions as regards revenue are legal and regular in all material aspects; whereas the Court identified a total amount of payments of EUR 10 405 074,69 which it considered not to be compliant with the provision of the relevant framework agreement, representing 4,1 % of the payment appropriations available in 2020, thereby exceeding the materiality threshold set for the audit and resulting in a qualified opinion on the legality and regularity of payments underlying the accounts; whereas, except for those non-compliant payments, the Court concludes that the underlying transactions as regards payments for the year ended 31 December 2020 are legal and regular in all material respects;

Budget and financial management

1. Regrets that budget-monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 75,61 % which, although it represents an increase of 31,10 % compared to 2019, is still well below the target; notes, furthermore, that the payment appropriations execution rate was 96,24 %, representing an increase of 3,96 % compared to 2019;

2. Notes the observations of the Court on the high amount of carry-overs for Titles II and III of the Agency's budget, notes that the Agency used automatic carry-overs of non-differentiated appropriations for Title II of EUR 10 200 000 (59,4 %) of a total amount of automatic carry-overs of EUR 17 200 000; notes that the Agency also used non-automatic carry-overs of commitment appropriations for Title III of EUR 56 300 000 (23 % of the appropriations in the final budget), mainly related to the European Criminal Records Information System (ECRIS), the European Travel Information and Authorisation System (ETIAS) and the interoperability system, and that those non-automatic carry-overs are significantly lower than the EUR 159 000 000 of non-automatic carry-overs in 2019 (55 % of appropriations in the final adopted budget) while still representing a substantial amount compared to the total budget; notes the Court's conclusion that, although the nature of the Agency's operations may spill over to the following year, the excessive amount of carry-overs for Titles II and III is indicative of various structural issues that affect compliance with Articles 9, 12 and 28 of the Agency's financial rules; calls on the Agency to address those issues;

([1]) OJ C 114, 31.3.2021, p. 199.

3. Regrets the fact that the budget implementation was less than planned; calls on the Agency, together with the Commission, to improve the alignment of budgetary planning with the timing of the related legal acts; acknowledges that the Agency has taken steps to improve the situation;

Performance

4. Welcomes the fact that the Agency uses certain tools as key performance indicators to assess the added value provided by its activities and to improve its budget management; notes that the Agency updated its corporate key performance indicators in 2020 with ten out of 30 indicators not changed or only changed editorially, one indicator deleted, one new indicator introduced and other indicators updated for various reasons, such as changes in the regulatory environment of the Agency, insights gathered from audits and availability of better metrics;

5. Notes that, according to the statement of the Agency, it achieved its objectives for 2020 as set out in its establishing regulation, Regulation (EU) 2018/1726 of the European Parliament and of the Council ([2]), progressed towards the goals and objectives established in the Agency's long-term strategy and delivered the results defined in its 2020 annual work programme, in terms of both outcomes and performance; notes that the performance and availability of the IT systems operated by the Agency was in accordance with the relevant service-level agreements; notes that the implementation of new IT systems, as well as the development of interoperability between the new and the existing systems, continued; notes that the implementation of the new Entry/Exit System (EES) faced a delay of two months as the Justice and Home Affairs Council decided to postpone the entry into operation to allow the Member States more time to prepare; welcomes the fact that for the other new IT-systems the Agency reports that implementation timetables were not negatively affected;

6. Notes that in 2020 the Agency signed a transversal engineering framework (TEF) in order to move away from the silo approach to development and operation of systems; notes that the TEF is aimed at setting up a contractual shell for the design, development, testing and implementation of new IT-systems;

7. Stresses that the Agency offers an important contribution to a safer Union by ensuring the highest levels of information security and data protection for the information entrusted to it, providing high-quality services and helping to align Member States' technological capabilities with their needs; draws attention to the need to take all the necessary measures to avoid any risk to the information processed; notes that the Agency's capacity to both improve existing and develop new information systems was enhanced by its new mandate set out in Regulation (EU) 2018/1726, which entered into force on 11 December 2018; welcomes the continued efforts made by the Agency to adapt to that new mandate in 2020;

8. Welcomes the adoption, in December 2020, by the Commission of the proposal for a e-CODEX regulation; welcomes the agreement reached by the co-legislators in this regard in December 2021; recalls that the Agency will play a crucial role in the successful implementation of the e-CODEX system and that the Commission should envisage appropriate resources dedicated to the increase in the Agency's responsibilities;

Staff policy

9. Notes that, on 31 December 2020, the establishment plan of the Agency was 89,6 % implemented, with 181 temporary agents appointed out of the 202 temporary agents authorised under the establishment plan (compared to 172 authorised posts in 2019); notes that, in addition, 83 contract agents and 10 seconded national experts worked for the Agency in 2020, out of 111 contract agents and 11 seconded national experts authorised under the establishment plan;

([2]) Regulation (EU) 2018/1726 of the European Parliament and of the Council of 14 November 2018 on the European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA), and amending Regulation (EC) No 1987/2006 and Council Decision 2007/533/JHA and repealing Regulation (EU) No 1077/2011 (OJ L 295, 21.11.2018, p. 99).

10. Notes with concern the composition of the Agency's senior management with respect to gender (two men (100 %) and no women), of the management board (44 men (81,5 %) and 10 women (18,5 %)), and within the staff overall (184 men (69,7 %) and 80 women (30,3 %)); asks the Agency to ensure gender balance at the management and staff levels in the future; asks the Commission and the Member States to take into account the importance of ensuring gender balance when nominating their members to the Agency's management board;

11. Notes the difficulties faced in the Agency's recruitment procedures caused by the COVID-19 pandemic which slowed down the recruitment and onboarding of new staff considerably, with the Agency reporting that 50 % of its recruitment that reached the final phase were directly affected or delayed in taking up duties due to COVID-19 related restrictions; notes that the Agency reports to have launched 25 selection procedures with 19 procedures closed by year-end, resulting in 21 issued and accepted job offers;

12. Notes that the Agency reported that its confidential counsellors received seven completed forms to informally seek information and advice or guidance and support in cases of psychological harassment and situations of conflict; notes that no cases of formal harassment following receipt of the information were reported, and that there were no harassment cases brought before the General Court in 2020; notes that the confidential counsellors of the Agency are regularly trained and receive support from external experts;

13. Welcomes the fact that the Agency has correctly implemented the Court's recommendation concerning the proper assessment of applications in recruitment procedures;

Procurement

14. Welcomes the signature of the TEF, the largest tender ever signed by the Agency; notes that the Agency presents the TEF as a significant innovation to the operational sourcing model of the Agency that is expected to generate important gains in the vendor and contract management process, including better value for money, economies of scale and faster procurement processes, while also reducing the Agency's dependence on a relatively small number of vendors; welcomes the innovative approach, encourages the Agency to continue with that approach and calls on the Agency to inform the discharge authority of whether the gains are materialising and on how the risks, inherent to the innovative approach, are being managed by the Agency;

15. Notes that the preparation of the specifications for the call for tenders related to the TEF was completed in January 2020 and that the tender procedure was launched on 29 January 2020 for four lots and associated services, namely Lot 1: design, coordination, quality assurance and integration support, Lot 2: development services, Lot 3: infrastructure (hardware, software and related services), and Lot 4: testing and qualification; notes that the contracts for Lots 1, 2 and 3 were signed in 2020, while Lot 4 was signed in July 2021; notes that it is a significant achievement for the Agency to have completed these procedures, in particular considering the restrictions caused by the COVID-19 pandemic;

16. Notes that the Court found that the Agency signed a specific contract for software that was different from the software offered by the contractor in its tender for the associated framework contract; notes that the Agency did not modify the framework contract; notes that, according to the Court's observation, acquiring a different product that is not included in the price offer, at a different price than the product originally offered, is a deviation from the framework contract; notes the Court's conclusion that the specific contract is non-compliant with the framework contract as is the associated payment of EUR 10 399 834; notes that the Agency acknowledges the Court's observations and underlines that following the issuance of the Court's observation, the Agency responded promptly, signing an amendment to the framework contract in order to rectify the initial omission; notes that the Agency states that the non-compliance did not result in any prejudice to the financial interests of the Agency or the Union as it considers that the expenditure was justified; regrets that the Agency did not follow the appropriate procedures, especially given the substantial amount concerned; notes the extensive considerations that the Agency's executive director presented in a hearing with Parliament's Committee on Budgetary Control on 29 November 2021, stating that the decision to acquire the software in question was a conscious decision of the Agency's management with the purpose of reducing the duplication of training and support efforts, ultimately reducing the overall operational costs for the Agency; emphasises that, even though cost-saving opportunities can be assumed, the

applicable procurement rules must be followed at all times to ensure that the Union taxpayer gets full value for money through transparent and competitive procurement procedures; calls on the Agency to make sure that procurement rules are respected at all times;

17. Points out that shortage of dedicated administrative positions may have a negative impact on the functioning of the procurement procedures within the Agency; invites the Commission and the Agency to engage in an active dialogue about improving the Agency's establishment plan, especially about the level at which posts are allocated;

18. Notes that the Court found that the Agency signed an order form for maintenance services covering the period from 7 November 2020 to December 2024 (four years), contravening the provisions of the related framework contract that allowed services to be invoiced in advance for one year; notes that the Court concluded that the amount of EUR 5 241 paid to the contractor for services to be provided after 7 November 2021 is irregular; notes that, although it concerns a relatively small amount, the reputational risks of non-respect of procurement rules should be taken into account;

Prevention and management of conflicts of interest, ethics and transparency

19. Acknowledges the Agency's existing measures and ongoing efforts to secure transparency, prevention and management of conflicts of interest, and whistleblower protection; notes that the Agency has in place rules on the prevention and management of conflicts of interest for members of staff; notes that the Agency's management board, on 23 December 2020, adopted implementing rules on the prevention and management of conflicts of interest for members of staff in order to ensure, in a transparent and consistent manner, the handling of situations where conflicts of interest may arise; notes that those implementing rules are applicable to the Agency's staff, including the executive director and the deputy executive director, seconded national experts, and paid and unpaid interns;

20. Notes with appreciation that for the members of its management board and its senior management, the Agency publishes the declarations of interest on its website; regrets, however, that CVs for the members of its management board are not presented on its website; recalls the call by the discharge authority in the 2019 discharge for the Agency to publish those CVs on the Agency's website in order to increase transparency;

21. Calls on the Agency to take measures to ensure full compliance with Union transparency rules as well as with fundamental rights and data protection standards;

Internal control

22. Welcomes the Agency's annual assessment of its internal control system that concluded that its internal control system is present, functioning and effective, although some improvements are needed; calls on the Agency to incorporate the Court's observations regarding non-respect of procurement procedures in its assessment and to evaluate the impact of the identified weaknesses on the internal control principles and components;

23. Notes that at the end of 2020 the implementation rate of audit recommendations was 65 % (24 recommendations implemented and 37 recommendations due); notes that in total 31 recommendations were open at the end of 2020 out of which none were 'critical'; notes with concern that 13 recommendations were past their due date, meaning that the implementation of the recommendation was ongoing though the deadline for implementation had lapsed;

24. Welcomes the progress made regarding the Court's observations and Parliament's discharge resolutions from previous years and the fact that the Agency has correctly implemented the Court's recommendation concerning the proper assessment of applications in recruitment procedures; recalls that work with regard to four remaining observations are still ongoing; calls on the Agency to step up its efforts to implement corrective measures regarding the Court's outstanding observations;

COVID-19 response and business continuity

25. Notes the disruption caused by the COVID-19 pandemic that challenged the Agency's business continuity and the availability of the existing large-scale IT systems and the implementation of the new systems entrusted to it; welcomes the fact that despite these challenges, the Agency ensured the uninterrupted availability of the existing large-scale IT systems (Schengen Information System (SIS), Visa Information System (VIS) and European Asylum Dactyloscopy database (Eurodac)) and made further progress with respect to the implementation of EES, ETIAS and the interoperability package; notes with appreciation that the mitigating measures taken by the Agency allowed it to reduce the negative impact of the pandemic;

26. Notes that the Agency reduced the physical presence of staff at the Agency's sites and took measures to maintain healthy workplaces for critical staff, thus ensuring business continuity for the Agency's systems; notes that the Agency also had to take mitigating measures to reduce the impact of the COVID-19 pandemic on the development and deployment of systems due to disrupted supply chains in the second half of 2020 and due to travel and access restrictions that prevented the availability of staff and contractors to work on site; notes that the Agency, notwithstanding those difficulties, made significant progress on key projects such as the implementation of the second generation SIS (SIS II), phase 2 of the Automated Fingerprint Information System and the integration of new users to SIS and VIS;

Other comments

27. Notes with appreciation that the Agency drafted, negotiated and signed bilateral cooperation plans with the European Asylum Support Office (now the European Union Agency for Asylum), the European Union Agency for Fundamental Rights and the European Union Agency for Cybersecurity (ENISA); notes that the Agency also continued its cooperation with other partner agencies, such as the European Union Agency for Law Enforcement Training (CEPOL) on training activities, the European Border and Coastguard Agency on SIS, EES, ETIAS and interoperability, CEPOL on VIS, the Supplementary Information Request at the National Entries (SIRENE), SIS, EES, ETIAS and interoperability, and the European Union Agency for Criminal Justice Cooperation (Eurojust) on Eurodac and SIS;

28. Welcomes the Agency's active online presence in 2020, inter alia, through the 'Discover eu-LISA' campaign, the Agency's participation in 16 joint actions and campaigns with the Union's justice and home affairs agencies, and the interactive game quiz.eulisa.europa.eu; encourages the Agency to continue promoting its work, research and activities to increase its public visibility;

29. Welcomes the fact that the Agency made significant progress on the project for building a second extension to its technical site in Strasbourg with the formal land transfer, from French authorities to the Agency, of the 20 000 m^2 plot adjacent to its current building complex that will serve as the site for the new extension;

30. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([3]) on the performance, financial management and control of the agencies.

([3]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1787 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA) for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0095/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2018/1726 of the European Parliament and of the Council of 14 November 2018 on the European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA), and amending Regulation (EC) No 1987/2006 and Council Decision 2007/533/JHA and repealing Regulation (EU) No 1077/2011 ([4]), and in particular Article 47 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0116/2022),

1. Approves the closure of the accounts of the European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA) for the financial year 2020;

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 295, 21.11.2018, p. 99.

([5]) OJ L 122, 10.5.2019, p. 1.

2. Instructs its President to forward this decision to the Executive Director of the European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA), the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

DECISION (EU) 2022/1788 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Agency for Safety and Health at Work (EU-OSHA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Agency for Safety and Health at Work (EU-OSHA) for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0096/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2019/126 of the European Parliament and of the Council of 16 January 2019 establishing the European Agency for Safety and Health at Work (EU-OSHA), and repealing Council Regulation (EC) No 2062/94 ([4]), and in particular Article 16 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Employment and Social Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0106/2022),

1. Grants the Interim Executive Director of the European Agency for Safety and Health at Work (EU-OSHA) discharge in respect of the implementation of the Agency's budget for the financial year 2020;

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 Interim Executive Director of the European Agency for Safety and Health at Work (EU-OSHA), 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 30, 31.1.2019, p. 58.

([5]) OJ L 122, 10.5.2019, p. 1.

RESOLUTION (EU) 2022/1789 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Agency for Safety and Health at Work (EU-OSHA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Agency for Safety and Health at Work (EU-OSHA) for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Employment and Social Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0106/2022),

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;

B. whereas according to its statement of revenue and expenditure ([1]) the final budget of the European Agency for Safety and Health at Work (the 'Agency') for the financial year 2020 was EUR 16 058 100, representing an increase of 2,03 % compared to 2019; whereas the Agency's budget derives mainly from the Union budget;

C. whereas the Court of Auditors (the 'Court') in its report on the Agency's annual accounts for financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurance that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes that the budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 96,8 %, representing a decrease of 1,04 % compared to 2019; regrets that the payment appropriations execution rate was at 62,15 %, representing a decrease of 14,18 % compared to 2019; notes that the low rate of payment appropriations is related to a slow-down of activities of the Agency caused by the COVID-19 pandemic;

2. Notes that the Agency is performing an analysis of the reasons for very high carry-overs as a follow-up to the observations of the Court in 2019; calls on the Agency to inform the discharge authority about the outcome of the analysis;

Performance

3. Notes that the Agency uses certain measures as key performance indicators (KPIs) to assess the added value provided by its activities and other measures to improve its budget management, such as work programme delivery, cancellation of payments appropriations and outreach capacity of intermediaries through networking; welcomes the fact that the Agency uses a KPI to measure the implementation of commitment appropriations, as this has been a critical point in previous years with consistent remarks of the Court in this regard; notes that the Agency has achieved almost all its targets with a part of the work programme was not achieved as the pandemic had an impact on traveling and events;

([1]) OJ C 114, 31.3.2021, p. 45.

4. Welcomes the fact that the Agency carried out the *ex post* evaluations of finalised occupational safety and health (OSH) overviews on work-related diseases, costs and benefits of OSH and on microenterprises and small enterprises; notes that the evaluation concluded that the Agency should continue its efforts in these important topical areas and specific recommendations were provided; welcomes the fact that in 2020 the Agency carried out the *ex post* evaluations of the Healthy Workplaces Campaign 2018-2019; notes that the campaign has been particularly successful in the area of stakeholders engagement and dissemination of activities;

5. Notes that the Agency collaborates closely with other agencies, namely the European Foundation for the Improvement of Living and Working Conditions (Eurofound), the Fundamental Rights Agency, the European Centre for the Development of Vocational Training, the Joint Research Centre and the European Labour Authority, on topics of common interest such as the employment and social affairs policy; notes that the Agency, for the development of the OSH Barometer, cooperated with Eurostat; notes that the Agency worked closely with the European Chemical Agency for the work of dangerous substances; notes that the Agency also worked closely with the European Maritime Safety Agency with regard to OSH in the context of oil spills; welcomes the 2020-2024 strategy to take action against cancer in the workplace;

6. Appreciates the Agency's activities to develop, gather and provide reliable and relevant information, analysis and tools on OSH, which contribute to the Union policy aiming to promote healthy and safe work places across the Union;

7. Notes, in particular, the prominent role that the Agency has in supporting the implementation of principle 10 of the European Pillar of Social Rights; welcomes the Agency's strong commitment to ensuring that all workers enjoy the same OSH rights regardless of the size of the undertaking, the type of contract or the employment relationship;

8. Stresses the Agency's importance, autonomy and added value in its field of expertise; highlights the need of ensuring adequate human and financial resources allowing the Agency to continue implementing its work programme with a very high activity completion rate, in particular in the light of the implementation of the new EU Strategic Framework on Health and Safety at Work (2021-2027) and the forthcoming legislation on the protection of workers from the risks related to exposure to asbestos at work and carcinogens and mutagens directive;

9. Believes that the Agency can provide useful information and analysis on the impact of telework and other digital solutions for both employers and workers on OSH in the context of working conditions during the COVID-19 pandemic with particular attention to mental health;

Staff policy

10. Notes that, on 31 December 2019, the establishment plan was 97,5 % implemented, with 39 temporary agents appointed out of 40 temporary agents authorised under the Union budget (compared to 40 posts filled out 40 authorised in 2019); notes that, in addition, 24 contract agents worked for the Agency in 2020;

11. Notes with concern the lack of gender balance among senior managers, with three men (75 %) and one woman (25 %); notes the better gender balance on the management board, with 51 men (58,6 %) and 36 women (41,4 %), and among staff overall, with 16 men (30,2 %) and 44 women (69,8 %); asks the Agency to ensure gender balance at the management and staff levels in the future; asks the Commission and the Member States to take into account the importance of ensuring gender balance when nominating their members to the Agency's management board;

12. Welcomes the fact that no harassment cases were reported and that the Agency has a strong engagement in promoting anti-harassment policies, organising regularly awareness raising sessions for its staff and creating a specialised intranet page on the topic;

13. Regrets that staff feels isolated because of teleworking; however, welcomes the fact that management offers a lot of psychological support, mindfulness sessions and does its best to create the best possible atmosphere, based on what staff members need and what the local administration decides;

14. Expresses concern about the long and non-transparent procedure for appointing the Agency's new executive director;

Procurement

15. Notes that the Agency developed a consolidation strategy of its finance and procurement function that aims at optimising use of resources, harmonising processes, and better defining roles and responsibilities; notes that, due to the COVID-19 pandemic, the implementation, originally planned for 2020, has been postponed and started late 2020 with the appointment of an external expert to assist with practical arrangements;

16. Notes that the implementation of the Agency's document management system was completed in 2020; further notes the adoption of e-procurement, in particular e-tendering and e-submission, the electronic signature procedure, and simplification and digitalisation of several internal workflows; recalls the importance of increasing the Agency's digitalisation in terms of internal operation and management but also in order to speed up the digitalisation of procedures; draws attention to the need to take all the necessary security measures to avoid any risk to the online security of the information processed;

Prevention and management of conflicts of interest, and transparency

17. Acknowledges the Agency's existing measures and ongoing efforts to ensure transparency and the prevention and management of conflicts of interest; notes that in January 2020 the management board revised the prevention and management of conflicts of interest policy and that the management board members are requested to provide a declaration of absence of conflicts of interest in addition to a declaration of interests; welcomes that both declarations are available on the Agency's website;

Internal control

18. Welcomes the fact that the Agency uses a non-conformity strategy that records not only *ex ante* exceptions, but also *ex post* events, aiming to improve existing procedures and detect internal control weaknesses; notes that in 2020 the non-conformities recorded did not indicate significant weaknesses in terms of the existing controls; notes that the Agency took part again in the peer review exercise on risk management in decentralised agencies launched by the Commission, by sharing knowledge, methodologies and critical risks with the other agencies taking part to the working group;

19. Notes that the Agency's internal control framework (ICF) was adopted by the management board in 2019, based on the Commission's internal control framework; notes that the Agency performed an assessment of the ICF for the reporting year 2020 that concluded that the framework is present and functions adequately concerning all internal control components;

20. Notes that the Agency's corporate risk register is linked to the ICF and that both are subject to periodical reviews by senior management; notes that all the risks monitored during 2020 were categorised as related to the 'external environment' and none of them is classified as a potential threat for the Agency's reputation or strategic achievement;

21. Takes notes of the fact that two corrective actions reported by the Court linked to the excessive committed appropriations carried over from previous years are ongoing;

COVID-19 response and business continuity

22. Notes with satisfaction that the Agency provided useful information and resources to assess the risks and the impact on the workplace and mitigate them; notes that the Agency reported all the actions delivered and planned, such as projects related to telework, reports aiming to evaluate the psychosocial risks of the COVID-19 pandemic, guidance for the workplace and participation in several high-level meetings related to the protection of workers in the context of the COVID-19 pandemic;

23. Notes that the Agency supported remote working arrangements for staff, launching new electronic internal procedures to facilitate business continuity; notes that the Agency provided to staff proper teleworking equipment and secure access to the Agency's IT systems; notes that internal and external meetings were moved online, and that paperless workflows were established to allow the Agency to continue meeting its financial and contractual obligations;

24. Notes that in 2020, the Agency continued to effectively communicate and promote OSH; notes that the Agency, despite COVID-19 restrictions, managed to actively present its work at over 300 events; notes that the Agency provided a multilingual (25 languages) guidance for workplaces, which is among the most downloaded and accessed publications in the history of the Agency, and a range of other COVID-19 resources were developed and communicated via the Agency's website; encourages the Agency to continue working on guidelines to help employers and workers adapt to the evolution of the COVID-19 pandemic;

Other comments

25. Notes that the Agency started a cooperation with CERT-EU via a service level agreement in order to ensure cyber protection for the Agency; notes that in 2020, cybersecurity has been identified as an issue and that the Agency suggested to launch a call for tender for the provision of cyber security services in 2021; calls on the Agency to inform the discharge authority on the progress made;

26. Notes that with the proclamation of the European Pillar of Social Rights, the Agency is given an important role in implementing its principles;

27. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([2]) on the performance, financial management and control of the agencies.

([2]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1790 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Agency for Safety and Health at Work (EU-OSHA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Agency for Safety and Health at Work (EU-OSHA) for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0096/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2019/126 of the European Parliament and of the Council of 16 January 2019 establishing the European Agency for Safety and Health at Work (EU-OSHA), and repealing Council Regulation (EC) No 2062/94 ([4]), and in particular Article 16 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Employment and Social Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0106/2022),

1. Approves the closure of the accounts of the European Agency for Safety and Health at Work (EU-OSHA) for the financial year 2020;

2. Instructs its President to forward this decision to the Interim Executive Director of the European Agency for Safety and Health at Work (EU-OSHA), the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697
([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 30, 31.1.2019, p. 58.
([5]) OJ L 122, 10.5.2019, p. 1.

DECISION (EU, Euratom) 2022/1791 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the Euratom Supply Agency for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the Euratom Supply Agency for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0092/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,

— 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 966/2012 ([3]), and in particular Article 68 thereof,

— having regard to Council Decision 2008/114/EC, Euratom of 12 February 2008 establishing Statutes for the Euratom Supply Agency ([4]), and in particular Article 8 of the Annex thereto,

— 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 (A9-0121/2022),

1. Grants the Director General of the Euratom Supply Agency discharge in respect of the implementation of the Agency's budget for the financial year 2020;

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 Director General of the Euratom Supply Agency, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3.
([2]) OJ C 439, 29.10.2021, p. 3.
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 41, 15.2.2008, p. 15.

RESOLUTION (EU) 2022/1792 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the Euratom Supply Agency for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the Euratom Supply Agency for the financial year 2020,

— 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 (A9-0121/2022),

A. whereas, according to its statement of revenue and expenditure, the final budget of the Euratom Supply Agency (the 'Agency') for the financial year 2020 was EUR 230 000, representing an increase of 3,14 % compared to 2019; whereas the entire the Agency's budget derives from the Union budget;

B. whereas the Court of Auditors (the 'Court'), in its report on the Agency's annual accounts for the financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurances that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with satisfaction that the budget monitoring efforts during the financial year 2020 resulted in a commitment appropriations implementation rate of 99,54 %, representing a decrease of 0,32 % compared to 2019; regrets, however, that the payment appropriation execution rate was 22,33 %, representing a decrease of 18,72 % compared to 2019; whereas the decrease is due to carrying forward outstanding commitments that amounted to EUR 177 578,67, or 78 % of committed amounts in relation to signed IT service contracts that had not been completed at year-end;

2. Notes that the cancellation rate of budget appropriations carried over from 2019 to 2020 was 7 %, demonstrating unjustified commitments in the previous year; calls on the Agency to carry over budget appropriations only when justified;

Performance

3. Encourages, regarding follow-up observations from previous years, the Agency to pursue the digitalisation of its services;

Staff policy

4. Notes that on 31 December 2020, the establishment plan was 94,12 % implemented, with 16 Commission officials appointed out of 17 posts authorised under the Union budget (17 authorised posts in 2019);

5. Notes that the Agency reported a gender ratio for all staff of 56 % women and 44 % men and that the Agency has an equal opportunities policy in place;

Procurement

6. Notes that the nuclear observatory and ESA management of information (NOEMI) project will reinforce the Agency's monitoring capabilities of the nuclear materials and fuel market whilst securely hosting the data of sensitive nuclear contracts; notes that implementation of NOEMI progressed in 2020-2021, with an estimated cost of EUR 355 000; notes that a functional prototype, including the key features, was delivered in June 2020; calls on the Agency to keep the discharge authority informed about the progress of the implementation of the project;

COVID-19 response and business continuity

7. Notes that the Agency has made efforts to reduce the effect of the pandemic on its staff and stakeholders by taking all necessary steps to continue its core duties and introduced changes in its spending pattern via a budget amendment to reduce expenses on actions negatively affected by the pandemic; notes that the Agency invested in upgrading its core IT application and re-scoped its ongoing tasks and adjusted the approach and timeline to take account of changing circumstances in its new 2021 work programme; calls on the Agency to report to the discharge authority on the developments in this regard;

8. Notes the Agency's observation that the worldwide lockdown measures have accelerated the deployment of secure digital solutions resulting in an overall increase of the digital knowledge and maturity of stakeholders, supporting the business case for NOEMI;

Internal control

9. Notes that in 2020 the Agency adopted its internal control framework, designed to provide reasonable assurance in achieving the objectives set in its financial regulation, which comprises effectiveness, efficiency, the economy of operations, the reliability of reporting, the safeguarding of assets and information, the prevention, detection, correction and follow-up of fraud and irregularities, and the adequate management of the legality and regularity of underlying transactions; notes that in January 2020 the Agency performed a full-scale risk assessment workshop covering all areas of agency work, operational and administrative processes; further notes that the Agency reviewed the controls in place and identified areas that required monitoring;

Other comments

10. Notes, with regard to the withdrawal of the United Kingdom (UK) from the Union, that intense negotiations were held in 2020 with regard to the future partnership of the UK and the Union in the Agency, including in the civil nuclear area; notes that on 24 December 2020 the Union and the UK signed the Euratom Agreement, which provides wide-ranging cooperation on safe and peaceful uses of nuclear energy, underpinned by commitments by both sides to comply with international non-proliferation obligations, upholding a high level of nuclear safety standards; calls on the Agency to report on developments in this regard;

11. Calls on the Agency, with regard following up on the discharge authority's observations in the 2019 discharge, to focus on disseminating the results of its research to the general public, and to reach out to public via the social media and other media outlets;

12. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([1]) on the performance, financial management and control of the agencies.

([1]) Texts adopted, P9_TA(2022)0196.

DECISION (EU, Euratom) 2022/1793 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the Euratom Supply Agency for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the Euratom Supply Agency for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0092/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,

— 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 966/2012 ([3]), and in particular Article 68 thereof,

— having regard to Council Decision 2008/114/EC, Euratom of 12 February 2008 establishing Statutes for the Euratom Supply Agency ([4]), and in particular Article 8 of the Annex thereto,

— 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 (A9-0121/2022),

1. Approves the closure of the accounts of the Euratom Supply Agency for the financial year 2020;

2. Instructs its President to forward this decision to the Director General of the Euratom Supply Agency, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3.
([2]) OJ C 439, 29.10.2021, p. 3.
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 41, 15.2.2008, p. 15.

DECISION (EU) 2022/1794 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Foundation for the Improvement of Living and Working Conditions (Eurofound) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Foundation for the Improvement of Living and Working Conditions (Eurofound) for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Foundation in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0097/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2019/127 of the European Parliament and of the Council of 16 January 2019 establishing the European Foundation for the improvement of living and working conditions (Eurofound), and repealing Council Regulation (EEC) No 1365/75 ([4]), and in particular Article 16 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Articles 32 and 47 of Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ([6]),

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Employment and Social Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0109/2022),

1. Grants the Executive Director of the European Foundation for the Improvement of Living and Working Conditions (Eurofound) discharge in respect of the implementation of the Foundation's budget for the financial year 2020;

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 30, 31.1.2019, p. 74.

([5]) OJ L 122, 10.5.2019, p. 1.

([6]) OJ L 328, 7.12.2013, p. 42.

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 Executive Director of the European Foundation for the Improvement of Living and Working Conditions (Eurofound), 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).

The President	*The Secretary-General*
Roberta METSOLA	Klaus WELLE

RESOLUTION (EU) 2022/1795 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Foundation for the Improvement of Living and Working Conditions (Eurofound) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Foundation for the Improvement of Living and Working Conditions (the 'Foundation') for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Employment and Social Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0109/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the Foundation for the financial year 2020 was EUR 21 395 000, representing a decrease of 0,44 % compared to 2019; whereas the Foundation's budget derives mainly from the Union budget;

B. whereas the Court of Auditors (the 'Court') in its report on the Foundation's annual accounts for the financial year 2020 (the 'Court's report') states that it has obtained reasonable assurance that the Foundation's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with satisfaction that the budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 99,91 %, representing a slight decrease of 0,07 % compared to 2019; takes note of the fact that the payment appropriations execution rate was 80,44 %, representing a decrease of 0,48 % compared to 2019;

2. Welcomes the fact that the Foundation is in the process of implementing actions in response to the Court's two observations of 2019; notes with concern the changes in the shares of the budget titles due mainly to the increasing prices in the host country and calls on the Commission and the budgetary authority to take adequate measures in order to preserve the share of the operating expenditures of the Foundation's budget;

Performance

3. Notes that the Foundation uses four key performance indicators (KPIs), included in its performance monitoring system which, in addition to the KPIs, consists of metrics (other indicators for operational processes), and a qualitative assessment and evaluation to assess the added value provided by its activities and to improve its budget management;

4. Acknowledges the fact that the delivery of work programme outputs planned for 2020 reached 98 % of achievement, with 45 out of 46 deliverables achieved in 2020;

5. Notes that the Foundation stepped up its collaboration and cooperation with key stakeholders in 2020 and more than 10 webinars were organised with partners such as the Commission, Parliament, the International Labour Organization and Union agencies; notes that the Foundation has an ongoing collaboration with the European Labour Authority (ELA); notes that in 2020 the Foundation and Cedefop continued to cooperate on the European company survey, jointly conducted in 2018/2019, and that the dissemination of activities was organised jointly with the Institute of Labour Economics (IZA); notes that the Foundation is a key data provider for the European Institute for Gender Equality's Gender Equality Index and a regular exchange of information takes place with the

([1]) OJ C 107, 31.3.2020, p. 8.

European Agency for Safety and Health at work; notes, in addition, that the Foundation is seeking to establish a memorandum of understanding with the ELA and the European Environment Agency (EEA); welcomes the cooperation and sharing of knowledge of the Foundation as an example worth following for other agencies and bodies; notes that this collaboration promotes the creation of synergies and helps to avoid overlaps;

6. Calls on the Foundation to continue to develop its synergies, increase cooperation and exchange of good practices with other Union agencies with a view to improving efficiency (human resources, building management, IT services and security);

7. Notes that during 2020 a regular four-year evaluation of the Network of Eurofound Correspondents was conducted by an external evaluation contractor, guided by an ad hoc steering committee with representatives from all four groups of the management board and that several recommendations were made, in particular concerning the development of an intervention logic for the Network of Eurofound Correspondents and the development of a roadmap for the Network of Eurofound Correspondents;

8. Appreciates the Foundation's high quality work in enhancing and disseminating knowledge and in providing evidence-based expertise to support European policy development concerning the improvement of living and working conditions, labour markets and industrial relations in the Union;

9. Stresses the Foundation's importance, autonomy and added value in its field of expertise;

10. Believes that the Foundation can play a crucial role in further analysing the increase in telework and related impacts on work–life balance and quality of working conditions, dissemination of best practices and assessing possible policy responses; welcomes the Foundation's work programme to analyse policy options to improve working conditions, industrial relations, employment and living conditions;

11. Highlights the need to ensure adequate human and financial resources allowing the Foundation to continue implementing its work programme with a very high activity completion rate, including in light of the significant challenges regarding, inter alia, the changing world of work and the upcoming Union action plan on care;

12. Recognises, with a high degree of satisfaction, the successful adaptation of the Foundation to the difficult conditions created by the COVID-19 pandemic and the valuable knowledge and analysis provided to policymakers and stakeholders on the changes brought by the COVID-19 pandemic onto the world of work and broader quality of life (i.e. teleworking, platform work, increasing gender inequalities and intergenerational differences, labour shortages, long-term care, industrial relations, etc.); notes also the impact of the COVID-19 pandemic on the Foundation's work, with the planned fieldwork for the 7th European Working Conditions survey significantly changed, disrupting the potential for a trend analysis of working conditions over more than 20 years;

13. Welcomes the Foundation's work to analyse the impact of living and working in the Union through the COVID-19 pandemic through its e-survey 'Living, working and COVID-19' and report on the 'impact of COVID-19 on young people in the EU';

14. Appreciates the Foundation's support of trade unions, employers' organisations, national governments and Union institutions and its cooperation with other Union agencies working in the field of employment, social affairs and inclusion under the remit of the Commission's Directorate-General for Employment, Social Affairs and Inclusion (DG EMPL);

15. Welcomes the Foundation's commitment to research and analysis in the area of digital and green transitions and believes that in its future work programmes it should assess and analyse policy option on the socio- economic impact of the digital and green transitions;

16. Appreciates, while stressing the importance of the Foundation remaining independent from the other Union agencies, the Foundation's close cooperation with DG EMPL and all the relevant Union agencies, such as Cedefop, the EIGE, the ETF, the FRA, EU-OSHA and the EEA, which aims at strengthening the synergies between those agencies; welcomes the Foundation's active participation in the EU Agencies Network (EUAN);

Staff policy

17. Notes that on 31 December 2020 the establishment plan was 95 % implemented, with 11 officials and 76 temporary agents appointed out of 91 authorised under the Union budget (compared to 91 authorised posts in 2019); notes that, in addition, 11 contract agents and one seconded national expert were working for the Foundation in 2019;

18. Notes the gender balance among senior management, with four men (44,4 %) and five women (55,56 %), among the management board members, with 49 men (60,5 %) and 32 women (39,5 %), and among the overall staff with 41 men (41,4 %) and 58 women (58,6 %);

19. Notes that the Foundation has adopted a policy on protecting the dignity of persons and preventing harassment; notes that in 2020 three members of staff received training as confidential counsellors as well as a coordinator; takes note of the fact that one staff member made an allegation of harassment in 2020 and the case was investigated and closed in 2021; notes that one case of harassment was brought to Court (T-630/19) with judgment delivered on 8 September 2021 and the action taken against the Foundation was rejected in its entirety with expenses to be paid by the claimant;

20. Encourages the Foundation to pursue the development of a long-term human resources policy framework which addresses work-life balance, lifelong guidance and career development, gender balance, teleworking, geographical balance and the recruitment and integration of people with disabilities;

Procurement

21. Notes from the Court's report that the Foundation concluded a framework contract in June 2019 for a maximum amount of EUR 170 000 to supply of electricity on the basis of a negotiated procurement procedure with a single candidate, without the prior publication of a contract notice waiver; notes the Court's observation that the contractor is a retail supplier, with the provision of electricity not quoted and purchased on a commodity market, and that therefore the exception of a negotiated procurement procedure as followed by the Foundation is not applicable; notes the Court's conclusion that the related contracts and the associated payments of EUR 20 255 are irregular; notes from the Foundation's reply that it accepts the observation and that a new tender has been launched in early 2021;

22. Notes from the Court's report that in October 2019 the Foundation launched a negotiated procurement procedure, with an estimated budget of EUR 140 000, for a framework contract for the refurbishment of its toilet facilities and the only bidder was selected with a contract value EUR 176 800 (23 % above the threshold for an open procedure) ([2]) and while the exception of negotiated procurement procedure was authorised appropriately by the Foundation, it does not eliminate the fact that an open procedure should have been used; notes that the Foundation accepted the Court's position but concluded that a repetition of the tender, using the open procedure instead of the negotiated procedure would not have led to a more economically advantageous outcome;

23. Notes that the Foundation has introduced e-procurement, with the e-submission module in operation since mid-2019; notes that the Foundation in 2020 developed a set of guidelines to outline clear and verifiable environmental criteria for products and services in the public procurement process and that it joined the inter-institutional framework contract for the Commission's Green Public Procurement Helpdesk;

([2]) Article 175 (1) to the Financial Regulation – Regulation (EU, Euratom) 2018/1046 and Article 4 of the Directive 2014/24/EU of the European Parliament and of the Council (OJ L 94, 28.3.2014, p. 65) setting the threshold of 144 000 euros for public supply and service contracts.

Prevention and management of conflicts of interest and transparency

24. Notes the Foundation's existing measures and ongoing efforts to secure transparency, prevention and management of conflicts of interest, and whistle-blower protection; notes that not all management board members' CVs and declarations of interest are published on the Foundation's website;

25. Notes that the Foundation updated its rules for the prevention and management of conflicts of interests, that were adopted by the management board in 2020 and that the declarations of members of the management board are assessed and reviewed by the conflict of interests review panel on behalf of the board following a clear list of criteria and principles; notes that no declaration of conflict of interest from a board member or an external gave reason to launch a detailed assessment of the declared interests during 2020;

Internal control

26. Notes that in 2020, the Commission's internal audit service (IAS) carried out an audit on human resources management and ethics, following the in-depth risk assessment carried out in 2019 as part of the preparation of the IAS strategic audit plan for 2020–2022; notes that the Foundation has to draw up an action plan in response to the recommendations of the IAS;

27. Notes that in 2020 the Foundation has acted on all the recommendations provided in the performance audit on 'prioritisation of the Foundation's activities and allocation of the resources', conducted in 2018 by the IAS;

28. Notes that the Foundation carried out a fraud risk assessment in 2020, with its main conclusions incorporated in the Foundation's new anti-fraud strategy, adopted in November 2020; notes that the new anti-fraud strategy focuses on building an anti-fraud culture through awareness-raising activities and a connection between internal controls and fraud prevention;

29. Notes that the Foundation has performed an assessment of its internal control system, concluding that implementation of the five components and their associated internal control principles is sufficiently embedded in the culture, processes and control activities of the Foundation; notes that nevertheless several elements of the internal control system were reinforced, in particular that ongoing monitoring was strengthened with a new employee working conditions survey and a fraud awareness survey, allowing for early detection of potential deficiencies; welcomes the Foundation's efforts in this regard;

30. Notes that the Court reported internal control weaknesses in regard to 'sensitive functions' and related mitigating controls, finding the inventory of sensitive posts outdated and no longer reflecting the Foundation's current internal organisation; is satisfied, however, that a new policy on sensitive posts was finalised on 23 June 2021 following the Court's audit that was reflected in the Court's final report;

COVID-19 response and business continuity

31. Notes that in 2020 the Foundation's operations were initially strongly affected by the COVID-19 pandemic; notes that the Foundation adapted quickly to telework and developed and launched its first ever online survey, a new database and a variety of amended research and communication outputs; notes that the Foundation developed the 'Living, working and COVID-19 e-survey' to capture the pandemic's implications for people across Europe and by doing so provided, as one of the first European institutions, agencies and bodies, fresh data on the pandemic; notes that the Foundation also established the COVID-19 EU PolicyWatch database; notes that the events supposed to be held in person during 2020 were converted into webinars and that the conversion from registrations to actual attendance was between 30 % and 50 %, which the Foundation reports as being higher than the industry average;

Other comments

32. Notes that in 2020 the Foundation saw a rise in cyber threats and increased the frequency of proactive system security updates and risk assessment; notes the collaboration with CERT-EU and the Commission's Directorate-General for Informatics to increase the sharing of information on cyber threat intelligence; notes that the Foundation has expanded its protection of data, using off-site cloud backup services and that a comprehensive cyber security policy is being drafted; calls on the Foundation to keep the discharge authority informed on the cyber security policy and the implications for the Foundation;

33. Notes that in September 2020 the Foundation signed up to a Parliament initiative providing a Green Public Procurement Helpdesk for assistance in sustainable procurement;

34. Recalls the importance to increase the digitalisation of the Foundation in terms of internal operation and management but also in order to speed up the digitalisation of procedures; stresses the need for the Foundation to continue to be proactive in this regard in order to avoid a digital gap between the agencies at all costs; draws attention, however, to the need to take all the necessary security measures to avoid any risk to the online security of the information processed;

35. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([3]) on the performance, financial management and control of the agencies.

([3]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1796 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Foundation for the Improvement of Living and Working Conditions (Eurofound) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Foundation for the Improvement of Living and Working Conditions (Eurofound) for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Foundation in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0097/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2019/127 of the European Parliament and of the Council of 16 January 2019 establishing the European Foundation for the improvement of living and working conditions (Eurofound), and repealing Council Regulation (EEC) No 1365/75 ([4]), and in particular Article 16 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Articles 32 and 47 of Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ([6]),

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Employment and Social Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0109/2022),

1. Approves the closure of the accounts of the European Foundation for the Improvement of Living and Working Conditions (Eurofound) for the financial year 2020;

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 30, 31.1.2019, p. 74.

([5]) OJ L 122, 10.5.2019, p. 1.

([6]) OJ L 328, 7.12.2013, p. 42.

2. Instructs its President to forward this decision to the Executive Director of the European Foundation for the Improvement of Living and Working Conditions (Eurofound), the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

DECISION (EU) 2022/1797 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Union Agency for Criminal Justice Cooperation (Eurojust) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Union Agency for Criminal Justice Cooperation (Eurojust) for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0098/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2018/1727 of the European Parliament and of the Council of 14 November 2018 on the European Union Agency for Criminal Justice Cooperation (Eurojust), and replacing and repealing Council Decision 2002/187/JHA ([4]), and in particular Article 63 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0102/2022),

1. Grants the Administrative Director of the European Union Agency for Criminal Justice Cooperation (Eurojust) discharge in respect of the implementation of the Agency's budget for the financial year 2020;

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 Administrative Director of the European Union Agency for Criminal Justice Cooperation (Eurojust), 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 295, 21.11.2018, p. 138.

([5]) OJ L 122, 10.5.2019, p. 1.

RESOLUTION (EU) 2022/1798 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Union Agency for Criminal Justice Cooperation (Eurojust) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Union Agency for Criminal Justice Cooperation (Eurojust) for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0102/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of European Union Agency for Criminal Justice Cooperation (Eurojust) (the 'Agency') for the financial year 2020 was EUR 41 700 000, representing an increase of 7,05 % compared to 2019; whereas the Agency's budget derives almost exclusively from the Union budget;

B. whereas the Court of Auditors (the 'Court'), in its report on the annual accounts of the Agency for the financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurance that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with satisfaction that budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 99,99 %, representing an increase of 0,11 % compared to 2019; notes that the execution rate of payment appropriations was 58,07 %, representing a decrease of 5,54 % compared to 2019;

Performance

2. Stresses the essential role that the Agency plays in supporting and coordinating the work of national judicial authorities in investigating and prosecuting serious organised cross-border crime;

3. Highlights the continuous increase in the total number of cases supported by the Agency in the past five years and stresses the recent trend of cases referred to the Agency becoming more and more complex, requiring support over longer periods of time;

4. Welcomes the fact that the Agency launched a Focus Group of Prosecutors and Investigative Judges Fighting Migrant Smuggling, bringing together practitioners specialised in the field and all actors in the security and criminal justice chain to further strengthen the fight against migrant smuggling;

5. Welcomes the further operational cooperation with Frontex; expresses its satisfaction over the negotiation of a working agreement governing the future relation between Frontex and the Agency;

6. Welcomes the cooperation between the Agency and eu-LISA in the context of the Regulation (EU) 2019/816 of the European Parliament and of the Council ([2]);

([1]) OJ C 179, 10.5.2021, p. 1.

([2]) Regulation (EU) 2019/816 of the European Parliament and of the Council of 17 April 2019 establishing a centralised system for the identification of Member States holding conviction information on third-country nationals and stateless persons (ECRIS-TCN) to supplement the European Criminal Records Information System and amending Regulation (EU) 2018/1726 (OJ L 135, 22.5.2019, p. 1).

7. Notes that the Agency uses key performance indicators (KPIs) to assess the added value provided by its activities and to improve its budget management, such as the number of reports/analyses directly supporting cases, the number of case referrals from Member States and the adoption of appropriate working arrangements with the European Public Prosecutor's Office ('the EPPO') in operational matters; notes that the Agency defined 50 KPIs in its annual working plan for 2020, a reduction of 44 % compared to the annual working plan for 2019; notes that, excluding the KPIs impacted by the COVID-19 pandemic, the Agency achieved the targets for 22 of 30 KPIs (73 % achieved compared to 71 % in 2019);

8. Notes that the support of the Agency to Member States, Norway and Iceland, in collaboration with the Council and the European Judicial Network, has played an important role in compiling and disseminating information on practical and legal issues arising from the COVID-19 pandemic; notes that in April 2020 the Agency published guidelines on operational support during the COVID-19 pandemic, containing the business contingency measures implemented to ensure continuous operational assistance to the national desks and national authorities;

9. Notes that the Agency continued to strengthen operational cooperation and the increase of case referrals by the liaison prosecutors, resulting in 291 new cases in 2020 and representing a 17 % increase compared to 2019; welcomes the fact that the Agency has reinforced the operational cooperation with its partners and third countries with the appointment of liaison prosecutors from Serbia, Georgia and Albania, and through a 4 % increase in the number of common cases; notes positively that the network of the Agency contact points increased to 55 countries with the participation of Uzbekistan, Sri Lanka, Mexico and Kosovo; is pleased that the Agency has stepped up its cooperation on criminal matters between the Union and its South partner countries (Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, Palestine and Tunisia) by becoming the host of the new phase of the EuroMed Justice Programme;

10. Notes that in 2020 prosecutors from across the Union and beyond turned to the Agency for assistance in 8 799 cross-border criminal investigations, an increase of 13 % compared to 2019, and that 4 200 were new cases opened during 2020, 164 of which were related to the COVID-19 pandemic; welcomes the fact that the Agency provided legal, financial and operational support to 268 joint investigation teams in 2020 and facilitated the execution of 1 284 European Arrest Warrants;

11. Highlights the fact that the Agency participated actively in the Standing Committee on Operational Cooperation on Internal Security meetings and related activities, and expanded its deliverables in crime priority areas; welcomes the fact that the Agency enhanced its strategic cooperation with partners in the Area of Freedom, Security and Justice through a strong collaboration with the Justice and Home Affairs (JHA) agencies, by chairing the JHA agencies network and continuing to explore synergies with judicial networks;

12. Welcomes the close cooperation with Union and international partners, including the Commission and OLAF and other JHA agencies; highlights the progress in the collaboration between the Agency and the EPPO and welcomes the negotiation of the working agreement to govern their future relations; welcomes the participation of the Agency in the EU Victims' Rights Platform;

Staff policy

13. Notes that, on 31 December 2020, the establishment plan was 99 % implemented, with 204 temporary agents appointed out of 207 temporary agents authorised under the Union budget (compared to 208 authorised posts in 2019); notes that, in addition, 16,2 contract agents (compared to 16 authorised posts in 2020) and 16,5 out of 21 full-time equivalent (FTE) seconded national experts worked for the Agency in 2020;

14. Stresses the importance of the Agency having suitable human and economic resources at its disposal, not least in view of the increase in its activities;

15. Welcomes the achieved gender balance within the Agency for 2020 with 5 men and 5 women in senior and middle management, and notes with concern the lack of gender balance with 17 men (65,4 %) and 9 women (34,6 %) in the Agency's executive board, and that the staff overall is composed of 71 men (32 %) and 152 women (68 %); asks the Agency to ensure gender balance at the staff level in the future; asks the Commission and the Member States to take into account the importance of ensuring gender balance when nominating their members to the Agency's executive board;

16. Notes with appreciation the Agency's existing measures and ongoing efforts to prevent harassment; welcomes the fact that in 2020, the Agency offered refresher training on psychological and sexual harassment to all staff and additional training on conflict management and resolution was provided to the confidential counsellors and managers;

17. Notes that in 2019 the Agency initially reported to have two ongoing cases of alleged harassment in the Agency; notes that the Agency corrected this figure, since one of these two cases originated in 2018, when a member of staff filed a request for assistance alleging harassment by a line manager, which led to an administrative enquiry that concluded that claim was found to be unsubstantiated and that the enquiry was closed in March 2019; notes that the members of staff involved in the case were placed in different organisational entities and that no further action was taken, with the decision to close the enquiry not being refuted, and that the case was closed in November 2020; notes that the second case was initiated in 2019 concerning another manager, that the case was closed in November 2020 with no further action required, and that an appeal was lodged by the complainant in February 2021 against the decision to close the case;

18. Notes that the Agency recruited 16 temporary and contract agents in 2020 through external recruitment procedures; notes that two appointments have been made to offset the effects of part-time work that was on average 3,9 FTE throughout the year, in accordance with Article 38(2) of Commission Delegated Regulation (EU) 2019/715 ([3]); welcomes the use of this possibility by the Agency to accommodate part-time work for its staff;

Procurement

19. Notes that, according to the Court's report, a number of weaknesses in the Agency's audited public procurement procedures were detected; notes that in one case, where the Agency signed a framework contract with a single economic operator, the Court concluded that the use of this sort of framework contract was not appropriate for the nature of the services required (the leasing of vehicles), as the related market is subject to frequent fluctuations in price; acknowledges the Court's observation that the Agency should have used a framework contract with a reopening of competition in order to ensure that the required services were acquired as economically as possible; notes the Agency's reply to this observation and its commitment to prepare more robust *ex ante* documentation aimed at clarifying why a certain procurement procedure has been followed; calls on the Agency to step up efforts to address such weaknesses in the future;

20. Notes that, according to the Court's report, in another case, the Agency signed a specific contract in which pricing deviated from the price lists attached to the original framework contract for digital forensics and incident response; notes that the Agency approved the invoice and made the payment to the contractor without noticing the discrepancy in the hourly pricing rate and that this demonstrated that no checks were made as to whether the specific contract and the invoiced amount corresponded to the actual terms of the service-level agreement; notes that the Court considers the excess amount paid (EUR 3 600) as irregular; calls on the Agency to evaluate this control weakness and to exclude that there is no systemic issue in its payment procedures and to inform the discharge authority on the results of the evaluation and actions taken;

21. Notes with regard to procurement procedures that, during 2020, 31 contracts were signed for a total value of EUR 8 265 812; further notes that the Agency aims to embrace green procurement in all its tender procedures;

([3]) Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council (OJ L 122, 10.5.2019, p. 1).

22. Welcomes the fact that the Agency has completed the Court's observation from 2018 concerning the use of a negotiated procurement procedure deemed as not justified;

Prevention and management of conflicts of interest, and transparency

23. Acknowledges the Agency's existing measures and its ongoing efforts to secure the transparency, prevention and management of conflicts of interest; notes that the executive board adopted Decision 2020-07 of 15 June 2020 regarding the updated anti-fraud strategy that underlines the need to raise awareness on the internal rules of the Agency on ethics and on conflicts of interest; notes that the Agency's guidelines on whistleblowing were amended by the Agency's college in January 2019 and that the review of those guidelines is ongoing; notes that a code of ethics for members of the college and the executive board was adopted by College Decision 2020-09 of 15 December 2020;

24. Regrets the fact that the CVs of senior management, external experts and in-house experts of the Agency are not published on its website; calls on the Agency to publish these CVs immediately; notes that the Agency has adopted an updated standard operating procedure on the management of conflicts of interest by Decision AD 2020-44 of the administrative director and that no conflicts of interest were reported in 2020;

25. Notes that, in accordance with Article 16(3)(b) of Regulation (EU) 2018/1727 of the European Parliament and of the Council ([4]), the executive board adopted, on 15 June 2020, an anti-fraud strategy that includes an action plan for 2020, updating the previous action plan of 6 November 2018; welcomes the fact that the update of the anti-fraud strategy was communicated to all post-holders, and is accessible together with other anti-fraud materials through the anti-fraud portal on the Agency's intranet;

26. Calls on the Agency to take measures to ensure full compliance with Union transparency rules as well as with fundamental rights and data protection standards;

Internal control

27. Welcomes the Agency's assessment of its internal control system, that concluded that all internal control principles and components are implemented and function effectively; calls on the Agency to properly reflect the Court's findings in its annual assessment, in particular the observation related to the absence of *ex ante* checks on agreed prices in contracts and the invoiced rates that potentially concerns a systemic issue;

28. Notes that, in the beginning of 2020, the Agency had nine open recommendations stemming from audit engagement by the internal audit service, two related to activity based management stemming from the audit on monitoring and reporting/building blocks of assurance carried out in 2016, and seven resulting from the 2019 audit on cooperation with Europol; notes that the Agency achieved significant progress in 2020 with the implementation of the two recommendations pending since 2016, together with five of the seven recommendations resulting from the audit on cooperation with Europol; calls on the Agency to conclude the implementation of all the recommendations;

29. Notes that the limited review of the implementation of the new legal framework covered aspects related to planning, governance, risk management and general compliance measures adopted by the Agency for the newly adopted Regulation (EU) 2018/1727 and Council Regulation (EU) 2017/1939 ([5]); notes that the preliminary survey took place via online meetings in June 2020, followed by fieldwork in September 2020; notes that the audit report included two recommendations; welcomes the fact that the Agency submitted its action plan on the two recommendations in February 2021 and encourages the Agency to implement the agreed actions;

30. Notes that the limited review on the implementation of the new internal control framework in the Agency started in April 2020 and the fieldwork for the limited review took place in February 2021; notes that in 2020 the Agency provided an overview of the main internal and external developments that could have an impact on its work;

([4]) Regulation (EU) 2018/1727 of the European Parliament and of the Council of 14 November 2018 on the European Union Agency for Criminal Justice Cooperation (Eurojust), and replacing and repealing Council Decision 2002/187/JHA (OJ L 295, 21.11.2018, p. 138).

([5]) Council Regulation (EU) 2017/1939 of 12 October 2017 implementing enhanced cooperation on the establishment of the European Public Prosecutor's Office ('the EPPO') (OJ L 283, 31.10.2017, p. 1).

COVID-19 response and business continuity

31. Notes that the Agency responded to the COVID-19 pandemic by activating its business continuity plan, that a business continuity team was formed, and that, based on the team's recommendations, the administrative director adopted measures to counter the potential impact of the COVID-19 pandemic on the Agency's staff and operational processes; expresses its satisfaction that the Agency maintained full operational continuity during the COVID-19 crisis; highlights the coordinating role that Agency has played in compiling and disseminating information on the main practical and legal issues arising from the COVID-19 pandemic in the field of judicial cooperation in criminal matters, as well as providing information about the impact of national measures taken in this context; notes that the staff were expected to telework unless their job required physical presence in the Agency's premises and that the Agency encouraged a flexible approach to the organisation of work, taking diverging staff needs into account; notes that data protection issues were considered in the assessment of IT tools and that software for secure teleworking and video-conferencing was introduced;

Other comments

32. Calls for buildings to be modernised in order to meet zero-emission standards, in particular by installing solar panels on all buildings belonging to the Agency;

33. Welcomes the fact that the Agency established a dedicated team to monitor security logs and respond to potential cyber security incidents, and that the Agency carried out a risk assessment for all new ICT solutions, both on-site and externally hosted, and that penetration tests were performed for all new systems (on-site) exposed to the internet; notes that the Agency has a specific rule-set, aligned with Council Decision 2013/488/EU ([6]) and also has a series of additional policies and procedures for the protection of non-classified information and devices processing such information; welcomes the actions taken by the Agency as regards its cyber security, especially in light of the sensitive information processed by the Agency, and calls on the Agency to keep its protection against cyber threats at an appropriate level, taking account of the risks identified;

34. Welcomes the fact that the Agency is taking part in the digital criminal justice programme, seeking a leading role in the programme for the digitalisation of judicial operational cooperation across the Union's institutions, bodies, offices and agencies and the Member States;

35. Notes with appreciation that the Agency strengthened its external communication capabilities by launching a new website, establishing its presence on social media video platforms and organising a virtual open day event;

36. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([7]) on the performance, financial management and control of the agencies.

([6]) Council Decision 2013/488/EU of 23 September 2013 on the security rules for protecting EU classified information (OJ L 274, 15.10.2013, p. 1).

([7]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1799 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Union Agency for Criminal Justice Cooperation (Eurojust) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Union Agency for Criminal Justice Cooperation (Eurojust) for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0098/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2018/1727 of the European Parliament and of the Council of 14 November 2018 on the European Union Agency for Criminal Justice Cooperation (Eurojust), and replacing and repealing Council Decision 2002/187/JHA ([4]), and in particular Article 63 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0102/2022),

1. Approves the closure of the accounts of the European Union Agency for Criminal Justice Cooperation (Eurojust) for the financial year 2020;

2. Instructs its President to forward this decision to the Administrative Director of the European Union Agency for Criminal Justice Cooperation (Eurojust), the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 295, 21.11.2018, p. 138.

([5]) OJ L 122, 10.5.2019, p. 1.

DECISION (EU) 2022/1800 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Union Agency for Law Enforcement Cooperation (Europol) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Union Agency for Law Enforcement Cooperation (Europol) for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0099/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2016/794 of the European Parliament and of the Council of 11 May 2016 on the European Union Agency for Law Enforcement Cooperation (Europol) and replacing and repealing Council Decisions 2009/371/JHA, 2009/934/JHA, 2009/935/JHA, 2009/936/JHA and 2009/968/JHA ([4]), and in particular Article 60 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0090/2022),

1. Grants the Executive Director of the European Union Agency for Law Enforcement Cooperation (Europol) discharge in respect of the implementation of the Agency's budget for the financial year 2020;

2. Sets out its observations in the resolution below;

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 135, 24.5.2016, p. 53.

([5]) OJ L 122, 10.5.2019, p. 1.

3. Instructs its President to forward this decision, and the resolution forming an integral part of it, to the Executive Director of the European Union Agency for Law Enforcement Cooperation (Europol), 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1801 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Union Agency for Law Enforcement Cooperation (Europol) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Union Agency for Law Enforcement Cooperation (Europol) for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0090/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European Union Agency for Law Enforcement Cooperation (Europol) (the 'Agency') for the financial year 2020 was EUR 158 619 073, representing an increase of 12,00 % compared to 2019; whereas the Agency's budget mainly derives from the Union budget;

B. whereas the Court of Auditors (the 'Court'), in its report on the annual accounts of the Agency for the financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurance that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with satisfaction that budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 99,44 %, representing an increase of 0,02 % compared to 2019; notes that the payment appropriations execution rate was 85,09 %, indicating a decrease of 1,52 % compared to 2019;

2. Notes with concern that the Agency made 33 % of its payments late and, as a consequence, paid interest amounting to EUR 12 000; notes that the Court observed similar levels of delay in 2019, 2018 and 2017, which exposes the Agency to financial and reputational risks; recalls that the Financial Regulation states that Union bodies, offices and agencies must make payments within prescribed timelines, and that the Court notes that the Agency failed to do so; notes that, in its reply to the Court's observation, the Agency mentioned staffing issues, the COVID-19 pandemic and a backlog in invoices for travel services; notes that the Agency's reply does not address the structural character of late payments and calls on the Agency to review its payment process to identify where the delays originate and to increase its efforts in making payments within prescribed terms in order to eliminate those weaknesses;

Performance

3. Underlines the Agency's important role in supporting Member States' criminal investigations, as well as in preventing, responding to and combating terrorism, cybercrime, crimes against the financial interest of the Union and other serious and organised forms of crime across the Union;

4. Highlights the fact that the number of operations grew from 1 921 in 2019 to 2 315 in 2020 (an increase of 24 %) and that operational meetings funded by the Agency decreased from over 500 in 2019 to 280 in 2020 (a decrease of 44 %), which underlines the impact of COVID-19 on the Agency's work;

5. Welcomes the creation of the European Financial and Economic Crime Centre to support the activities of national authorities by providing operational and strategic assistance and the creation of the Europol Innovation Lab;

([1]) OJ C 114, 31.3.2021, p. 158.

6. Notes with satisfaction that the Agency uses certain measures as key performance indicators to assess the added value provided by its activities and other measures to improve its budget management; notes that in 2020 the Agency streamlined the indicators in its work programme and monitored in total 43 corporate performance indicators with individual targets set for each of them, such as the implementation of carry-forward commitments, payment rates and commitment appropriations;

7. Notes that the Agency strives for close cooperation with other Union bodies, offices and agencies and international organisations in order to guarantee the security interests of all Union citizens; notes that the Agency collaborated with the European Union Agency for Criminal Justice Cooperation (Eurojust) in the context of the SIRIUS project throughout 2020; notes that the Agency's chemical, biological, radiological, nuclear and explosives experts actively supported the International Atomic Energy Agency and the European Union Agency for Law Enforcement Training (CEPOL) in various ways, such as through conferences, seminars, webinars and other exercises; further notes that the Agency signed a working arrangement with the European Anti-Fraud Office (OLAF) on 8 October 2020;

8. Notes that on 30 April 2019, the European Data Protection Supervisor (EDPS) decided to open an own-initiative inquiry, after the Agency proactively requested its guidance on the Agency's use of big data analytics ('data subject categorisation') for purposes of strategic and operational analysis (EDPS case 2019-0370); further notes that, in line with Regulation (EU) 2016/794 of the European Parliament and of the Council ([2]), the EDPS has had the task of supervising the lawfulness of the processing of personal data by the Agency since 1 May 2017; notes that, in the context of its inquiry, the EDPS admonished the Agency in September 2020 in view of the risks to data subjects by the absence of specific data minimisation safeguards for analysing large datasets; notes that continued storage of large volumes of data with no data subject categorisation, where a possible link to a criminal activity can only be established once the analysis commences, may pose a risk to individuals' rights to data protection; notes that the EDPS has been in dialogue with the Agency about that matter, and that the Agency has prepared a dedicated action plan; notes that the action plan addressed the concerns of the EDPS as regards the required data review for the storage of large quantities of data of individuals with no established link to criminal activity, but highlights the EDPS's concern that the current legal framework does not contain a maximum period as to how long the Agency may process such data; highlights that that means that the Agency stored large amounts of data on individuals with no established link to criminal activity and that the Agency was keeping those data for longer than necessary, contrary to the principles of data minimisation and storage limitation enshrined in Regulation (EU) 2016/794; notes the EDPS decision of 3 January 2022, in which the Agency was given 12 months to proceed with erasing datasets lacking data subject categorisation held on the day of that decision and six months to erase new such datasets from the date of receipt; notes the impact that the EDPS decision will have on the Agency's ability to analyse complex and large datasets in support of ongoing criminal investigations concerning crimes falling within the scope of the Agency's mandate, since the Agency's support frequently entails a period longer than six months and the Agency should comply with relevant Union law at all times;

9. Notes that the political agreement on the reinforced mandate of the Agency reached by the co-legislators in February 2022 addresses the concerns of the EDPS by establishing the conditions for processing and the storage periods for large and complex datasets; notes the remarks of the EDPS that the new legislation that will regulate the Agency allows the Agency to process data with no established link to criminal activity; considers that, given the complex nature of cross-border law enforcement cooperation to fight serious crime and terrorism, duly considered exceptions are justified; stresses that a balance needs to be struck between effective policing operations and the protection of citizens' right to privacy and that the order of the EDPS raised concerns about whether the Agency had been striking the right balance; calls on the Agency to take the EDPS's concerns into account by making swift progress with data subject categorisation and respecting the legally established storage limits, thereby adhering to the principles of data minimisation and storage limitation, while ensuring and preserving the operational capacity of the Agency; expects the Agency to comply with its legal obligation to provide annual information to Parliament regarding the number of cases in which it made use of the legal possibilities to process individuals' data with no established link to criminal activity, alongside information on the duration and outcome of that processing;

([2]) Regulation (EU) 2016/794 of the European Parliament and of the Council of 11 May 2016 on the European Union Agency for Law Enforcement Cooperation (Europol) and replacing and repealing Council Decisions 2009/371/JHA, 2009/934/JHA, 2009/935/JHA, 2009/936/JHA and 2009/968/JHA (OJ L 135, 24.5.2016, p. 53).

Staff policy

10. Notes that, on 31 December 2020, the establishment plan of the Agency was 93,50 % implemented, with 575 temporary agents appointed out of 615 temporary agents authorised under the establishment plan, compared to 591 authorised posts in 2019; notes that, in addition, 203 contract agents and 53 seconded national experts worked for the Agency in 2020, with 235 contract agents and 71 seconded national experts authorised under the establishment plan; notes that the Agency differentiates between four categories of seconded national experts, with three categories incurring no or limited costs for the Agency's budget and representing another 53 people, bringing the total number of seconded national experts to 106;

11. Underlines the fact that the continuous increase in workload and demand by the Member States' authorities needs to be met by adequate levels of staff; notes that the Agency's establishment plan was increased by an additional 14 temporary agent positions; calls on the Commission to engage in active dialogue with the Agency in order to understand and meet the Agency's long-term human resources needs;

12. Notes that, as a result of an organisation-wide action plan, the Agency ended 2020 with a vacancy rate of 1,0 % against the annual target of a maximum vacancy rate of 2,0 %; notes that the Agency also achieved the target for the maximum turnover rate (12 %) with 10,9 % of staff turnover at the end of 2020; further notes that the Agency regularly monitors those indicators against annual targets;

13. Notes with concern the gender distribution reported for 2020 with 82,8 % of senior and middle management being men (149 men and 31 women), 79,2 % of the management board being men (42 men and 11 women) and 71,8 % of overall staff being men (413 men and 162 women); notes that members of the management board are appointed by Member States' authorities; acknowledges diversity as one of the Agency's strategic pillars; welcomes the Agency's commitment to improving the gender distribution of its staff composition, especially in managerial positions; notes the increase in 2020 of the number of female members of staff at head of unit level and equivalent or higher positions; encourages the Agency to continue that positive trend, and asks the Agency to ensure a more equal gender distribution at the management and staff levels in the future; calls on the Commission and the Member States to better take into account the importance of ensuring gender balance when nominating their members to the Agency's management board; reminds the Agency that in the selection of candidates, competence, knowledge and experience are important, as well as geographical and gender balance among members of staff;

14. Notes that in 2020 the Agency reported one case of a conflictual work relationship, which was determined to constitute psychological harassment under Article 12a of the Staff Regulations; notes that the member of staff who committed the psychological harassment was reprimanded under Article 9(1), point (b), and Article 11 of Annex IX to the Staff Regulations in December 2020; notes that, by that time, that member of staff had left the Agency; further notes that no harassment cases relating to the Agency's staff were brought before a court in 2020;

15. Notes that the overall number of operations supported by the Agency increased by 24 % in 2020; notes that the overall increase of the Agency's operational activities corresponded with an elevated oversight by the EDPS, as reflected in the number of recommendations provided by the EDPS in various business areas as a result of inquiries, prior consultation procedures under Article 39 of Regulation (EU) 2016/794 and follow-up activities to inspections;

Public procurement

16. Notes that the Agency extended the duration of one framework contract, for the provision of business travel services, by signing an amendment to it after it had expired in 2018; notes with concern that the Court found that practice irregular; notes that the Agency signed a further amendment to that same contract on 29 March 2019, which demonstrated weaknesses in contract management and *ex ante* controls; notes the Agency's reply that its decision to extend the contract in 2019 was the result of a thorough assessment to preserve business continuity and did not constitute a weakness in *ex ante* controls; welcomes the fact that the Agency commenced an internal audit in the fourth quarter of 2020 with a view to obtaining additional assurance on the Agency's contract management approach; further notes that the related travel services contract expired in March 2020;

17. Notes that, according to the Court's report, for the procurement of furniture, accessories and related services, the terms used by the Agency in the documents for the call for tender were not specific enough, undermining the competitive nature of the tender procedure; notes, moreover, that the Agency did not sufficiently check the accuracy of underlying prices and the calculation of discounts applied for the non-standard items before submitting the order form to the contractor; calls on the Agency to ensure full compliance with the principles of competition law in all tender procedures; notes that, according to the Agency's reply, the tender documentation included the subject matter of the procurement and the applicable exclusion, selection and award criteria, thus allowing for competition, and notes that, with regard to the discount given by the contractor, the contractor had offered a bigger discount than the standard rate included in the contract and the Agency thus acted in compliance with the principles of sound financial management and in line with the provisions of the contract;

18. Welcomes the fact that the Agency correctly implemented the Court's recommendations regarding the minimum threshold for the technical award criterion most relevant to quality, and regarding the checks of the accuracy of underlying prices and of the calculation of discounts applied for the non-standard items;

Prevention and management of conflicts of interest, and transparency

19. Notes the Agency's existing measures and ongoing efforts to secure transparency, prevention and management of conflicts of interest and whistleblower protection and in the fight against harassment; notes that in 2020 no instance of a conflict of interest situation, which would have led to investigations by the Agency's internal investigations service, was reported;

20. Welcomes the fact that the Agency publishes the CVs and declarations of interest of its management board members, executive director and deputy executive directors;

Internal control

21. Notes that the Commission's internal audit service completed its audit on the Agency's IT Security and conducted the preliminary work of its audit on contract management in 2020; notes that the Agency implemented 86 % of the critical or very important recommendations planned to be implemented during 2020;

22. Recalls the observation of the Court concerning the extension of a framework contract for the provision of business travel services; observes that this finding constitutes a weakness in the Agency's procurement procedures that potentially has an impact on the Agency's internal control system or on parts thereof; calls on the Agency to take account of the Court's observations in the framework of the annual assessment of the internal control framework;

23. Notes that the components of the Agency's internal control framework were present and functioning in an integrated manner across the Agency and that the internal control system effectively reduced, to an acceptable level, the risk of not achieving the Agency's annual and multiannual objectives relating to operations, reporting and compliance; calls on the Agency to take the observations of the Court into account in its annual assessment, in particular the observations regarding contract management and late payments;

COVID-19 response and business continuity

24. Notes that the Agency reacted swiftly to the COVID-19 outbreak and implemented several new actions in order to manage the crisis with as little impact on the Agency's work as possible, while keeping health and safety as its first priority; notes, however, that the COVID-19 pandemic had a direct impact on the Agency's efforts to implement a number of actions and to reach the targets of the 2020 work programme, especially those related to physical presence at the Agency's headquarters, such as operational and other meetings of investigators and analysts, and to administrative procedures that are not based on an electronic workflow; calls upon the Agency to digitise administrative procedures as much as possible;

25. Welcomes the measures implemented by the Agency to maintain efficiency in managing procurement procedures and related activities, including placing urgent orders to cover exceptional needs resulting from the COVID-19 pandemic and amending various contracts in order to adjust the risks linked to the COVID-19 pandemic;

26. Notes that, following the lessons learned from the COVID-19 pandemic, the Agency is developing several measures in order to be future proof, such as decentralised working methods, including the possibility to use secure video calls and collaboration tools, teleworking (including with secured OpsNet laptops due to the nature of the operational information processes) and modernised electronic workflows;

Other comments

27. Welcomes the efforts undertaken by the Agency to increase its cyber security; notes that the Agency's three most important improvements in 2020 regarding digital protection related to remote access capabilities, cloud-based development, and open source and third-party software coding practices;

28. Notes that, in anticipation of the United Kingdom's withdrawal from the Union on 31 December 2020, the Agency undertook intensive work and preparations to ensure a smooth transition, affecting possibilities for continued operational cooperation with the United Kingdom, including the exchange of personal data, and adapting different operational tools and systems;

29. Encourages the Agency to continue promoting its work, research and activities in order to increase its public visibility; notes that the Agency's work on the impact of COVID-19 on crime and cybercrime was widely publicised in 2020, reaching the general public through its own and third-party channels;

30. Welcomes the efforts undertaken by the Agency to put in place a comprehensive strategy for sustainability and to reduce CO_2 emissions, such as improved recycling practices and the usage of environmentally friendly energy; encourages the Agency to share its challenges and lessons learned in that context for the discharge of the next financial year and within the EU Agencies Network;

31. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([3]) on the performance, financial management and control of the agencies.

([3]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1802 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Union Agency for Law Enforcement Cooperation (Europol) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Union Agency for Law Enforcement Cooperation (Europol) for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0099/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2016/794 of the European Parliament and of the Council of 11 May 2016 on the European Union Agency for Law Enforcement Cooperation (Europol) and replacing and repealing Council Decisions 2009/371/JHA, 2009/934/JHA, 2009/935/JHA, 2009/936/JHA and 2009/968/JHA ([4]), and in particular Article 60 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0090/2022),

1. Approves the closure of the accounts of the European Union Agency for Law Enforcement Cooperation (Europol) for the financial year 2020;

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 135, 24.5.2016, p. 53.

([5]) OJ L 122, 10.5.2019, p. 1.

2. Instructs its President to forward this decision to the Executive Director of the European Union Agency for Law Enforcement Cooperation (Europol), the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

DECISION (EU) 2022/1803 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Union Agency for Fundamental Rights (FRA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Union Agency for Fundamental Rights for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0100/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Council Regulation (EC) No 168/2007 of 15 February 2007 establishing a European Union Agency for Fundamental Rights ([4]), and in particular Article 21 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0111/2022),

1. Grants the Director of the European Union Agency for Fundamental Rights discharge in respect of the implementation of the Agency's budget for the financial year 2020;

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 Director of the European Union Agency for Fundamental Rights, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697
([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 53, 22.2.2007, p. 1.
([5]) OJ L 122, 10.5.2019, p. 1.

RESOLUTION (EU) 2022/1804 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Union Agency for Fundamental Rights (FRA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Union Agency for Fundamental Rights for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0111/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European Union Agency for Fundamental Rights (the 'Agency') for the financial year 2020 was EUR 24 167 314, representing an increase of 5,67 % compared to 2019; whereas the Agency's budget derives almost exclusively from the Union budget;

B. whereas the Court of Auditors (the 'Court'), in its report on the annual accounts of the Agency for the financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurance that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with satisfaction that budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 100,00 %, the same rate as in 2019; notes that the payment appropriations execution rate was 70,85 %, representing a decrease of 7,85 % compared to 2019;

2. Notes that, according to the Court's report and the Agency's reply in the follow-up to the 2019 discharge, carry-overs of committed appropriations were high for Title III, which mainly reflect the nature of the Agency's core activities, which include the financing of studies and other awareness-raising activities, spanning several months, often extending beyond the end of a year; notes that the carry-overs of committed appropriations for Title III represent an increase of 23 % compared to the same appropriations in 2019; notes that a significant part of Title III carry-overs amounting to 25 % in 2021 were committed in December 2020; further notes that the Agency's Title III carry-overs in 2020 added up to 28 % of the committed carry-overs from 2019; notes that those findings are indicative of a structural issue at the Agency and calls on the Agency to resolve the problem by improving its budget planning and its implementation cycles;

Performance

3. Underlines the important role of the Agency in helping to ensure that the fundamental rights of people living in the Union are promoted and protected; recalls the importance of the Agency in promoting a reflection on security and fundamental rights; highlights, in particular, the value of the Agency's studies and opinions for the development and implementation of Union law; recalls the Agency's commitment to the protection of vulnerable groups and against any form of discrimination;

([1]) OJ C 114, 31.3.2021, p. 60.

4. Notes with satisfaction that the Agency responded to the COVID-19 pandemic by publishing six bulletins, which provided a timely and comprehensive overview of the fundamental rights implications of national measures adopted across the Union to safeguard citizens from COVID-19; recalls, however, that additional resources were not provided to the Agency for the purposes of that additional task; welcomes the fact that, despite the challenges posed by the COVID-19 pandemic, the Agency produced 163 079 materials and tools related to awareness-raising activities, which is well above the target set for 2020; appreciates the increased media presence of the Agency;

5. Underlines the continuous monitoring by the Agency of the many fundamental rights challenges that result from collecting, storing and processing data in large-scale IT systems and the interoperability of those systems; highlights the fact that the Agency stresses the potential fundamental rights risks, with respect to the protection of personal data, protection against discrimination, and the right to an effective remedy and the need to properly implement safeguards;

6. Acknowledges the complex nature of the studies carried out by the Agency, covering the law and practice of all Member States, and the high number of publications produced and training courses delivered to ensure fundamental rights compliance, which also contribute to and feed into the work of different Union bodies and agencies;

7. Highlights the commitment of the Agency to the protection of vulnerable groups and to the protection against all types of discrimination within the Union; welcomes that the proposal for a Council Regulation amending Regulation (EC) No 168/2007 ([2]) clarifies the scope of the Agency's activities, covering all the competences of the Union;

8. Notes that the Agency uses 31 key performance indicators as part of its performance measurement framework to assess the results and impact of its activities and 5 additional key performance indicators to enhance its budget management; notes that a reform of its performance measurement framework was launched in 2020 to assess the impact of the Agency at both strategic and operational level;

9. Welcomes the Agency's cooperation with other agencies, in particular the European Border and Coast Guard Agency, the European Foundation for the Improvement of Living and Working Conditions, the European Institute for Gender Equality, the European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice, the European Union Agency for Criminal Justice Cooperation, the European Union Agency for Law Enforcement Training, the European Asylum Support Office and the European Monitoring Centre for Drugs and Drug Addiction to achieve common policy objectives; welcomes the fact that, in addition, the Agency regularly supports other Union agencies to reflect obligations stemming from the Charter of Fundamental Rights of the European Union in their work; encourages the Agency to continue to explore ways of sharing resources and staff in overlapping tasks among other agencies with similar activities;

10. Welcomes the extension of the Agency's fundamental rights advice to other agencies, especially in assisting the European Border and Coast Guard Agency with the deployment of 40 fundamental rights monitors across its operations;

11. Welcomes the fact that the Agency successfully implemented its annual work programme in 2020 and managed to accomplish all targets; welcomes the intensification of the cooperation between the Agency and international organisations such as the Council of Europe and the United Nations; reiterates its appreciation of the launch of the European Union Fundamental Rights Information System for the more systematic use of assessments of the international human rights obligations of the Union and the Member States;

Staff policy

12. Notes that, on 31 December 2020, the establishment plan was 97,22 % implemented, with 70 temporary agents appointed out of 72 temporary agents authorised under the Union budget (compared to 72 authorised posts in 2019); notes that, in addition, 32 contract agents and 9 seconded national experts worked for the Agency in 2020;

([2]) COM(2020) 225.

13. Welcomes the gender balance among the Agency's senior management members, with 3 out of 6 members (50%) being of the same gender, and among the Agency's overall staff, with 53 out of 102 members (51,96%) being women; notes the gender balance among the Agency's management board members, with 30 out of 50 members (60%) being women; asks the Commission and the Member States to take into account the importance of ensuring gender balance when nominating their members to the Agency's management board;

14. Notes the Agency's report that changed working methods during the COVID-19 pandemic have blurred the difference between working and leisure time for staff; notes the measures taken by the Agency to support the health, safety and well-being of its staff by providing adequate IT support, ensuring access to information, reimbursing office equipment at home, introducing flexible working arrangements, making sure to maintain communication between staff and heads of unit, and asking staff to provide feedback on their main concerns and what innovations they would have liked to see; further notes the surveys performed by the Agency on the lockdown experience of staff and the results of the December 2020 survey that showed that 75 % of the staff were satisfied with the flexible working arrangements and 85% felt adequately informed on developments regarding working arrangements;

Procurement

15. Welcomes the fact that the Court's observation regarding e-tendering and e-submission has been acted upon and completed; welcomes the fact that the Agency introduced its first open call for tenders with e-submission during the first quarter of 2020;

16. Notes that the Agency launched 11 procurement procedures, two open and nine negotiated; notes that the Agency signed 632 contracts; notes that three of the agreements were direct contracts representing a total of EUR 3 362 306, 529 were specific contracts or order forms against framework contracts adding up to EUR 7 824 667, and 100 were low-value contracts equal to EUR 486 243;

Prevention and management of conflicts of interest and transparency

17. Welcomes the Agency's existing measures and its ongoing efforts in relation to securing transparency, in relation to the prevention and management of conflicts of interest and in relation to whistleblower protection; notes that there were a number of cases of potential and perceived conflicts of interest that were assessed and mitigated and that no such cases were reported in 2020; notes with satisfaction that the CVs and declarations of interests of almost all members of the management board and senior management have been published on the Agency's website; calls on the Agency to publish the remaining CVs and declarations of interests and welcomes the measures already taken to mitigate the risks;

Internal control

18. Notes that in 2019 the Commission's Internal Audit Service performed an audit on the Research Project Design & Implementation, including procurement; notes that, according to the Agency, no critical risks were identified; notes, however, that the Internal Audit Service's audit resulted in four important recommendations; notes that the Agency was expected to implement those recommendations by the end of 2021;

19. Notes that, with regard to the follow-up observations to the 2019 discharge, the Agency welcomed the proposal of a common ethical framework for Union institutions and agencies and is ready to contribute to the relevant networks;

20. Notes that the Agency has adopted an internal control framework based on international good practice in order to ensure the achievement of its policy and management objectives; notes that in 2020 the Agency performed an internal assessment on the level of implementation of the new internal control framework and concluded that almost all components of the internal control framework are present and are functioning together in an integrated manner; notes that the Agency should undertake actions to improve the regular updating of job descriptions, should seek to achieve the timely implementation of the career development report exercise, should assess the possibility of outsourcing the establishment of an integrated internal communication policy and should strengthen budget planning and monitoring at management level using dedicated reporting tools;

COVID-19 response and business continuity

21. Notes that, despite the challenges posed by the COVID-19 pandemic, the Agency's results in 2020 were in line with its multiannual single programming document and with the amendments thereto, which consisted of activating its business continuity plan and reprioritising its work;

22. Acknowledges the challenges presented by the COVID-19 pandemic and related measures introduced by Members States to contain COVID-19, which impacted not only on the time of publication of the Agency's reports and the launch of results, but also on the implementation of the 2020 Roma Survey and other fieldwork activities planned under different projects; welcomes, however, the diligence shown by the Agency in following up on the measures and finding solutions for the sound implementation of its projects;

Other comments

23. Notes that the Agency used a secure e-mail solution offered by the Commission, SECEM, to ensure secure transmission of sensitive non-classified information; notes, furthermore, that the Agency followed all security recommendations issued by the Commission's Directorate-General for Informatics and the Computer Emergency Response Team for the Union's institutions, bodies and agencies relating to the use of the web content management system 'DRUPAL', the technology used for the Agency's website; notes the importance of digitalising the Agency's internal procedures; highlights the fact that the Agency transitioned to using cloud services in 2020 using internal human resources, which resulted in savings amounting to EUR 350 000;

24. Welcomes the fact that the Agency produced 163 079 materials and tools related to awareness-raising activities, which was well above its target of 2 150 for 2020; notes that the Agency maintained the rank of first for print dissemination through the website of the Publications Office of the European Union during the COVID-19 pandemic; welcomes the increased number of times the Agency has been mentioned in the media over recent years, with an average of 92 mentions per week and 369 mentions per month in 2020, doubling the number of mentions of previous years;

25. Notes with satisfaction the Agency's achievement in ensuring a cost-effective and environmentally friendly working place and strategy and encourages the Agency to continue to employ best practices and to further improve on them;

26. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([3]) on the performance, financial management and control of the agencies.

([3]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1805 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Union Agency for Fundamental Rights (FRA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Union Agency for Fundamental Rights for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0100/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Council Regulation (EC) No 168/2007 of 15 February 2007 establishing a European Union Agency for Fundamental Rights ([4]), and in particular Article 21 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0111/2022),

1. Approves the closure of the accounts of the European Union Agency for Fundamental Rights for the financial year 2020;

2. Instructs its President to forward this decision to the Director of the European Union Agency for Fundamental Rights, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697
([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the financial year 2020: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 53, 22.2.2007, p. 1.
([5]) OJ L 122, 10.5.2019, p. 1.

DECISION (EU) 2022/1806 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Border and Coast Guard Agency (Frontex) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Border and Coast Guard Agency for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0101/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2019/1896 of the European Parliament and of the Council of 13 November 2019 on the European Border and Coast Guard and repealing Regulations (EU) No 1052/2013 and (EU) 2016/1624 ([4]), and in particular Article 116 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0110/2022),

1. Postpones its decision on granting the Executive Director of the European Border and Coast Guard Agency discharge in respect of the implementation of the budget of the Agency for the financial year 2020;

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 Executive Director of the European Border and Coast Guard Agency, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3.
([2]) OJ C 439, 29.10.2021, p. 3.
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 295, 14.11.2019, p. 1.
([5]) OJ L 122, 10.5.2019, p. 1.

RESOLUTION (EU) 2022/1807 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Border and Coast Guard Agency (Frontex) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Border and Coast Guard Agency for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0110/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European Border and Coast Guard Agency (the 'Agency') for the financial year 2020 was EUR 364 432 655, representing an increase of 10,40 % compared to 2019; whereas the Agency's budget derives mainly from the Union budget;

B. whereas all Union bodies, offices and agencies ought to be transparent and fully accountable to the citizens of the Union for the funds entrusted to them;

C. whereas Regulation (EU) 2019/1896 of the European Parliament and of the Council ([2]) stipulates the requirements with which the Agency should comply, including in areas such as the respect for fundamental rights;

D. whereas the Court of Auditors (the 'Court'), in its report on the annual accounts of the Agency for the financial year 2020 (the 'Court's report'), states that it has obtained reasonable assurance that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular;

E. whereas since December 2019 the Agency has been implementing a new mandate with an essential scale-up that is significant in terms of missions and staff, that requires an adequate budget;

F. whereas the Court in its Special Report No 8/2021 on the Agency's support to external border management concluded that there were several shortcomings related to the Agency's primary activities, namely situation monitoring, risk analysis, vulnerability assessment, joint operations and rapid border interventions, return operations and the Agency's training and the lack of needs and impact assessments prior to the exponential increase in the Agency's expenses;

G. whereas Parliament's Committee on Civil Liberties, Justice and Home Affairs established the Frontex Scrutiny Working Group (FSWG) that published a report on the fact-finding investigation on the Agency concerning alleged fundamental rights violations on 14 July 2021 (the 'FSWG report');

H. whereas the European Anti-Fraud Office (OLAF) closed part of its investigations on 15 February 2021 that looked at the handling of reports of fundamental rights incidents including push-backs; whereas OLAF is still investigating some allegations on other issues; whereas the OLAF report regarding the investigations has not been shared with the members of the Budgetary Control Committee or of the Committee on Civil Liberties, Justice and Home Affairs; whereas this hampers the scrutiny work of the Budgetary Control Committee in light of the high relevance of that report to the discharge procedure;

([1]) OJ C 143, 30.4.2020, p. 6.

([2]) Regulation (EU) 2019/1896 of the European Parliament and of the Council of 13 November 2019 on the European Border and Coast Guard and repealing Regulations (EU) No 1052/2013 and (EU) 2016/1624 (OJ L 295, 14.11.2019, p. 1).

Budget and financial management

1. Notes that the budget-monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 78,42 %, representing a decrease of 21,42 % compared to 2019; highlights that EUR 360 million of EUR 364 million of the budget were committed; takes note that EUR 95 million has been returned to the Union general budget; notes with concern that the payment appropriations execution rate was very low at 43,84 %, representing a decrease of 25,30 % compared to 2019;

2. Notes the Court's remark that, for the financial planning of its return operations, the Agency relies on estimates provided by the cooperating countries and that complete and timely availability of this information is crucial; notes the Court's observation that in 2020 in one case a national authority included two previously unannounced return operations, totalling EUR 355 000, in a grant agreement at the financial closure of the action, resulting in a sudden budgetary deficit for the Agency, that forced the Agency to make an ex-post budgetary commitment, contravening the Agency's Financial Regulation; acknowledges the dependence of the Agency on cooperating countries and calls on the Agency to be more strict in setting and enforcing standards related to completeness and timeliness for the receipt of information related to financial planning of operations, including the return operations; recalls that rules and principles of the Agency's Financial Regulation must be observed and respected in all situations;

3. Highlights the fact that the Agency started an upgrade of the Frontex Applications for Return (FAR) and Integrated Return Management Application (IRMA) systems to take steps towards an interoperable system of costs connected to activities, to ensure sound financial management of grants; highlights that the Member States will be obliged to insert operational and financial details of the activities carried out; calls on the Commission to strengthen the relationship between the Agency and the Member States and to ensure binding rules for the Member Stated for financial and operational protection and monitoring;

4. Notes the Court's observation that the contribution of Schengen Associated Countries is understated, as it made up 6,91 % of the Agency's initial budget, whereas this should have been 7,43 %, without overstating the Union's contribution since that is budgeted irrespective of the participation of the Schengen Associated Countries; echoes the Court's observation that this is an indication of the need for additional guidance from the Commission to Union bodies on how to calculate contributions from non-Union countries consistently;

5. Notes the Court's observation that the pandemic has affected the Agency's operations and budget implementation in 2020, with the Agency reducing its initial budget by EUR 95 000 000, through two amending budgets; notes that a provisional budgetary commitment of EUR 18 100 000 for the preparation of field deployments in 2021 was carried forward without the Agency having entered into legal commitments within the time limit laid down in Article 75 of the Agency's Financial Regulation; notes that the Agency acknowledges the observation whilst working on remedial measures to prevent future occurrence, which entails the verification of carry-forward tables for the associated legal commitments; acknowledges that the Agency issued an administrative notice with guidance on the annuality principle which explained the carry-over rules in detail;

6. Notes that the Union funding to the Agency increased by EUR 10 million by means of Amending budget No 1/2020; deplores that that amount was not visible in the budgetary accounts of the Agency; agrees with the Court's opinion that this reduces transparency as it makes it harder to see how much Union funding was available to the Agency in 2020 and how that amount changed over time; emphasises the need to ensure transparency as a priority;

7. Recalls the Court's conclusion that the Agency's operational reporting fails to inform decision-makers adequately as it lacks information on actual costs and performance; reiterates its request to the Court to assess the progress of the Agency on recommendations 1 to 4; calls on the Agency to inform the discharge authority on the results of the suggested contacts with the Court and the Commission and to urgently solve the issue of lacking supporting evidence;

Performance

8. Notes that the Agency uses certain measures as key performance indicators (KPIs) to assess the performance of its activities, adopted by the Agency's management board, stemming from the single programming document 2020–2022; notes in particular the KPIs on the vacancy rate, the availability and adequacy of human resources pools, the availability of technical equipment for the Agency's mission and the detections of illegal border crossing;

9. Notes that the Agency implemented two rapid border interventions at the external land and maritime borders of Greece with Turkey that required deployment of technical equipment from the rapid reaction equipment and technical equipment pools, as well as human resources;

10. Notes that the Agency's surveillance aircraft services performed a total of 1 068 missions in 2020 out of which 1 030 were surveillance flights and 38 related to fishery control; welcomes the fact that the number of surveillance aircraft services increased over the past years with a number of 177 missions in 2017 and a number of 1 068 missions in 2020;

11. Notes that the Agency's assets in maritime operations have helped to rescue more than 3 408 migrants during patrolling activities, which also resulted in the detection of 790 facilitators, four traffickers of human beings and a wide variety of other types of cross-border crimes, such as smuggling of illegal goods and substances (1 463 litres of alcohol, 4 013 pieces of ammunition, approximately 361 kilogrammes of cocaine, more than 144 tonnes of hashish and marijuana, and 40 kilogrammes of heroin);

12. Notes that the Agency's return operations, despite being impacted by the restrictions of the COVID-19 pandemic, continued with 21 Member States taking part as either organisers or participants in return operations by charter flights coordinated and co-financed by the Agency, with overall 7 952 persons handed over, reaching 28 third countries of return, significant lower numbers than in 2019; notes that voluntary returns made up for 18 % of all supported flights; notes that 26 Member States carried out returns by scheduled flights with the Agency's support, returning 3 981 third country nationals to 83 countries of return, with among the returnees 2 173 (55 %) unescorted and 1 532 (38 %) returning in a voluntary manner;

13. Notes that in 2020, COVID-19-related measures included the closure of borders and suspension of air traffic, which affected all operational activities coordinated by the Agency; notes that the number of return operations drastically dropped in 2020; calls on the Commission to introduce, in close cooperation with the Agency, an emergency plan that sets out certain safety measures, ensuring the safe continuation of return operations;

14. Notes that the activities of the Agency's fundamental rights officer (FRO) were hampered by the restrictions caused by the COVID-19 pandemic, particularly its on-site monitoring role of the Agency's operational areas due to general travel restrictions and the closure of Union borders; notes that monitoring was conducted exclusively through maintaining contacts with the Agency's operational response division and the situational awareness and monitoring division, accessing briefings provided to deployed officers and incoming reports, gathering information from the media, cooperating with the consultative forum and other international organisations; notes that the FRO formally registered ten serious incident reports (SIRs) with three final FRO reports issued closing the SIRs and three more considered closed pending the publication of the FRO reports; notes that the concerned SIRs involve alleged violations of fundamental rights in the course of operational activities, including return operations, coordinated by the Agency (i.e. relating to Member States' and Agency staff);

Fundamental rights and follow-up to the 2019 discharge cycle

15. Reminds that, Parliament, through its resolution of 21 October 2021 with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European Border and Coast Guard Agency for the financial year 2019 ([3]), called on the budgetary authority to place a part of the Agency's 2022 budget in a reserve, to be released upon completion of seven conditions; regrets that following negotiations for the 2022 budget that reserve was not implemented; reiterates, however, that the Agency's discharge of the 2019

([3]) Texts adopted, P9_TA(2021)0442.

financial year has made explicit that a failure to meet those conditions increases the risk of a refusal to grant the discharge for the financial year 2020; emphasises the need to evaluate the performance of the Agency on each of the 2019 conditions in the 2020 discharge, to nurture consistency between the discharges across the years, and as a means to assess the Agency's performance, including on legal compliance; takes note in this context of the recent input received from the Commission in its letter addressed to the Committee on Budgetary Control on 24 March 2022 and of the state of play of the implementation of the conditions set in Parliament's resolution of 21 October 2021, provided by the Agency at the same date;

16. Notes that, with respect to the seven conditions established by Parliament in its resolution of 21 October 2021, the Commission assesses that the Agency has made 'significant progress over the last 1,5 years', but 'more still needs to be done'; considers for each of the seven conditions the following:

(a) is disappointed that the Agency is still unable to fulfil the requirement of Regulation (EU) 2019/1896, which provided for the recruitment of at least 40 fundamental rights monitors (FRMs) by December 2020; notes with regret that to the present date only a total of 20 FRMs have taken office, out of which 5 at AD level and 15 at AST level, hence facing a significant delay in complying with the first condition as set out in the 2019 discharge; notes that the subsequent steps of the recruitment are under the control of the FRO, conducted independently from the office of the executive director; notes that the FRO finalised, at the end of February 2022, the procedure for the recruitment of the second batch of 20 FRMs in the AD function group, who, however, have not yet taken office to the present date; notes with regret that 8 out of these 20 additional FRMs were already employed in the AST function group, and that therefore a complementary call for applications has to be launched; welcomes the cooperation between the Agency and the European Union Agency for Fundamental Rights in that recruitment;

(b) notes that all three deputy executive directors have been recruited and have joined the Agency;

(c) notes that the executive director signed, on 25 February 2022, the standard operating procedure on the mechanism to withdraw the financing of, or suspend or terminate, or not launch Agency's activities; notes that Article 46 of Regulation (EU) 2019/1896 requires the Agencies' executive director to suspend, terminate, or not launch activities when there are risks to violations of fundamental rights; notes that the Agency did not evaluate its activities in Greece, even though reports by institutions of Member States, the Council of Europe, and the United Nations show that the Agency was carrying out operations in sections where simultaneously, fundamental rights violations were taking place; stresses that meeting condition referred to in point (g) of this paragraph (on the suspension of operations in Hungary) is a relevant part of the proper implementation of Article 46 of Regulation (EU) 2019/1896 as formulated in that condition;

(d) notes that the executive director signed, in April 2021, the revised standard operating procedure on the SIR mechanism defining the role of the FRO in the process; notes that a report on the practical implementation of this procedure has been presented by the executive director and the FRO, concluding that there is a need to further revise the procedure; stresses furthermore that the SIR mechanism, though not automatically triggering an investigation, are followed up and enable the FRO to be in the lead; notes that the Agency has not yet fixed deadlines with Member States as to when they need to respond to a SIR;

(e) the Agency has adopted special rules to guarantee the independence of the FRO, it has recruited and adopted a new FRO as well as a deputy FRO; notes that the Agency has drawn up a fundamental rights strategy and action plan, it has adopted a specialised fundamental rights training curriculum for FRMs and has also revised its complaints mechanism;

(f) notes that the Agency has completed the implementation of a competency management project and has adopted a value-adding knowledge management and need-to-know policy, which is currently upgraded with new improvements, while the implementation of the situational awareness and monitoring division's transformation programme and a human resources capacity assessment are still in progress; notes that the Agency has postponed the deadline to fully implement recommendation 5 to 30 June 2022, beyond the timeframe for the implementation set out in the Court's special report, in the context of a formal analysis to identify the Agency's staff needs, especially in the areas risk analysis and vulnerability assessment;

(g) notes that the Agency continues to operate in Hungary, though the Court of Justice of the European Union ('Court of Justice') concluded in a case initiated by the Commission that Hungary's activities are incompatible with the Directive 2008/115/EC of the European Parliament and of the Council ([4]) and the Charter of Fundamental Rights of the European Union; notes that the Agency is providing operational assistance on these return operations; notes that additional safeguards have been put in place and all requests from Hungary for support are assessed on a case-by-case basis; notes that the FSWG called upon the Agency to suspend its support-related activities in Hungary; emphasises that the Court of Justice judgment gives clear guidance on the executive director to implement Article 46 of Regulation (EU) 2019/1896 and suspend the activities in Hungary.

Concludes that the Agency has only partially met the conditions set out in Parliament's resolution of 21 October 2021; calls upon the Agency to present a detailed roadmap to the discharge authority on how it intends to fulfil the outstanding concerns, together with a clear and detailed timeframe for these actions; urges moreover the Agency to rapidly take all necessary measures suggested by the OLAF investigation, in accordance with the legislation in place, and inform the discharge authority without delay about the scope and timeline of these proceedings; underlines that the response of the Agency constitutes an essential element to be evaluated in the discharge procedure for the financial year 2020;

17. Recalls the conclusions in the 2019 discharge report for the Agency on the Court's Special Report No 8/2021 and the range of operational shortcomings identified therein; recalls the conclusion from the Court's report that the Agency did not yet take sufficient measures to adapt its organisation to fully implement its mandate under Regulation (EU) 2016/1624 of the European Parliament and of the Council ([5]), and that the Court highlighted significant risks related to the Agency's mandate under Regulation (EU) 2019/1896; recalls that the Court made five recommendations to the Agency and Commission, with deadlines for implementation by the end of 2021 (recommendation 5), the middle of 2022 (recommendation 1) and by the end of 2022 (recommendations 2, 3 and 4); notes that recommendations are addressed to the Agency and to the Commission, and that also Member States are involved in the implementation; underlines the importance the discharge authority attaches to the proper implementation of the recommendations made by the Court; recalls that recommendation 5 is included in the conditions formulated in the 2019 discharge report of the Agency and is still not fully fulfilled, and that implementation of the other recommendations is still pending; requests the Court to conduct an evaluation once the deadlines of recommendations 1 to 4 have passed (by the end of 2022) in the framework of the Court's annual report for the Agency, in order to assess whether and if so to what extent and how the Agency has implemented Court's recommendations adequately and in time; calls on the Agency and the Commission to keep the discharge authority informed about the implementation of the recommendations and expresses its commitment to reflect this in future discharge reports;

18. Notes that in October 2020, journalistic investigations presented several allegations against the Agency regarding its possible complicity in illegal migrant pushbacks in the Mediterranean Sea; notes that these allegations were supported by video footage of the Agency's assets allegedly participating in such actions; recalls that on the basis of these allegations, the Parliament's Committee on Civil Liberties, Justice and Home Affairs conducted an investigation by its FSWG; recalls the conclusions of the FSWG report that were extensively covered in the 2019 discharge report of the Agency; recalls in this context that the FSWG concluded that the Agency 'did not find conclusive evidence on the direct performance of pushbacks and/or collective expulsions by the Agency in the serious incident cases that could be examined by the FSWG'; recalls that FSWG also concluded that the Agency had 'evidence in support of allegations of fundamental rights violations in Member States with which it had a joint operation, but failed to address and follow-up on these violations promptly, vigilantly and effectively' and that 'as a result, Frontex did not prevent these violations, nor reduced the risk of future fundamental rights violations'; recalls that the FSWG report included recommendations to the Agency, Commission and Council, on issues concerning fundamental rights compliance of the Agency and governance, oversight, procedures for reporting, and the handling of complaints; notes that those recommendations are addressed to the Agency, its management board, Parliament, the Commission and the Council; notes that the executive director of the Agency reports in each management board meeting on progress implementing the recommendations made by the FSWG on fundamental rights and legal aspects of operations, the European Ombudsman and the Court; notes that there are no deadlines for the

([4]) Directive 2008/115/EC of the European Parliament and of the Council of 16 December 2008 on common standards and procedures in Member States for returning illegally staying third-country nationals (OJ L 348, 24.12.2008, p. 98).

([5]) Regulation (EU) 2016/1624 of the European Parliament and of the Council of 14 September 2016 on the European Border and Coast Guard and amending Regulation (EU) 2016/399 of the European Parliament and of the Council and repealing Regulation (EC) No 863/2007 of the European Parliament and of the Council, Council Regulation (EC) No 2007/2004 and Council Decision 2005/267/EC (OJ L 251, 16.9.2016, p. 1).

implementation of the recommendations, and calls upon the Agency to provide clarity to the discharge authority on the follow-up envisaged by the recommendations; calls on the FSWG to perform a follow-up inquiry into the implementation of the recommendations from the FSWG report and to communicate the findings to the discharge authority in order for them to be reflected in the discharge for the Agency;

19. calls on the executive director to strengthen his relationship with the FRO and the consultative forum by taking consistently into account their recommendations, ensuring that the FRO is properly consulted before operations, and following up on the FSWG recommendations in a timely manner, and report to the discharge authority about the progress made;

20. notes that the Agency's FRO formally registered ten SIRs with three final FRO reports issued closing the SIRs and three more considered closed pending the publication of the FRO reports; notes that the concerned SIRs involve alleged violations of fundamental rights in the course of operational activities, including return operations, coordinated by the Agency (i.e. relating to Member States' and Agency staff); stresses that the FSWG expressed concern 'about the lack of cooperation of the Executive Director to ensure compliance with some of the provisions of the EBCG Regulation, notably on fundamental rights';

21. Recalls that all of the Agency's operations and activities must be conducted in full compliance with Regulation (EU) 2019/1896, as well as the EU Staff Regulation and the Agency's Financial Regulation;

Staff policy

22. Regrets that, on 31 December 2020, the establishment plan was 63,01 % implemented, with 662 temporary agents appointed out of 1 050 temporary agents authorised under the Union budget (compared to 484 authorised posts in 2019); notes that, in addition, 387 contract agents and 185 seconded national experts worked for the Agency (with 730 contract agents and 220 seconded national experts authorised for the Agency in 2020);

23. Notes with concern the gender balance reported for 2020 at senior management level with 15 men (75 %) and 5 women (25 %), at the level of the management board with 50 men (83,3 %) and 10 women (16,7 %), and for the Agency's staff overall, with 870 men (70,5 %) and 364 women (29,5 %); calls upon the Agency to improve the gender balance in its top management and staff, and report to the discharge authority about the progress made; reiterates its call on the Commission and the Member States to take the importance of ensuring gender balance into account when nominating their members to the management board of the Agency;

24. Recalls that OLAF opened an investigation in 2019 over allegations of harassment, misconduct and migrant pushbacks involving the Agency, pinpointing irregularities; notes that OLAF closed the first part of its investigation into the handling of fundamental rights incidents on 15 February 2022 with a disciplinary recommendation and that its outcome was partially presented to the Members of Parliament's Committees on Budgetary Control and on Civil Liberties, Justice and Home Affairs on 28 February 2022; notes, however, that the report has not yet been provided in writing to the Members, nor has other written evidence of the outcomes of the investigation been provided; notes with concern that this investigation refers to allegations in relation to the exercise of professional duties and non-compliance with the rules in place and that the report has been sent to the Agency's management board under a secure reading room procedure; calls on OLAF and the Commission to make sure that the full investigation report will be shared with the discharge authority and the Committee on Civil Liberties, Justice and Home Affairs as soon as possible, while fully respecting Regulation (EU, Euratom) 2020/2223 of the European Parliament and of the Council [6] and all legal requirements on the protection of sensitive data and of the rights of the persons concerned, such as access to information on the allegations, preparation of their defence, and sufficient time to react;

[6] Regulation (EU, Euratom) 2020/2223 of the European Parliament and of the Council of 23 December 2020 amending Regulation (EU, Euratom) No 883/2013, as regards cooperation with the European Public Prosecutor's Office and the effectiveness of the European Anti-Fraud Office investigations (OJ L 437, 28.12.2020, p. 49).

25. Recalls that it is necessary to have clarity on all elements of the investigation; underlines that the findings outlined in the partial presentation raise serious concerns as regard the performance of the Agency for the financial year 2020 and urges the management board and the Commission to take rapid action to address all issues raised, as the credibility of the Agency has to be beyond any doubt, in order for it to be able to fully fulfil its tasks and prerogatives, also in the context of the war in Ukraine; considers that the discharge authority has at the moment incomplete information to take a fully informed decision on discharge for the financial year 2020; reiterates its call on the Agency to fully cooperate with OLAF and to keep the discharge authority informed on any developments that are relevant for the discharge procedure;

26. Reminds the importance of the Agency and of its role as a border and coast guard of the Union; calls therefore on the Agency to step up its efforts to follow up and appropriately address all OLAF recommendations with a view to ensure full functionality, as well as effectiveness and credibility of its actions, especially in the context of the current situation in Ukraine, when the border control of the Union and proper management of the increasing migration flows become of paramount importance;

27. Notes with concern the Agency's replies to Parliament's written questions to the effect that in total 17 cases of harassment were reported to the Agency's competent entities in 2020; calls on the Agency to carefully assess each case, taking a zero-tolerance approach to psychological, sexual or any other kind of harassment, and to proceed swiftly with holding those responsible for this misconduct accountable; welcomes the training received by the confidential counsellors and the actions undertaken to raise awareness among staff and inform staff on the confidential counsellors; welcomes the online awareness-raising sessions for executive, senior, and middle managers and team leaders, and that dedicated awareness sessions were organised to staff members that signed up for such sessions; calls on the Agency to inform the discharge authority about the outcome of these cases;

Procurement

28. Notes that the Agency launched 23 open tenders in 2020, with five resulting in signed contracts for a total value of EUR 9 309 000,00, and 18 of these are still ongoing, with a the total value of EUR 153 294 000,00; further notes that the Agency launched 30 low- and medium-value procedures (negotiated with three and five candidates) with a total value of EUR 2 764 706,46, with out of the 30 procedures, 21 resulting in signed contracts in 2020 for a total value of EUR 1 992 904,00, while nine of these are still ongoing, for a total value of EUR 771 802,46; further notes that 213 very low-value procedures (negotiated with one candidate) for a total value of EUR 1 347 649,76 were handled by the Agency in 2020; notes finally that 776 procedures under existing framework contracts for a total value of EUR 91 451 075,83 have been handled in 2020 with 696 resulting in signed specific contracts or order forms, with a total value of EUR 80 895 932,89, while 80 of them for a total value of EUR 10 555 142,94 are still ongoing;

29. Notes that the Agency led the inter-institutional tender for purchase of personal protective equipment with around 50 other Union institutions, agencies and bodies participating and a total value of EUR 60 580 000,00;

30. Welcomes that the Agency introduced guidelines for green procurement for cleaning and canteen services and furniture delivery; encourages the Agency to evaluate the experience with green procurement and share it with the EU Agencies Network, and, where appropriate, to extend the scope of green procurement in the Agency;

Prevention and management of conflicts of interest, and transparency

31. Regrets that not all management board member CVs and declarations of interest are published on the Agency's website; calls on the Agency, with the aim of increasing transparency, to publish the missing CVs and declarations of interest on its website and to report to the discharge authority on the measures taken in that regard;

32. Recalls the discharge authority's concerns in the 2019 discharge regarding transparency and interest representation for the Agency; notes the establishment and operationalisation of the Agency's transparency register; calls on the Agency to comply with the highest standards of transparency and to have the transparency register regularly updated; notes that the Agency implemented a new process to increase transparency; notes that all industry meetings (i-days) were organised online with presentation of more than 60 solutions by 50 companies, with the

participation of 430 representatives of the Agency, Member States and Union partners, as well as international organisations; notes that the Agency, in addition to the i-days, organised an online demonstration of technological solutions back-to-back with the International Conference on Biometrics for Borders, showcasing over 100 solutions, with 23 industry presentations to over 470 conference attendees; notes that very few meetings appear however to be registered in the newly established transparency register; calls on the Agency to inform the discharge authority about which private parties it met during its biannual industry days in 2020; calls on the Agency to update the discharge authority on the progress made in this regard;

33. Stresses that the European Ombudsman urged the Agency to 'ensure a more proactive approach to transparency'; recalls the call of the FSWG on the Agency 'to further increase its transparency by acting in accordance with the practice of the AsktheEU portal and not resort to any copyright clause' and 'that SIRs, reports on the use of force and individual complaints should only be classified as restricted documents when necessary and on a case-by-case basis';

34. Emphasises the need for the Agency to cooperate with all its internal and external stakeholders in good faith, as embedded in Article 11 of Regulation (EU) 2019/1896;

35. Notes recent media reports that the Agency spent EUR 8 500 to send its executive director on a private jet to attend a meeting in Brussels on 4 March 2020, even though it was notified a day in advance that the Brussels meeting would be scheduled, at the same day there was a commercial flight available; stresses that this is in contrast with a responsible handling of taxpayers' money and urges the executive director to change his approach in this regard;

Internal control

36. Notes the assessment of the internal control system performed by the Agency in 2020, concluding that, although the system is deemed overall effective, some improvements are needed; notes that this relates in particular to internal control principles 10 (control activities), 15 (communication with external parties about matters affecting internal control) and 16 (annual and ongoing assessment of the internal control system); calls on the Agency to also take into account of the Court's observations in the annual assessment of the internal control system; notes that the Agency has formulated an action plan to address the identified shortcomings and that it is committed to a swift implementation of the actions; calls on the Agency to keep the discharge authority informed about the progress made;

37. Notes the ongoing actions of the Agency on the observations of the Court; notes that the Agency has created an action plan to address the shortcomings identified by the Court; calls on the Agency to continue undertaking corrective actions, including the adoption and implementation of a sensitive posts policy in line with its own internal control standards, drafting a business continuity plan and obtaining the approval of its management board, addressing the risk of double funding from the Internal Security Fund and addressing the high level of carry-overs; calls however on the Agency to step up its efforts into reaching the required occupancy levels laid down in the staff establishment plan; welcomes the corrective steps taken by the Agency to address the issue of reimbursements to cooperating countries without the necessary supporting documentation; calls on the Agency to inform the discharge authority about the progress made on those matters;

38. Notes the Court's observation that the Agency had failed to record an exception note in the central register for exceptions; calls on the Agency to maintain its high standards of transparency and timely and complete registration of exceptions and non-compliance events and their underlying documentation;

39. Notes the Court's finding that on 1 September 2020 the Agency asked the Commission for permission to upgrade 100 AST posts into advanced-level posts (grade AD 7 or higher), for the standing corps and new tasks under the new mandate; notes with concern that the Agency, in anticipation of the Commission's reply, on 9 September 2020, sent out 47 offers to advanced-level candidates with the Commission informing the Agency that it had no legal authority to upgrade the posts, resulting in the Agency immediately withdrawing the 47 job offers; emphasises that the Agency should have obtained legal assurance from the Commission before it proceeded, as this would have

prevented unnecessary disturbance that resulted from the withdrawal; recalls that this has exposed the Agency at an unnecessary risk of reputational damage and litigation; calls on the Agency to prevent taking such actions without legal clarity in the future to avoid such situations from re-occurring;

COVID-19 response and business continuity

40. Notes the establishment of a crisis cell within the Agency that supported its executive management throughout the COVID-19 pandemic, by providing support on business continuity, ensuring staff health, safety and wellbeing, and minimising disruption to the Agency's operations; notes that the crisis cell was empowered with a temporary allocation of functions and staff from entities across the Agency to ensure efficient and sustainable management of processes and tasks;

41. Notes that the Agency drafted specific guidelines on teleworking during the COVID-19 pandemic as well as an exit strategy; notes that, to facilitate teleworking and contribute to creating appropriate working conditions for staff, all staff, as well as external personnel in case of justified business needs, were allowed to take home certain office and ICT equipment they normally use at the office with an internal procedure developed to ensure control over the equipment and orderly pick-up from the premises;

42. Notes the Agency's report that a new paperless workflow was launched for financial and procurement processes, including new implementing tools, such as online interpretation; notes the Agency's remark that the impact of the pandemic in some cases can be positive, as it accelerated much-needed innovations and it simplified some procedures;

43. Notes that the Agency's training plan was significantly affected by the pandemic, with travel restrictions imposed by Member States and the Schengen Associated Countries leading to the unavailability of both trainers and training locations, as well as restricted possibility to travel to the training sites; notes the Agency's efforts to ensure business continuity by re-designing the entire training process, adjusted to remote learning;

Other comments

44. Recalls that on 15 June 2021, the European Ombudsman concluded that there had been delay on the part of the Agency in implementing the important changes introduced by Regulation (EU) 2019/1896; notes that the European Ombudsman handled 13 cases that relate to the Agency, six on public access to documents, six on human resources management and one related to fundamental rights; notes that the European Ombudsman did not provide recommendations in six cases, that the implementation of four recommendations is ongoing and that in three cases the recommendation has already been implemented;

45. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([7]) on the performance, financial management and control of the agencies.

([7]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1808 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Border and Coast Guard Agency (Frontex) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Border and Coast Guard Agency for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0101/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) 2019/1896 of the European Parliament and of the Council of 13 November 2019 on the European Border and Coast Guard and repealing Regulations (EU) No 1052/2013 and (EU) 2016/1624 ([4]), and in particular Article 116 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0110/2022),

1. Postpones the closure of the accounts of the European Border and Coast Guard Agency for the financial year 2020;

2. Instructs its President to forward this decision to the Executive Director of the European Border and Coast Guard Agency, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 439, 29.10.2021, p. 3.
([2]) OJ C 439, 29.10.2021, p. 3.
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 295, 14.11.2019, p. 1.
([5]) OJ L 122, 10.5.2019, p. 1.

DECISION (EU) 2022/1809 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European GNSS Agency (now the European Union Agency for the Space Programme – EUSPA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European GNSS Agency for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0102/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) No 912/2010 of the European Parliament and of the Council of 22 September 2010 setting up the European GNSS Agency, repealing Council Regulation (EC) No 1321/2004 on the establishment of structures for the management of the European satellite radio navigation programmes and amending Regulation (EC) No 683/2008 of the European Parliament and of the Council ([4]), and in particular Article 14 thereof,

— having regard to Regulation (EU) 2021/696 of the European Parliament and of the Council of 28 April 2021 establishing the Union Space Programme and the European Union Agency for the Space Programme and repealing Regulations (EU) No 912/2010, (EU) No 1285/2013 and (EU) No 377/2014 and Decision No 541/2014/EU ([5]), and in particular Articles 85 and 86 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([6]), and in particular Article 105 thereof,

— 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 (A9-0117/2022),

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 276, 20.10.2010, p. 11.

([5]) OJ L 170, 12.5.2021, p. 69.

([6]) OJ L 122, 10.5.2019, p. 1.

1. Grants the Executive Director of the European Union Agency for the Space Programme discharge in respect of the implementation of the Agency's budget for the financial year 2020;

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 Executive Director of the European Union Agency for the Space Programme, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1810 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the European GNSS Agency (now the European Union Agency for the Space Programme – EUSPA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European GNSS Agency for the financial year 2020,

— 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 (A9-0117/2022),

A. whereas, according to its statement of revenue and expenditure ([1]), the final budget of the European GNSS Agency (the 'Agency') for the financial year 2020 was EUR 35 449 479,85, representing an increase of 5,54 % compared to 2019; whereas the Agency's budget derives mainly from the Union budget; whereas the inflation rate was 0,7 % in the EU in 2020;

B. whereas the Court of Auditors (the 'Court'), in its report on the Agency's annual accounts for the financial year 2020 (the 'Court's report'), states that the Court has obtained reasonable assurances that the Agency's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with appreciation that the budget monitoring efforts during the financial year 2020 resulted in a budget implementation rate of 100,00 %, representing the same rate as in 2019; notes furthermore that the execution rate of payment appropriations was 83,38 %, representing a decrease of 2,57 % compared to 2019;

2. Notes that in addition to its core budget, the Agency continued to manage a large amount of delegated budget, in particular under the European Geostationary Navigation Overlay Service (EGNOS) Exploitation, Galileo Exploitation, and Horizon 2020 Delegation Agreements; notes also that in 2020 the Agency started the management of the Govsatcom preparatory actions contribution agreement; further notes that in 2020 a total of EUR 402 000 000 was committed under a delegated budget and an amount equal to EUR 753 000 000 was made in payments;

Performance

3. Notes, with regard to the follow-up observations on the outage of Galileo services in 2019, that the Agency implemented all short-term and mid-term recommendations issued by its security accreditation board; further notes that the Agency has implemented most of the long-term recommendations, but it is expected to apply the remaining observations by the end of the year 2021, in particular those concerning the execution of the 3rd Orbital Synchronisation Processing Facility and the maintenance of the validation and operational chain handover; calls on the Agency to report to the discharge authority on the developments in that regard;

4. Notes that, despite the challenges raised by the COVID-19 pandemic, the Agency declared the Galileo Return Link Service operational; notes that the Agency successfully introduced the EGNOS GEO-3 payload mechanism in 2020;

([1]) OJ C 114, 31.3.2021, p. 107.

5. Recalls that, according to the Court's Special Report 22/2020 on the Future of the Agencies (the 'Court's Special Report'), the Agency has very limited autonomy in practice regarding its main task is to exploit the Galileo global satellite navigation system under a delegation agreement with the Commission; calls on the Commission to review the autonomy of the Agency particularly regarding its competencies on implementing the delegation agreement through a number of complex contracts with industrial partners and public sector entities; calls on the Agency to report back on the developments in this regard to the discharge authority;

6. Notes that, regarding the follow-up observations from previous years, the Agency adopted a new information and communication technology (ICT) strategy and ICT security strategy, as well as ICT security policy and its Implementing rules in the second quarter of 2020; further notes that the Agency approved in August 2020 a digital transformation programme, also in connection to the transformation from the European GNSS Agency to the European Union Agency for the Space Programme (EUSPA), with the aim to modernise the Agency's working environment, extend the possibilities of teleworking with EU classified information, and develop modern applications supporting the core business, coupled with increasing the security level reflected in the aspiration to establish 24/7 cyber defence capabilities along with the new modernised systems;

7. Notes that, according to the Court's Special Report, the Agency significantly needs to improve its cooperation with Member States, other agencies and internationally; calls on the Agency to build up better cooperation and knowledge sharing with all Member States; calls on the Agency to report back on the developments in this regard to the discharge authority;

Staff policy

8. Notes that on 31 December 2020 the establishment plan was 100,00 % implemented, with 150 temporary agents appointed out of 150 temporary agents authorised under the Union budget (compared to 139 authorised posts in 2019); notes that, in addition, 65 contract agents and 7 seconded national experts worked for the Agency in 2020;

9. Notes with concern the gender balance within the Agency's senior management, with three out of three (100 %) men and within the Agency's administrative board, with 24 out of 28 (85,7 %) men; further, notes with concern the lack of gender balance among the Agency's overall staff, with 135 out of 202 (66,8 %) men; appreciates the efforts of the Agency to improve gender balance from 7 % in 2017 to 33 % in 2020 of female representatives in senior management positions; reiterates its call to the Agency to take additional measures as soon as possible with a view to ensure better gender balance within its senior management; asks the Commission and the Member States to take into account the importance of ensuring gender balance when nominating their members to the Agency's administrative board; reminds the Agency that in the selection of candidates, skills, knowledge and experience are important, as well as the geographical and gender balance among staff;

10. Regrets, regarding the follow-up from the 2019 discharge observations, the persisting geographical imbalances in the composition of the Agency's staff, especially at middle and senior management levels; calls on the Agency to establish a proper representation of nationals from all Member States, while at the same time respecting the competencies and merits of the candidates as indicated in the Article 27 of the Staff Regulations of Officials;

11. Is concerned that the Agency struggles to recruit staff with the necessary technical expertise and in order to compensate for a shortage of posts or national experts, the Agency increasingly outsources core tasks to private contractors, on whom it may then become dependent; calls on the Commission to examine the situation carefully and to provide the Agency with the necessary means to recruit the necessary staff; calls on the Commission to report back to the discharge authority on this matter;

12. Is concerned about the large size of the Agency's management board which makes decision making difficult and generates considerable administrative costs;

13. Regrets that all CVs of the administrative board members are still not published in the Agency's website; calls on the Agency to report to the discharge authority on the actions taken in that regard;

14. Notes that, following the negotiations in 2020 leading to the adoption of Regulation (EU) 2021/696 of the European Parliament and of the Council ([2]), the Agency has been transformed into the EUSPA in May 2021 with an increased set of core and delegated tasks and a new associated EUSPA legislative financial statement; notes that this transformation includes a relocation of 251 temporary agents and 34 contract staff by 2023; notes that the changes could hamper decision making and generate considerable administrative costs; calls on the Agency to report to the discharge authority on the risks for the Agency's operations and the mitigating measures taken by the Agency;

15. Welcomes the efforts made in staff policy to promote teleworking and healthy life and continues to encourage the Agency to pursue the development of a long-term human resources policy framework that addresses work-life balance, lifelong guidance and career development, gender balance, teleworking, geographical balance and the recruitment and integration of people with disabilities;

Procurement

16. Notes that the Agency managed in total five procurements procedures between 2017 and 2020, comprising the DISPATCH and PRISMA projects; welcomes the fact that the Agency had 100 % of its planned contracts in place and on time in 2020;

17. Notes, regarding the follow-up of previous year's findings of the Court, that the Agency has taken steps to implement e-procurement and e-submission modules as procurement tools in the management of its activities, with particular reference to administrative procurement which can be implemented through open tenders; notes that the Agency has provided dedicated trainings and administrative fulfilments have been completed for its use; calls on the Agency to report to the discharge authority on the developments in this regard;

Prevention and management of conflicts of interest and transparency

18. Acknowledges the Agency's existing measures and ongoing efforts to secure transparency, prevention and management of conflicts of interests; notes that the Agency had one whistleblowing case during 2020 comprising repeated similar whistleblowing reports to multiple stakeholders; notes that the case resulted in investigations in which whistleblowing claims were found to be unsubstantiated;

Internal control

19. Notes from the follow-up and Court's report that there is a risk that the Agency's payments to the European Space Agency (ESA) in relation to the implementation of the EGNOS and GALILEO programmes may be calculated on the basis of inaccurate costs due to the absence of a comprehensive ex-ante or ex post strategy; notes from the Agency's reply regarding ex ante controls that the Agency has provided the Court with an updated cost reporting methodology and also demonstrated that it uses ESA's milestone achievement certificates to reconcile the costs claimed from the ESA; notes from the Agency's reply that in relation to the ex post control strategy the Agency and the Commission's Directorate-General for Defence Industry and Space are auditing ESA's activity in 2020; calls on the Agency to report the results of this audit and to incorporate its lessons learned in a future ex post strategy;

20. Welcomes the implementation of its internal control framework and the approval of its business continuity plan in 2020, which has been the subject of follow-up enquiries by the Court since 2015;

([2]) Regulation (EU) 2021/696 of the European Parliament and of the Council of 28 April 2021 establishing the Union Space Programme and the European Union Agency for the Space Programme and repealing Regulations (EU) No 912/2010, (EU) No 1285/2013 and (EU) No 377/2014 and Decision No 541/2014/EU (OJ L 170, 12.5.2021, p. 69).

21. Notes that the Commission's internal audit service (IAS) delivered an audit report on EGNOS Exploitation in November 2019, with five important recommendations and one issue identified for consideration; notes from the Agency's reply that the recommendations are awaiting IAS review; calls on the Agency to report to the discharge authority on the progress made in that regard;

22. Notes, with regard to the Agency's actions to follow-up on the discharge authority's 2019 discharge, that the internal audit capability performed an audit of the 'Capacity Building of GSA's staff' in 2019 and that, although the report was not finalised in 2019, it was planned to include one very important and four important recommendations; calls on the Agency to report to the discharge authority on the progress made in the implementation of those recommendations;

COVID-19 response and business continuity

23. Notes that the Agency's external events moved online, turning the physical restrictions imposed by the COVID-19 pandemic into an opportunity to reach new user communities and go global, as it was the case for the User Consultation Platform and the annual European Space Week, which attracted more than 3 000 participants from over 100 countries;

Other comments

24. Recalls the importance to increase the digitalisation of the agency in terms of internal operation and management but also in order to speed up the digitalisation of procedures; stresses the need for the agency to continue to be proactive in this regard in order to avoid a digital gap between the agencies at all costs;

25. Notes from the Agency's replies to the Agency's 2019 discharge report that the Agency has implemented in 2020 a set of measures to increase cybersecurity including the execution of the Splunk Enterprise Security programme, the adoption of its ICT Security Strategy and the implementation of the Mobile Device Management, which is based on Microsoft Intune;

26. Notes from its replies to Parliament's standard questionnaire that the Agency is putting in place a number of measures to ensure a sustainable and environmentally-friendly workspace such as the participation in the Environmental Management & Audit Scheme contractual and coordination framework, the implementation of recycling practices and the inclusion of specific environment-related provisions into all new contracts;

27. Notes that the Agency is seeking new premises for its headquarters in Prague; notes that other sites for the Agency in France and Spain are undergoing construction and refurbishment; notes that the Agency reports to follow the national environmental standards and latest methodology for these renovation and building projects;

28. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 4 May 2022 ([3]) on the performance, financial management and control of the agencies.

([3]) Texts adopted, P9_TA(2022)0196.

DECISION (EU) 2022/1811 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European GNSS Agency (now the European Union Agency for the Space Programme – EUSPA) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European GNSS Agency for the financial year 2020,

— having regard to the Court of Auditors' annual report on EU agencies for the financial year 2020, together with the agencies' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Agency in respect of the implementation of the budget for the financial year 2020 (06003/2022 – C9-0102/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Regulation (EU) No 912/2010 of the European Parliament and of the Council of 22 September 2010 setting up the European GNSS Agency, repealing Council Regulation (EC) No 1321/2004 on the establishment of structures for the management of the European satellite radio navigation programmes and amending Regulation (EC) No 683/2008 of the European Parliament and of the Council ([4]), and in particular Article 14 thereof,

— having regard to Regulation (EU) 2021/696 of the European Parliament and of the Council of 28 April 2021 establishing the Union Space Programme and the European Union Agency for the Space Programme and repealing Regulations (EU) No 912/2010, (EU) No 1285/2013 and (EU) No 377/2014 and Decision No 541/2014/EU ([5]), and in particular Articles 85 and 86 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([6]), and in particular Article 105 thereof,

— 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 (A9-0117/2022),

1. Approves the closure of the accounts of the European GNSS Agency for the financial year 2020;

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([2]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59697

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 276, 20.10.2010, p. 11.

([5]) OJ L 170, 12.5.2021, p. 69.

([6]) OJ L 122, 10.5.2019, p. 1.

2. Instructs its President to forward this decision to the Executive Director of the European Union Agency for the Space Programme, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1812 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Union agencies for the financial year 2020: performance, financial management and control

THE EUROPEAN PARLIAMENT,

— having regard to its decisions on discharge in respect of the implementation of the budget of the European Union agencies for the financial year 2020,

— having regard to the Commission's report on the follow-up to the discharge for the 2019 financial year (COM (2021) 405),

— having regard to the Court of Auditors' annual report on Union agencies for the financial year 2020, together with the agencies' replies ([1]),

— 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 966/2012 ([2]), and in particular Articles 68 and 70 thereof,

— having regard to Articles 32 and 47 of Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ([3]),

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the T FEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([4]), and in particular Article 105 thereof,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinions of the Committee on Employment and Social Affairs and the Committee on Civil Liberties, Justice and Home Affairs,

— having regard to the report of the Committee on Budgetary Control (A9-0104/2022),

A. whereas this resolution contains, for each body within the meaning of Article 70 of Regulation (EU, Euratom) 2018/1046, cross-cutting observations accompanying the discharge decisions in accordance with Article 262 of Regulation (EU, Euratom) 2018/1046 and Article 3 of Annex V to Parliament's Rules of Procedure;

B. whereas this resolution also contains, for the Euratom Supply Agency, cross-cutting observations accompanying the discharge decision in accordance with Article 262 of Regulation (EU, Euratom) 2018/1046 and Article 3 of Annex V to Parliament's Rules of Procedure;

C. whereas Union agencies should focus on missions that clearly add value to the Union and the organisation of such missions should be optimised to avoid overlaps in the best interests of the Union taxpayer;

1. Welcomes the efforts made by the agencies to maintain their high standards of working and high-quality outputs, despite the limitations imposed by the COVID-19 pandemic;

([1]) OJ C 439, 29.10.2021, p. 3. ECA annual report on EU agencies for the 2020 financial year.
([2]) OJ L 193, 30.7.2018, p. 1.
([3]) OJ L 328, 7.12.2013, p. 42.
([4]) OJ L 122, 10.5.2019, p. 1.

2. Emphasises that the pandemic has illustrated once more that agencies play a crucial role in Union policy, from monitoring infections across Member States, authorising vaccines and treatments, issuing guidance on adapting workplaces and protecting workers, to issuing recommendations for teleworking, online shopping and eHealth, to addressing volatility in the markets, resulting from the pandemic, under their supervision, showing great resilience, flexibility and adaptability;

3. Notes that for the 32 decentralised Union agencies, the cumulative total for the 2020 budgets amounted to around EUR 3 040 million in commitment appropriations, representing an increase of approximately 6,55 % compared to 2019, and to EUR 2 888 million in payment appropriations, an increase of 19,59 % in comparison to 2019; notes moreover that of the EUR 2 888 million in payment appropriations, some EUR 2 253 million were financed from the general budget of the Union, representing 74,1 % of the agencies' total financing in 2020 (compared to 74,8 % in 2019); acknowledges furthermore that some EUR 786 million were financed by fees and charges and by direct contributions from participating countries (a decrease of 21,0 % compared to 2019);

4. Welcomes the conclusion of the European Court of Auditors (the 'Court') in its annual report on Union agencies for the financial year 2020 (the 'Court's report') that overall, the Court's audit of the annual accounts of the agencies for the financial year ended 31 December 2020 and of the revenue underlying them confirmed the positive results reported in previous years; notes, however, that some improvements are needed in the area of payments underlying the accounts, according to the Court;

Main risks identified by the Court

5. Notes that, according to its report, the Court considers the overall risk to the reliability of agencies' accounts, as established by applying the accounting rules adopted by the Commission's accounting officer and based on international accounting standards, to be generally low, as was the case in 2019;

6. Notes that, according to its report, the Court considers the overall risk to the legality and regularity of revenue underlying the agencies' accounts to be low for most agencies, and to be medium for the partly self-financed agencies where specific regulations are applicable to collection of fees and other revenue contributions, as was the case in 2019;

7. Notes that the Court considers the risk to the legality and regularity of payments underlying the agencies' accounts overall to be medium, varying from low to high for specific budget titles; notes that the Court considers the risk for Title I (Staff Expenditure) to be generally low, for Title II (Administrative Expenditure) to be medium, and for Title III (Operational Expenditure) to be low to high, depending on the agency in question and the nature of its operational expenditure; points out that the Court considers the risk as regards Title III similar to the risk of Title II, but since there are far higher amounts at stake under Title III, the impact is considered to be higher;

8. Notes that the Court considers the risk to sound financial management to be medium, that risk is primarily associated with public procurement procedures that did not ensure that the best possible value for money was achieved;

9. Notes that the Court considers the risk to budget management to be low, with the Court's audit showing high carry overs of committed appropriations, which were however justified according to the Court by the multiannual nature of operations or for reasons beyond the agencies' control;

10. Notes the Court's mention of an 'other risk' related to the COVID-19 pandemic that has affected the Court's work as travel restrictions prevented it from carrying out on-the-spot checks, obtaining original documents and interviewing auditees' staff face to face; notes with appreciation that the Court nevertheless carried out its work through desk reviews and remote interviewing of auditees; notes the Court's assessment that, despite an increased detection risk

due to no on-the-spot checks, the evidence it obtained from its auditees still enabled the Court to complete its work and conclude on it; notes the Court's observation that the organisation of the work in the agencies had to overcome some COVID-19 related challenges too, which had implications on the Agencies' procurement procedures, on management and on the fulfilment of contracts, recruitment procedures, budget implementation and on internal controls; welcomes the specific observations of the Court in this regard;

11. Welcomes the fact that the Court has declared that in most cases the agencies have taken corrective actions to address previous years' audit observations and calls on the JHA agencies to continue their efforts to follow up on the Court's observations, in particular in the fields of internal control, public procurement procedures and budgetary management;

Budget and financial management

12. Notes with satisfaction that, according to the annual report of the Court, an unqualified audit opinion on the reliability of the accounts of all agencies was issued; notes in addition that the Court issued an unqualified opinion on the legality and regularity of the revenue underlying the accounts for all agencies; observes that the Court issued an unqualified opinion on the legality and regularity of the payments underlying the accounts for all agencies, except for the European Union Agency for the Cooperation of Energy Regulators (ACER), European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA) and the European Union Agency for Cybersecurity (ENISA);

13. Notes that, as regards the reliability of accounts, the Court issued an 'emphasis of matter' paragraph for the European Medicines Agency regarding the lease agreement for its previous premises in London that lasts until 2039 with no provision for early termination; notes from the Court's report that the Agency has sub-let its previous premises under conditions consistent with the terms of the head lease with the outstanding rent, associated service charges and landlord insurance to be paid by the Agency up to the end of the lease estimated at EUR 377 million; notes that this is a considerable amount that potentially puts the Agency's financial continuity at risk;

14. Notes that, as regards the legality and regularity of the revenue underlying agencies' accounts, the Court issued two 'other matter' paragraphs for the European Securities' and Markets Authority (ESMA), one related to the fees charged to credit rating agencies, and one related to the fees for Trade Repositories; notes that the Court observed, as regards credit rating agencies, that the fees charged are based on their revenue as a legal entity, but not as a group of related entities, creating a quasi-legitimate opportunity to avoid fees by transferring revenues from credit rating agencies under Union jurisdiction to their related entities outside the Union; notes that ESMA is addressing this risk, through publication of a consultation paper, that resulted in technical advice to the Commission on amending the ESMA founding Regulation to mitigate the identified risk; notes with regard to the fees to trade repositories that these are calculated by ESMA on the basis of each individual trade repository's applicable turnover, as presented in their financial statements for which independent auditors give an opinion on whether or not they present a true and fair view; notes that the Court found that the number of trades reported to the Trade Repositories and the number of recorded outstanding trades on 31 December 2019, used as a basis for the calculation of the turnover for fees, were only subject to a limited review by independent auditors and that ESMA published a consultation paper in March 2021 that proposed to simplify the method used to determine turnover to address the identified issue;

15. Notes that, the Court issued an opinion verifying the legality and regularity of the payments underlying the Agencies' accounts for all agencies, except for the Agency for the Cooperation of Energy Regulators (ACER), the European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA) and the European Union Agency for Cybersecurity (ENISA); notes that ACER's qualified opinion was related to several specific contracts under a framework contract for IT services and that related payments in the financial year 2020 amounted to EUR 752 654 (3,7 % of the total payments available in 2020) and that ACER has undertaken steps to prevent the incorrect use of the framework contract; notes that the qualified opinion for

eu-LISA primarily resulted from a contract for software, different from the software offered under the associated framework contract resulting in a deviation from the framework contract, with eu-LISA stating that this error has been remedied; notes that the qualified opinion for ENISA resulted from lack of a formal delegation to a staff member allowing the authorisation of payments and that ENISA has taken steps to make sure payments are only made with the required delegations in place;

16. Notes the Court's observation related to the contributions from associated countries where different methods in the agreements for calculating contributions entail a risk of erroneous implementation of those contribution agreements; notes the Court's invitation to the agencies concerned to consult the Commission in order to assess whether they need to align with the Commission's contribution agreements and methods of calculation for the contributions of associated countries; stresses the need for horizontal guidance from the Commission to Union bodies on how to calculate contributions from third countries;

17. Notes the Court's observation of excessive levels of carry-overs, in particular for ACER, eu-LISA, the Euratom Supply Agency (ESA), the European Union Agency for Fundamental Rights (FRA) and the European Border and Coastguard Agency (Frontex), and the Court's recommendation that the agencies concerned should further improve their budget planning and implementation cycles;

18. Regrets that further weaknesses were observed by the Court regarding several agencies on a range of aspects, from management of fees to late payments, the disclosure of contributions received, and the calculation of the contribution by third countries to the agencies' budget;

19. Notes that the COVID-19 pandemic resulted in increased volatility in fees invoiced and collected for several fee-receiving agencies, affecting budgetary planning and financial stability resulting from significant drops in fee income in 2020; notes that this affected, in particular, the revenue of the European Chemicals Agency (ECHA) (EUR 7 million less in fee income compared to the amount that was budgeted) and the European Union Aviation Safety Agency (EASA) (EUR 3,2 million less in fee income compared to 2019);

20. Notes that the Court did not audit the 2020 accounts of the European Public Prosecutor's Office ('EPPO'), as EPPO only launched its operations on 1 June 2021;

21. Recalls the importance of establishing and maintaining an active dialogue between the Commission and the agencies over the allocation of appropriate resources and the design of the respective establishment plans, especially with regard to the grade at which posts are allocated;

Performance

22. Stresses the valuable role played by Union agencies in helping Union institutions to design and implement policies, especially for specific technical, scientific, operational or regulatory tasks; appreciates the importance of and the high-quality work performed by Cedefop, Eurofound, EU-OSHA, ETF and ELA, the agencies working in the area of employment, social affairs and inclusion; reiterates in this regard the need to ensure adequate human and financial resources allowing them to continue implementing their work programmes with a very high activity completion rate; stresses the importance and added value of each agency in their field of expertise and their autonomy;

23. Recalls that the European Labour Authority (ELA) was created in March 2018 and started its operation in October 2019; welcomes that ELA premises were inaugurated on 9 November 2021;

24. Points out that the ELA will help ensure that Union rules on labour mobility and social security coordination are enforced effectively and fairly, will assist national authorities in cooperating to enforce these rules, and make it easier for citizens and businesses to benefit from the internal market;

25. Recalls that the ELA was not audited in 2020 because, according to ECA, it did not reach its financial autonomy;

26. Highlights the importance of making the ELA fully operational without undue delay and stresses the need to ensure sufficient financial resources in this regard;

27. Notes that, despite the conclusion of the Court that its audit findings for 2020 confirmed the positive results reported in previous years, as a result of the COVID-19 pandemic, 2020 was not just another year; notes with that in mind that the Court also concluded that, with respect to work programmes and activities, the COVID-19 pandemic triggered significant reprioritisation of resources and planned activities, with the most notable examples to be found in the policy area of Health (the European Centre for Disease Prevention and Control (ECDC) and the European Medicines Agency (EMA)); notes that other areas were also affected, for example Frontex was unable to implement planned activities due to travel restrictions worldwide and fieldwork planned by the European Foundation for the Improvement of Living and Working Conditions (Eurofound) for its 7th European Working Conditions Survey significantly changed, including the disruption of a trend analysis on working conditions spanning more than 20 years; notes that the agencies responded to those challenges through relevant actions and adaptations of work by accelerating digitalisation measures, better collaboration and improved exchange of information;

28. Notes the reply of the EU Agencies Network (EUAN) to the 2019 discharge observation on building trust with individual citizens; notes that, despite the heterogeneity of the Agencies' target audience, efforts have been made to increase interactions with citizens via the available outreach channels, such as social media and the press; notes that, facilitated by the EUAN, an ad hoc working group has been created to discuss the key features of a communication framework and to define strategic pillars; acknowledges that the financial and human resources available to pursue this are limited and commends the agencies for nevertheless making progress in this regard;

29. Notes from the study 'Cost of Non-EU Agencies Focusing on the Health and Safety Cluster of the EU Decentralised Agencies' ([5]) that the seven Union agencies in the health and safety field demonstrated strong European added value and that this is widely recognised by Member States and other stakeholders including business stakeholders; notes, in particular, that the agencies in the health and safety cluster have played an important role in the Union's response to the COVID-19 pandemic; notes that the ECDC and the EMA have been directly involved in tackling challenges arising from the crisis, by monitoring epidemiological data and through the approval of vaccines, while other agencies produced guidance on reducing the risk of contracting the virus in particular sectors, such as the EASA's COVID-19 Aviation Health Safety Protocol, the European Food Safety Authority's (EFSA) statements on risk of contracting the COVID-19 virus through food, and the European Maritime Safety Agency's (EMSA) reports on the impact of the COVID-19 pandemic on shipping; notes that the COVID-19 pandemic highlighted the extent of collaboration between the Agencies;

30. Considers that greater attention should be paid to relevance and coherence, in particular in the context of overlapping areas of competence, when establishing future agencies; believes that clear rules should be put in place concerning the evolution and termination of agencies' missions;

31. Notes with satisfaction the continuing good cooperation between the agencies within the remit of the Commission's Directorate-General for Employment, Social Affairs and Inclusion, including regular mutual exchanges of information in the planning stage of their work programmes and keeping each other informed on developments and findings;

32. Believes that it is necessary to strengthen the role of the agencies as centres of expertise and to strengthen the digitalisation of those agencies and their interoperability in order to achieve a high level of transparency;

([5]) Study on the 'Cost of Non-EU Agencies Focusing on the Health and Safety Cluster of the EU Decentralised Agencies', PE 699.399, October 2021.

33. Reiterates the important role of the Union's justice and home affairs (JHA) agencies and of the European Data Protection Supervisor (EDPS), and the important support they provide to Union institutions, bodies, offices and agencies, and to the Member States in the areas of fundamental rights, security and justice by carrying out operational, analytical, managerial and monitoring tasks; reiterates, therefore, the need to ensure adequate financial and human resources to the JHA agencies and to the EDPS to enable them to fulfil their mandates in a fully transparent manner and in full compliance with fundamental rights;

34. Recalls that the yearly exchange of views in the EMPL committees regarding the annual work programmes and the multiannual strategies of the agencies is instrumental in ensuring that the programmes and strategies are aligned to the actual political priorities, especially in the context of the implementation of the principles enshrined in the European Pillar of Social Rights and contribute to the success of the Action Plan on the Implementation of the EPSR;

35. Welcomes, therefore, the deepened cooperation between the agencies within the framework of the European Union Agencies Network (EUAN) which is an important inter-agency cooperation platform to enhance agencies' visibility, identify and promote possible efficiency gains, add value and ensure efficient communication between the agencies and relevant stakeholders with a focus on sharing services, knowledge and expertise, and calls for regular consultations between all agencies coordinated by the EUAN;

36. Particularly appreciates and encourages the close collaboration among the agencies under the remit of the Committee on Employment and Social Affairs in order to ensure synergies, complementarity and sharing resources;

Staff policy

37. Notes that, in 2020, the 32 decentralised agencies reportedly employed a total of 9 001 members of staff, comprising officials, temporary agents, contract agents and seconded national experts (compared to 7 880 in 2019), representing a significant increase of 14,23 % compared to 2019;

38. Notes the judgment of the Court of 11 November 2021 ([6]) regarding the use of interim workers, addressing several questions concerning the application of Directive 2008/104/EC of the European Parliament and of the Council ([7]) on temporary agency workers in Union agencies; calls on those agencies to intensify their efforts to reduce the number of temporary workers replacing members of staff;

39. Notes that the Court found an increase in weaknesses concerning human resources management, in particular relating to recruitment procedures where the Court identified different types of shortcomings in six of the 22 audited agencies, such as insufficient steps to verify entitlements to allowances for staff taking up duties as a temporary agents (EMSA), vacant managerial posts for an excessive period (EASO, EFSA), a failure to apply effective internal controls during the recruitment procedures (ACER), weaknesses in appointment of selection panels for recruitment procedures (EMA), and weaknesses in management of grades of new staff members (Frontex);

40. Notes from the Court's report that agencies experienced disruptions to recruitment and selection procedures due to lockdown measures and travel restrictions caused by the COVID-19 pandemic; notes however that the agencies showed resilience in this regard as from mid-April 2020, most agencies were able to restart and continue recruiting through online procedures for selection and remote induction procedures; notes the difficulties reported by agencies, such as connection issues during remote interviews, or the sudden unavailability of candidates, and the difficulty for candidates to demonstrate certain proficiencies online; further notes that the slow-down in recruitment created the risk of future bottle necks in human resources as a growing number of future members of staff will need adequate induction procedures, creation of personal files, training courses, and appraisals; calls on the agencies to keep the discharge authority informed about the rise of these risks and the mitigating actions taken; calls on the agencies to share their experience with other agencies in dealing with these risks;

([6]) Judgment of the Court of 11 November 2021, *UAB „Manpower Lit" v E.S. and Others*, C-948/19, ECLI:EU:C:2021:906.

([7]) Directive 2008/104/EC of the European Parliament and of the Council of 19 November 2008 on temporary agency work (OJ L 327, 5.12.2008, p. 9).

41. Underlines the need to avoid digital overload and emphasises that staff should only work within working hours; welcomes the European Training Foundation's (ETF) new tools that were recently uploaded for the delivery of messages within working hours; calls on other agencies to follow the ETF's lead as good practice;

42. Notes with concern that, in 2020, there was no gender balance among staff, with an uneven gender distribution at senior management level with 74,6 % men and 25,4 % women, a gender distribution of 52,7 % men and 47,3 % women among the staff overall and 63,4 % men and 36,6 % women on the management boards of the agencies; reiterates the ambition of the agencies to align with the Commission to reach a gender balance of 50 % at all levels of its management by the end of 2024;

43. Notes, with regard to the follow-up observations on gender balance, that the agencies have no influence on the nomination of management board members or of the Executive Director and therefore have no influence on the resulting gender balance; notes that several agencies reported that they would take measures to achieve better gender balance in senior management when posts became vacant; is concerned however that there was a lack of gender balance as regards senior management in 2020, and that these measures therefore do not seem to have had a positive impact; reiterates its call on the agencies to work on improving the gender balance in senior management;

44. Notes that the geographical balance of staff in Union agencies follows the population of the Member States, as a percentage of the EU-27, slightly more closely than the geographical balance of staff at the Commission; notes an under-representation for eight Member States, an over-representation for seventeen Member States and an approximate balance for two Member States; regrets the lack of policies across agencies to improve diversity among its staff; calls on agencies, as well as the Network, to put forward plans to achieve this goal;

45. Notes that Union agencies have a crucial role in ensuring social dialogue within their own organisations and calls on the Commission to ensure funding to support Union agencies in securing social dialogue;

46. Calls for the development of a general policy to prevent the replacement of permanent staff in Agencies with more expensive external consultants, in order to guarantee high-quality working conditions, and to prevent knowledge and experience from being lost;

47. Calls for more support to staff members who move to the country where the agency is located; suggests in this context establishing a liaison person who ensures, among other things, the connection between the staff and local authorities;

48. Calls on the EUAN to establish clear rules with regard to the affiliation of members of staff with the national health care system; recommends that those rules explicitly state the extent and duration of the health insurance coverage;

49. Notes from the study 'The Management Board of the Decentralised Agencies' ([8]) that the management boards of the agencies have a key role in achieving good governance and performance, and that they have an essential responsibility with regard to appointing the agencies' executive directors; notes the finding of the study that the diversity in the agencies' governance arrangements is an expression of their differing mandates; notes that the study concluded that the management boards are overall effective and efficient in performing their role and that fundamental changes are not needed; takes note that the study reveals that some improvements can be made, such as increasing the number of meetings, shifting focus from administrative matters to issues with a more strategic character, reinforcing the representation of stakeholders and the working procedures of the agency;

50. Encourages the agencies to pursue the development of a long-term human resources policy framework which addresses work-life balance, lifelong guidance and career development, gender balance, teleworking, geographical balance and recruitment and integration of people with disabilities; underlines the important effect of turnover within the staff of the Union agencies, calls for the implementation of human and social policies to remedy it;

([8]) Study on 'The Management Boards of the Decentralised Agencies', PE 699.400, October 2021.

51. Is concerned about the large size of the boards of directors of certain agencies, making it difficult to take decisions and generating considerable administrative costs;

52. Calls on all JHA agencies to promote and ensure diversity in their recruitment policy; urges all JHA agencies to develop internal policies and practices to ensure inclusiveness and diversity, and to prevent any type of discrimination; invites the Court to systematically report on those issues in its future reports; urges all JHA agencies to implement a clear anti-harassment policy to prevent and firmly condemn harassment within their organisations; underlines the detrimental effect of a high staff turnover within some of the Union offices, bodies and agencies and calls for the implementation of human resources and social policies to remedy it; calls for the dependency on external recruitment to be addressed; notes the outcome of Case C-948/19 ([9]) before the Court of Justice of the European Union;

Procurement

53. Notes the Court's recommendation that the agencies' implementation of the budget should be subject to effective and efficient internal controls and that these should include robust *ex ante* controls aimed at preventing errors and irregularities before operations are authorised; notes that the Court recommended furthermore that, to achieve the best possible value for money under the Commission's framework contracts without a pricelist for acquiring software licences and IT services, the agencies should systematically carry out market research before signing any order forms with a detailed assessment of the products and services required, an analysis of the solutions available on the market, and a price estimate for the items in question;

54. Notes the Court's observation that nearly all of the observations on procurement procedures concerned irregular payments; notes the recommendation of the Court that the agencies concerned should further improve their public procurement procedures, ensuring full compliance with the applicable rules;

55. Welcomes the Court's observation that the agencies managed to keep their public procurement function running throughout the pandemic without an excessive use of direct awards without competition;

56. Welcomes the increased use of e-procurement tools by Union agencies and the important role they have played in ensuring business continuity for procurement under teleworking conditions; notes that the most common e-PRIOR modules used by agencies are e-tendering, e-submission and e-invoicing and that several agencies implemented these in the course of 2020;

Prevention and management of conflicts of interests, and transparency

57. Notes that most of the agencies request declarations of interest for their management board members and senior management and that they publish them on their website; notes that two Agencies, the European Centre for the Development of Vocational Training (Cedefop) and the European Agency for Safety and Health at Work (EU-OSHA), are reportedly still in the process of requesting and publishing the declaration on their website with a majority of declarations already available online;

58. Notes that most Agencies publish on their website the curriculum vitae (CV) of their management board members, management staff, external experts and in-house experts; notes that for ECDC, ECHA and the European Environment Agency (EEA),the CVs of their in-house experts are missing; notes that for the European Fisheries Control Agency (EFCA), their external experts are missing; notes that for Frontex, the European Union Agency for Railways (ERA) and the European Securities and Markets Authority (ESMA) the CVs of both their in-house and external experts are missing; reminds the agencies that it is important to increase transparency with regard to the backgrounds of the members of their management board, management staff and external and in-house experts;

([9]) Judgment of the Court (Second Chamber) of 11 November 2021 in Case C-948/19, *UAB „Manpower Lit"* v *E.S. and Others*, ECLI:EU:C:2021:906.

59. Calls on all agencies to participate in the newly established interinstitutional agreement on a mandatory transparency register for interest representatives, signed by the Commission, the Council and Parliament;

60. Notes that the study 'The Management Board of the Decentralised Agencies' highlights the importance of managing actual and potential conflicts of interest and its relevance for the agencies' accountability, transparency and good governance; notes that some agencies have more sophisticated policies on conflicts of interest that distinguish between different types of interest, identify responsibilities for screening of declarations of interests and provide guidance on how to follow-up when a conflict arises; notes that the study recommends the development of a code of conduct for management boards, setting out principles, procedures and specific mechanisms to deal with conflicts of interest of members; further notes the suggestion to develop a code of good governance as an overarching framework for management boards' activities;

61. Notes that most of the agencies reported that they have not investigated and/or concluded cases of conflict of interests in 2020; notes that for Frontex there was one case reported which concluded that no conflict of interest existed; notes, however, that the European Anti-Fraud Office (OLAF) is still investigating this case; further notes that for the EMA six experts informed the Agency of their intention to become employees in a pharmaceutical company; notes that following their policy on prevention and management of conflicts of interest, EMA applied the necessary measures to mitigate the risk of any cases of potential conflicts of interest arising;

62. Notes that 13 agencies reported to have ongoing OLAF cases; further notes that the agencies reported to have 34 ongoing or closed harassment cases in 2020;

63. Calls on all JHA agencies to take measures to ensure full compliance with Union transparency rules as well as with fundamental rights and data protection standards; calls upon them to comply with financial regulations and high management standards; considers that the disclosure of meetings and interactions between JHA agencies and third parties would ensure enhanced transparency of JHA agencies, provided that this is done in a manner that does not put operations at risk; encourages the JHA agencies to increase their efforts in this regard;

Internal control

64. Notes that the Court issued 'other matter' paragraphs for ACER and ENISA drawing attention to the fact that they did not adopt internal rules to address the continuity of delegations in cases where delegating or delegated authorising officers leave their post; calls on all agencies to pay attention to this particular issue in general, and more specifically when a new (executive) director takes charge of the agency; reiterates the Court's recommendation that the agencies should adopt internal rules that provide a sound contribution to the management control systems, to transparency and accountability; points to the example of the EMA provided by the Court as a reference for these internal rules;

65. Notes the Court's recommendation that the agencies' implementation of the budget should be subject to effective and efficient internal controls which should include *ex ante* controls aimed at preventing errors and irregularities before operations are authorised;

66. Notes that at the end of 2020 all agencies reported that they had implemented the revised, COSO-based, internal control framework and that they had performed an annual assessment, with some of the agencies reporting that the assessment of the ICF was performed in the framework of the annual risk management exercise; acknowledges that there are similarities between the annual risk assessment and the assessment of the ICF; calls however on the agencies to perform annually a separate assessment of the ICF, to assess the integration of risk management into the internal control processes as part of that, and to report on the outcomes in the annual activity report; calls on all agencies to provide, as a minimum, the results of the assessment at component level, encourages the agencies however to report on a more detailed level such as per internal control principle;

67. Notes that in 2020, according to the Court's report concerning follow-up of previous years' observations, 71 observations were closed, 86 observations were still being implemented or outstanding, and four outstanding observations were deemed not to be under the agencies' (sole) control, meaning that major decisions concerning these four observations need to be taken by the Court of Justice of the European Union, the Commission or the Member States; calls on the agencies to diligently implement the observations and further improve their internal control frameworks;

COVID-19 response and business continuity

68. Welcomes and echoes the Court's observation that the agencies adapted well to the unprecedented situation caused by the COVID-19 pandemic; notes that the Court concluded this on the basis of a specific complementary review of how Union agencies have managed and organised their response to the COVID-19 crisis; welcomes this complementary analysis by the Court and calls on the Court to continue this practice whenever there are events that have the potential to severely impact the work of the Union agencies;

69. Notes that the Court's review focused on three main areas, namely the implementation of business continuity measures, decision-making capacity, day to day operations and recruitment procedures, and measures taken by the agencies to support the wellbeing and resilience of staff;

70. Welcomes the Court's observation that the agencies activated business continuity plans in good time to ensure the continuation of key governance processes and the wellbeing of staff; regrets, however, that four agencies, the European Asylum Support Office (EASO), the European Banking Authority (EBA), the European Institute for Gender Equality (EIGE) and the European GNSS Agency (now the European Union Agency for the Space Programme) did not have an approved business continuity and disaster recovery plan in place at the outset of the pandemic, and that three agencies, EFCA, the Agency for Support for the Body of European Regulators for Electronic Communications (BEREC Office) and the Translation Centre, did not activate their plans as their initial response measures did not require it; notes that the agencies deployed response activities such as the designation of specific teams tasked with leading the organisation and management of the COVID-19 response by coordinating meetings, initially held daily, and later two to three times per week or as necessary;

71. Is very concerned about the fact that some agencies, such as Cedefop, are not part of the crisis management team; stresses the importance of involving staff in crisis management; recommends, therefore, to start from the example of the ETF as good practice and giving employees the chance to flag issues and be in contact with management, especially during times of COVID-19-related teleworking;

72. Notes that all agencies had moved to extended teleworking arrangements, and instructed all staff whose presence at the office was not indispensable to work from home by 16 March 2020; notes that for most agencies, although they already had some remote working possibilities in place, had to scale-up existing ICT systems, with the Court's analysis showing that none of the agencies reported serious problems with respect to capacity (bandwidth), connectivity or data security; notes further that six agencies (ACER, BEREC, ECDC, ECHA, EFSA, and the European Insurance and Occupational Pensions Authority (EIOPA)) performed stress tests on their ICT systems before launch, giving further assurance on the functioning of ICT systems before the move to comprehensive teleworking;

73. Notes from the Court's report that for the agencies the main objective for the decision to move to comprehensive teleworking was to protect staff; welcomes the Court's observation that priority given to staff well-being was visible in numerous internal documents consulted, confirmed in the interviews with agencies' management, and the prominent role the Union Agencies Network's advisory group on new ways of working; notes the Court's observation that most agency staff members had generally coped well with the difficult situation caused by the pandemic; notes with concern that time-management statistics produced by the agencies showed that staff worked more hours than before to cope with the new tasks expected of them; and welcomes the measures taken by the agencies to support staff during that period;

74. Notes the Court's conclusion that key corporate functions continued to operate during the pandemic with, the management board meetings of all agencies, following the cancellation of physical board meetings, replaced by written procedures or moved to a virtual format; notes that decision making processes, such as discussions and votes, continued, making sure that, among other things, budgets, amendments, and even appointments were still adopted and carried out;

75. Notes the Court's conclusion that, although it is difficult to completely isolate the effect of the pandemic, the pandemic has affected all of the agencies' core business areas to a varying degree; notes the Court's general remark that the pandemic has accelerated the shift in working methods leading to budget savings in several areas, as all agencies' budgets for missions and travel-related costs have not been fully used, with the reduction for some agencies being close to 90 %, savings from delays or cancellations to recruitment procedures, pre-recruitment medical check-ups, in-person meetings, and training courses being held online, and a much-reduced need for canteen, cleaning, on-site utilities such as water and electricity, and security services;

76. Emphasises the importance of health protocols for all agencies, including internal health and safety committees, proper ventilation and pandemic security protocols, to be collectively discussed and implemented with staff;

Other comments

77. Welcomes the steps made by the agencies to disclose and publish the results of their work through various channels, including their websites and social media; encourages the agencies to continue this practice and to keep on engaging with the public to disseminate the results of their work;

78. Believes that an impact assessment should be carried out for each agency and that a review clause on the interest of the agency should be added systematically; calls on the agencies to continue developing and reviewing indicators in order to measure their performance on an annual basis and their impact on implementation of the Union policies; believes that financial resources should be allocated more flexibly based on need or urgency;

79. Welcomes the EUAN endorsement of its second multiannual strategy (2021–2027) in 2020;

80. Recalls that, from the financial year 2014 onwards, the audit of the accounts of the Union agencies by the Court was externalised to private sector audit firms, with the associated costs carried by the agencies, while all aspects of the outsourced external audits remained under the full responsibility of the Court; reiterates that involving private sector auditors resulted in a significant increase in the administrative burden on the agencies, both for time spent on the audit and procurement and administration of audit contracts, as well as additional expenditure;

81. Recalls that the associated costs were estimated to be EUR 447 000 in 2014, and EUR 424 000 in 2015 and the associated administrative burden was estimated to be 1,5 FTE for all agencies together; notes that the agencies for 2020 reported to have spent an estimated EUR 566 000 on associated costs for the audit of accounts (an increase of 33,4 % compared to 2015) and reported a comparable number of hours spent to deal with the additional administrative burden;

82. Notes that the Court piloted automated procedures in the area of the audit of the payments, salaries, procurements, budget, recruitments and the annual accounts of the EU's six executive agencies; notes that the Court also implemented five new automated procedures in the area of the audit of the accounts in particular automated checks and reconciliation of the information in the adopted financial statements with the underlying data in the general ledger and the trial balance; notes the Court's statement that this is typically a low-risk audit task that needs to be performed in order to ensure that the subsequent tests are performed using the correct audit population; notes the considerable time-saving opportunities that will be available once more procedures are automated and used for more audit tasks; calls on the Court to expand these practices to all agencies, as precisely the audit of the accounts of the decentralised agencies is externalised to private sector audit firms and therefore the time saved will result in considerable cost-savings;

83. Notes that 30 agencies reported to participate in the EUAN Greening Initiative, aimed at reducing the footprint on the environment of the agencies' operations; notes that agencies reported to have mostly negotiated contracts with energy suppliers to provide energy from renewable sources, introducing paperless financial workflows, promoting, among staff, the use of environmentally friendly transport, implementing eTendering, eSubmission, eInvoicing, continuously improving waste management and modernisation of the IT equipment; encourages the agencies to continue with their efforts and to actively use the Union Agencies Network to share experience to and join forces to increase the results;

84. Calls on all JHA agencies to take into account sustainability in their overall business processes in order to improve the agencies' environmental performance and to report to the discharge authority on implemented measures and progress;

85. Notes that in 2020, as regards sustainability, all but one agency reported that it would work on increasing the sustainability of the organisation and that it would report on its results; notes that reporting on sustainability, when done by the agencies, is often done in the framework of the Annual Activity Report and that six agencies indicate that they have a separate report on this matter, under their Eco-Management and Audit Scheme (EMAS); notes that four agencies report to have adopted and implemented Green Public Procurement which provides them with criteria that facilitates the inclusion of green criteria in public tender documents;

86. Notes from the study on 'Locations of EU Decentralised Agencies' ([10]) that the present choice of location for Union decentralised Agencies is primarily driven by political needs and predefined criteria; notes the observation from the report that the decision to select the seat of an agency should be part of the ordinary legislative procedure and include the eventual financial impact on the Union budget; further notes that the findings on this report indicate that location has one of the strongest repercussions on recruiting specialised staff; notes that it is suggested in the study to include in the proposal for the founding regulation of an agency, a method to estimate a correction coefficient closer to the real cost of living in the agency's location; notes from the report that better cooperation among agencies might reduce the negative impacts of decentralisation and that it is suggested that the role of the Union Agencies Network should be formalised and expanded further to offer better representation in Brussels and to offer horizontal services such as the organisation of meetings, trainings or procurements of common interests; welcomes the fact that all agencies have ensured their business continuity in response to the COVID-19 pandemic by shifting to a hybrid environment; notes that the study suggests that the agencies' budgets for the coming years should continue to support the development of IT communication in order to facilitate on-line meetings and teleworking;

87. Calls on the agencies to continue to develop their synergies, increase cooperation and exchange of good practices with other Union agencies with a view to improving efficiency (human resources, building management, IT services and security);

88. Recalls the importance of increasing the digitalisation of the agencies in terms of internal operation and management but also in order to speed up the digitalisation of procedures; stresses the need for the agencies to continue to be proactive in that regard in order to avoid a digital gap between the agencies at all costs; draws attention, however, to the need to take all the necessary security measures to avoid any risk to the online security of the information processed;

89. Welcomes the cooperation within the JHA Agencies Network; calls on the JHA agencies to continue to develop synergies, increase cooperation and exchange good practices between them with a view to improving efficiency;

90. Instructs its President to forward this resolution to the agencies subject to this discharge procedure, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

([10]) Study on 'Locations of the EU Decentralised Agencies', PE 700.320, November 2021.

DECISION (EU) 2022/1813 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the Bio-based Industries Joint Undertaking (now the Circular Bio-based Europe Joint Undertaking) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the Bio-based Industries Joint Undertaking for the financial year 2020,

— having regard to the Court of Auditors' annual report on the EU Joint Undertakings for the financial year 2020, together with the Joint Undertakings' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Joint Undertaking in respect of the implementation of the budget for the financial year 2020 (06005/2022 – C9-0104/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 71 thereof,

— having regard to Council Regulation (EU) No 560/2014 of 6 May 2014 establishing the Bio-based Industries Joint Undertaking ([4]), and in particular Article 12 thereof,

— having regard to Council Regulation (EU) 2021/2085 of 19 November 2021 establishing the Joint Undertakings under Horizon Europe and repealing Regulations (EC) No 219/2007, (EU) No 557/2014, (EU) No 558/2014, (EU) No 559/2014, (EU) No 560/2014, (EU) No 561/2014 and (EU) No 642/2014 ([5]), and in particular Article 26 thereof,

— having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ([6]),

— having regard to Commission Delegated Regulation (EU) 2019/887 of 13 March 2019 on the model financial regulation for public-private partnership bodies referred to in Article 71 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([7]),

— 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 (A9-0074/2022),

1. Grants the Executive Director of the Circular Bio-based Europe Joint Undertaking discharge in respect of the implementation of the Joint Undertaking's budget for the financial year 2020;

([1]) OJ C 458, 12.11.2021, p. 20.
([2]) OJ C 458, 12.11.2021, p. 20.
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 169, 7.6.2014, p. 130.
([5]) OJ L 427, 30.11.2021, p. 17.
([6]) OJ L 38, 7.2.2014, p. 2.
([7]) OJ L 142, 29.5.2019, p. 16.

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 Executive Director of the Circular Bio-based Europe Joint Undertaking, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1814 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget for the Bio-based Industries Joint Undertaking (now the Circular Bio-based Europe Joint Undertaking) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the Bio-based Industries Joint Undertaking for the financial year 2020,

— 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 (A9-0074/2022),

A. whereas the Bio-based Industries Joint Undertaking (the 'Joint Undertaking') was established as a public-private partnership by the Council Regulation (EU) No 560/2014 ([1]) for a period of 10 years with the aim of bringing together all relevant stakeholders and contributing to establishing the Union as a key player in research, demonstration and deployment of advanced bio-based products and biofuels;

B. whereas the founding members of the Joint Undertaking are the Union, represented by the Commission, and industrial partners, represented by the Bio-based Industries Consortium (the 'BIC');

C. whereas the maximum Union contribution to the Joint Undertaking operations, under Horizon 2020, is EUR 975 000 000, including EFTA appropriations, of which up to EUR 29 250 000 is for administrative expenditure, and that Members of the Joint Undertaking other than the Union are expected to make a total contribution of at least EUR 2 730 000 000 over the 10-year period of the duration of the Joint Undertaking, of which EUR 182 500 000 is the minimum financial contribution to operational costs; whereas, in addition, in-kind contributions of at least EUR 1 755 000 000 are to be made by the members other than the Union or their constituent entities consisting of the costs incurred by them in implementing additional activities outside the Joint Undertaking's annual work plan and contributing to its objectives;

Budget and financial management

1. Notes that the report of the Court of Auditors (the 'Court') on the Joint Undertaking's annual accounts (the 'Court's report') finds the 2020 annual accounts to present fairly, in all material respects, the financial position of the Joint Undertaking at 31 December 2020, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the Joint Undertaking's financial regulation and with accounting rules adopted by the Commission's accounting officer; notes, furthermore, that the underlying transactions to the accounts are legal and regular in all material respects;

2. Notes that final available 2020 budget for implementation including re-entered unused appropriations of previous years, assigned revenues and reallocations to the following year includes commitment appropriations of EUR 111 733 166, of which EUR 67 604 259 from the Union budget, and payment appropriations of EUR 196 631 962, of which EUR 184 010 322 from the Union budget;

3. Notes that, as regards the Joint Undertaking's 2020 budget available for Horizon 2020 projects, the implementations rates for commitment and payment appropriations were 100 % and 85 % respectively;

4. Notes that the original Joint Undertaking budget included a relatively large surplus of unused budget from prior years (mainly 2018 and 2019), of around EUR 1 000 000 in commitment appropriations and payment appropriations and on the operational side approximately EUR 20 400 000 in commitment appropriations and EUR 28 800 000 in payment appropriations; notes, in addition, that in the context of a large payment appropriation brought-forward surplus, exacerbated by the COVID-19 crisis, a decision was taken to send back EUR 25 300 000 of operational payment appropriations to the years of origin, for reactivation in subsequent years where there would be more need (in line with the N+3 rule);

([1]) Council Regulation (EU) No 560/2014 of 6 May 2014 establishing the Bio-based Industries Joint Undertaking (OJ L 169, 7.6.2014, p. 130).

5. Notes that as at the end of 2020 the Union contributed EUR 603 176 000, and the industry grouping contributed EUR 41 927 000 in kind validated, EUR 12 465 000 in cash to administrative costs and EUR 3 250 000 in cash to operational costs; notes that at the end of 2020 in-kind contribution to additional activities were certified for a total of EUR 929 212 506;

6. Notes that the Court's annual report on the EU Joint Undertakings for 2020 did not have all data for the validated in-kind contributions; asks the Joint Undertaking to shorten delays for reporting in-kind contributions;

7. Notes that the industry members' total in-kind contributions to additional activities, as estimated at the end of 2020, only achieved around half of the minimum target amount established in Article 4(4) of the Joint Undertaking founding regulations; notes, furthermore, that, although its founding regulation was expressly amended in 2018 to enable industry members to account for their cash contributions at project level for at least EUR 182 500 000, the industry members did not make any additional cash contributions to the Joint Undertaking's operational costs in 2020, indicating that the Joint Undertaking encounters significant obstacles in obtaining such contributions from the private members and that the minimum target will not be achieved by the end of the Horizon 2020 programme; notes that, for this reason, the Commission (DG RTD) reduced its cash contributions to the Joint Undertaking by EUR 140 000 000; notes that this significant reduction in members' contributions presented a risk to the achievement of the Joint Undertaking's research and innovation agenda for the Horizon 2020 programme; calls on the Joint Undertaking to report back to the European Parliament on a plan of action regarding this issue;

8. Notes with concern that the Court's report on the Joint Undertaking's accounts calls the attention to the fact that the industry members total in-kind contributions to additional activities only achieved 53 % of the minimum amount of EUR 1 755 000 000, established in Regulation (EU) No 560/2014; notes, in addition, that, at the end of 2020 the industry members reported approximately EUR 95 700 000 of in-kind contributions to operational activities out of the EUR 433 000 000 committed after all Horizon 2020 calls had been launched; notes, therefore, that this situation indicates a high risk that, by the end of the Horizon 2020 programme, the Joint Undertaking will not achieve the expected targets for its industry members' in-kind contributions as established in Regulation (EU) No 560/2014 and adopted annual work plans; notes from the Joint Undertaking's reply that in its opinion, this gap will be significantly reduced in the coming years given that the declaration and certification of in-kind contributions will significantly increase in line with the closure of the Joint Undertaking's projects and that, moreover, the industry members committed for additional investment targets for 2021 and beyond in their financial perspective presented to the Joint Undertaking's governing board; calls on the Joint Undertaking to report to the discharge authority of any development in that regard; notes that the total amount of in-kind contributions to additional activities of EUR 916 000 000 at the end of 2019 included around EUR 216 000 000 of in-kind contributions reported for 2019, but for which the certification process had not been completed due to the COVID-19 pandemic and the task is ongoing as mentioned in the Court's report; asks the Joint Undertaking to finish the certification process for year 2019 by June 2022;

9. Notes that there are different procedures across Joint Undertakings regarding the calculation for the in-kind contributions and calls for their harmonisation;

Performance

10. Notes that, in total, the Joint Undertaking project portfolio consists of 124 projects (64 Research and Innovation Actions (RIAs), 35 Demonstration Actions (DEMOs), 11 Flagships and 14 Coordination and Support Actions (CSAs), resulting from the 2014–2019 calls; notes, in addition, that, after the finalisation of the Grant Agreement Preparation (GAP) process from the 2020 call, seven RIA, four DEMO, three Flagship and four CSA projects are expected to be added to the Joint Undertaking's project portfolio; calls on the Joint Undertaking to publish the number of finished as well as ongoing projects in its annual report for more clarity;

11. Notes, furthermore, that within the 124 funded projects from the Joint Undertaking's 2014-2019 calls, as well as the 18 projects still in the GAP from the 2020 call, 1 006 beneficiaries represent the private-for-profit sector, corresponding to 59,5 % of all Joint Undertaking beneficiaries; notes, moreover, that for the 2020 call, this trend is confirmed with a private-for-profit participation covering 56 % of the total number of participants in retained proposals;

12. Regrets the fact that the design of the Joint Undertaking's 2020 call did not ensure the fullest coverage of the four strategic demonstration topics, in line with its research agenda in the annual work plan; notes, in addition, that eligible and high-scored proposals for one of the demonstration topics had to be rejected for the benefit of another demonstration topic, for which several proposals were accepted for co-financing;

13. Notes that the Joint Undertaking uses Horizon 2020 common Key Performance Indicators (KPIs) and for monitoring cross-cutting issues, and eight specific indicators specific to the Joint Undertaking;

14. Notes that, in 2020, the Joint Undertaking's efficient performance in core operations was confirmed, continuing the positive trends observed in previous years: Time To Inform (TTI) for applicants of the 2020 call was met in January 2021, at 137 days against a target of 153 days; Time To Grant (TTG) for retained projects under the 2019 call was 237 days on average against the target of 245 days (96 % on time); notes, moreover, that all Grant Agreements were signed on time except one, which was delayed because of changes in the consortium and COVID-19-related restrictions; notes that Time To Pay (TTP) for pre-financing for retained projects from the 2019 call was 12 days on average against the target of 30 days (100 % on time); notes that TTP for periodic payments was 72 days on average against the target of 90 days (93 % on time);

15. Notes from the Joint Undertaking's annual activity report, that overall, the Joint Undertaking has operated efficiently and its average performance against the three main KPIs of Horizon 2020 exceeds the set targets, despite the challenging conditions of 2020;

16. Notes that the issue of intellectual property rights (IPR) needs to be addressed in all contracts which may produce an intended outcome of the performance, or result, such as studies, analysis, or evaluations; notes that it aims at safeguarding the rights of individual creators but also provides details how the rights will be used in the future; notes that since the purchases are done with public money, the results should be transparent and accessible to the public; calls the Joint Undertaking for a clarification of the intellectual property rights and more transparency when it comes to the result of the research;

Procurement and recruitments procedures

17. Notes that Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([2]) requires that all of the Union institutions and bodies, including the Joint Undertakings, design and implement solutions for the submission, storage and processing of data submitted in award procedures, and to that end, put in place a single 'electronic data interchange area' for participants; notes that the Commission is developing the eProcurement solution with the integrated Funding and Tenders portal and the TED eTendering, where all published tenders are publicly accessible; notes that the eProcurement solution offers a harmonised approach and established corporate practices for procurement processes, supporting them through a fully integrated approach; notes, however, that the Joint Undertaking has not planned to use all modules of the platform due to their low number of high value procurement procedures; invites the Joint Undertaking to join the Commission's eProcurement solution in line with the principle of a single electronic data exchange, provided for by Regulation (EU, Euratom) 2018/1046, thus ensuring that their procurements are subject to competition on the broadest possible basis; calls on the Joint Undertaking to report to the discharge authority in that regard;

18. Notes that, by the end of 2020, the Joint Undertaking's programme office comprised 23 staff members and that one recruitment procedure was launched in 2020 and led to the entry into service of the Head of Programme (temporary agent); notes, that, due to the COVID-19 pandemic the whole recruitment procedure including the assessment centre was shifted to a remote setting; notes, in addition, that the Assistant Call Coordinator (temporary agent), the Communication Officer (temporary agent), a Project Officer (contract agent) and a Financial Assistant (contract agent) joined the Joint Undertaking in 2020;

([2]) 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 966/2012 (OJ L 193, 30.7.2018, p. 1).

19. Notes that these recruitments were finalised over the past years and an efficient use of reserve lists was fundamental to ensure timely replacement of staff leaving the Joint Undertaking in 2019; notes, moreover, that in order to cope with the peak period of workload, the Joint Undertaking concluded – via the Commission framework contract for interim services - several short-term contracts for interim services to address specific needs of the Programme Office; emphasises, however, that the use of interim staff should remain a temporary solution otherwise it could negatively affect the Joint Undertaking's overall performance, such as the retention of key competences, unclear accountability channels, and lower staff efficiency;

20. Welcomes the Joint Undertaking's survey initiative which made it possible to detect the impact of COVID-19 on employees and revealed that global fatigue is present due to isolation, family irritation, restrictions on movement outside home, insomnia and lack of social interaction and communication with colleagues; suggests drawing attention to wellbeing, stress management and work-life balance; regrets that there is no support structure in place to ensure the psychological well-being of staff in the Joint Undertaking;

21. Notes that, by the end of 2020, according to its annual activity report, the Joint Undertaking had 23 staff members from 10 Member States (26 % men and 74 % women);

Internal controls and internal audit

22. Notes that the Joint Undertaking has set up reliable ex ante control procedures based on financial and operational desk reviews; notes, moreover, that the Joint Undertaking implemented the Commission's internal control framework (ICF), which is based on 17 internal control principles, in 2020, and that for the annual self-assessment and monitoring of the effectiveness of the control activities required by the ICF, the Joint Undertaking developed relevant indicators for all internal control principles and related characteristics; notes, moreover, that all the principles of the new control model are embedded throughout the Joint Undertaking's organisational structure and rely on a combination of ex ante and ex post controls, segregation of duties, documented processes and procedures, control of deviations, and promotion of ethical behaviour;

23. Notes that, according to the Court's report the common audit service of the Commission is responsible for the ex post audit of Horizon 2020 payments made by the Joint Undertaking and that, based on the ex post audit results available by the end of 2020, it reported a representative error rate of 1,47 % and a residual error rate of 1,06 % for Horizon 2020 projects (clearings and final payments); notes from the Commission proposal for Horizon 2020 that the ultimate aim for the residual level of error at the closure of the programmes after the financial impact of all audits, correction and recovery measures will have been taken into account, is to achieve a level as close as possible to 2 %.

24. Notes that as part of the operational payment controls, the Court audited randomly sampled Horizon 2020 payments made in 2020 at the level of the final beneficiaries to corroborate the ex post audit error rates; notes that the detailed audits revealed in one case an error of above 1 % of audited costs related to the unjustified correction of already declared and accepted personnel costs in the subsequent reporting period;

25. Emphasises that, in the Court's annual report on the EU Joint Undertakings for 2020, the Court found persistent systemic errors in the personnel costs declared by beneficiaries, in particular on the part of SMEs and new beneficiaries; notes that such errors were also regularly reported in the ex post audits of the Common Audit Service and its contracted auditors; highlights that, on page 39 of that report, the Court states that the streamlining of Horizon 2020 rules for the declaration of personnel costs and the wider use of simplified cost options is a precondition for future research framework programmes, in order to stabilise error rates to below materiality level; encourages the Joint Undertaking to strengthen its internal control systems given that SMEs and new beneficiaries are more error-prone;

26. Notes that until 2020, the internal audit service (IAS) performed two assurance audits on the Joint Undertaking on limited review of the implementation of the internal control standards and on Horizon 2020 grant process; notes moreover that in February 2020, the IAS finalised its Strategic Internal Audit Plan covering the period 2021-2023;

Management and prevention of conflict of interests and of fraud risks

27. Deplores the fact that the European Anti-Fraud Office (OLAF) closed an investigation in the first half of 2020 that found evidence of irregularities and fraud in the activities of two beneficiaries involved in Horizon 2020 projects, including projects co-financed by the Joint Undertaking; notes that in 2020 the Joint Undertaking largely implemented the OLAF recommendations in respect of those beneficiaries, including processing recoveries, terminating the participation of affected beneficiaries in most grant agreements and actively looking at other potentially problematic beneficiaries; notes, moreover, that the OLAF report did not include any findings or conclusions linked to weaknesses in the internal control systems of the Joint Undertaking and that the financial impact of this case is below materiality levels; calls on the Joint Undertaking to report to the discharge authority in that regard;

28. Notes that the Joint Undertaking has rules on conflict of interest for all the staff and bodies of Joint Undertaking in place following the model agreed by the Commission; notes moreover that the programme office has developed a comprehensive set of rules and procedures that are effectively implemented across its entire governance structure; calls on the Joint Undertaking to publish the CVs of the members of its Governing Board;

29. Notes that an anti-fraud strategy is in place covering the prevention and detection of potential fraud as well as the conditions for investigating it; notes that the anti-fraud strategy for grant management is developed and implemented in cooperation with services of the Commission, executive agencies and joint undertakings that implement the Horizon 2020 framework programme; notes, moreover, that the staff of the Joint Undertaking is continuously updated about the identification of fraud risks, and dedicated tools are made available for the prevention, detection and reporting of suspicious cases; invites the Joint Undertaking to consider the implementation of a permanent and robust training scheme for its employees, especially those working directly with calls for proposals and grants, in order to strengthen ethical standards and minimise the risk of unethical behaviour occurring, having a negative impact on sound financial management;

30. Notes that he Programme Office designated its correspondent with OLAF for all activities related to reporting fraud, supporting OLAF on investigative matters, following up on OLAF's recommendations and cooperating on fraud prevention; notes that, during the course of 2020, the Programme Office received the first requests from OLAF to support its selections and investigations.

DECISION (EU) 2022/1815 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the Bio-based Industries Joint Undertaking (now the Circular Bio-based Europe Joint Undertaking) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the Bio-based Industries Joint Undertaking for the financial year 2020,

— having regard to the Court of Auditors' annual report on the EU Joint Undertakings for the financial year 2020, together with the Joint Undertakings' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Joint Undertaking in respect of the implementation of the budget for the financial year 2020 (06005/2022 – C9-0104/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 71 thereof,

— having regard to Council Regulation (EU) No 560/2014 of 6 May 2014 establishing the Bio-based Industries Joint Undertaking ([4]), and in particular Article 12 thereof,

— having regard to Council Regulation (EU) 2021/2085 of 19 November 2021 establishing the Joint Undertakings under Horizon Europe and repealing Regulations (EC) No 219/2007, (EU) No 557/2014, (EU) No 558/2014, (EU) No 559/2014, (EU) No 560/2014, (EU) No 561/2014 and (EU) No 642/2014 ([5]), and in particular Article 3 thereof,

— having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ([6]),

— having regard to Commission Delegated Regulation (EU) 2019/887 of 13 March 2019 on the model financial regulation for public-private partnership bodies referred to in Article 71 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([7]),

— 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 (A9-0074/2022),

1. Approves the closure of the accounts of the Bio-based Industries Joint Undertaking for the financial year 2020;

([1]) OJ C 458, 12.11.2021, p. 20.
([2]) OJ C 458, 12.11.2021, p. 20.
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 169, 7.6.2014, p. 130.
([5]) OJ L 427, 30.11.2021, p. 17.
([6]) OJ L 38, 7.2.2014, p. 2.
([7]) OJ L 142, 29.5.2019, p. 16.

2. Instructs its President to forward this decision to the Executive Director of the Circular Bio-based Europe Joint Undertaking, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

DECISION (EU) 2022/1816 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the Clean Sky 2 Joint Undertaking (now the Clean Aviation Joint Undertaking) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the Clean Sky 2 Joint Undertaking for the financial year 2020,

— having regard to the Court of Auditors' annual report on the EU Joint Undertakings for the financial year 2020, together with the Joint Undertakings' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Joint Undertaking in respect of the implementation of the budget for the financial year 2020 (06005/2022 – C9-0105/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 71 thereof,

— having regard to Council Regulation (EU) No 558/2014 of 6 May 2014 establishing the Clean Sky 2 Joint Undertaking ([4]), and in particular Article 12 thereof,

— having regard to Council Regulation (EU) 2021/2085 of 19 November 2021 establishing the Joint Undertakings under Horizon Europe and repealing Regulations (EC) No 219/2007, (EU) No 557/2014, (EU) No 558/2014, (EU) No 559/2014, (EU) No 560/2014, (EU) No 561/2014 and (EU) No 642/2014 ([5]), and in particular Article 26 thereof,

— having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ([6]),

— having regard to Commission Delegated Regulation (EU) 2019/887 of 13 March 2019 on the model financial regulation for public-private partnership bodies referred to in Article 71 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([7]),

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Transport and Tourism,

— having regard to the report of the Committee on Budgetary Control (A9-0070/2022),

1. Grants the Executive Director of the Clean Aviation Joint Undertaking discharge in respect of the implementation of the Joint Undertaking's budget for the financial year 2020;

([1]) OJ C 458, 12.11.2021, p. 20: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52021TA1112%2801%29&qid=1650460517287
([2]) OJ C 458, 12.11.2021, p. 20: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52021TA1112%2801%29&qid=1650460517287
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 169, 7.6.2014, p. 77.
([5]) OJ L 427, 30.11.2021, p. 17.
([6]) OJ L 38, 7.2.2014, p. 2.
([7]) OJ L 142, 29.5.2019, p. 16.

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 Executive Director of the Clean Aviation Joint Undertaking, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1817 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget for the Clean Sky 2 Joint Undertaking (now the Clean Aviation Joint Undertaking) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the Clean Sky 2 Joint Undertaking for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Transport and Tourism,

— having regard to the report of the Committee on Budgetary Control (A9-0070/2022),

A. whereas the Clean Sky Joint Undertaking was set up in December 2007 by Council Regulation (EC) No 71/2008 ([1]) (entered into force on 7 February 2008) for a period up to 31 December 2017; whereas the Joint Undertaking started working autonomously in November 2009;

B. whereas the Clean Sky 2 Joint Undertaking (the 'Joint Undertaking') established by Council Regulation (EU) No 558/2014 ([2]) replaced, with effect from 27 June 2014, the Clean Sky Joint Undertaking under Horizon 2020, extending its lifetime for the period up to 31 December 2024;

C. whereas the main objectives of the Joint Undertaking are to contribute to improving significantly the environmental impact of aeronautical technologies and to developing a strong and globally competitive aeronautical industry and supply chain in Europe;

D. whereas the founding members of the Joint Undertaking are the Union, represented by the Commission, and the private members, namely the Leaders and the Associates as listed in Annex II of Regulation (EU) No 558/2014 and the Core Partners selected through an open, non-discriminatory and competitive call subject to an independent evaluation, in accordance with Article 4(2);

E. whereas the maximum contribution from the Union to the Joint Undertaking second phase of activities is EUR 1 755 000 000 (including EFTA appropriations) to be paid from the budget of Horizon 2020; whereas the total contribution from private members shall be of at least EUR 2 193 750 000, comprising in-cash contributions to administrative costs and in-kind contributions to operational costs as well as the minimum of in-kind contribution to Additional Activities of EUR 965 250 000 for the period defined in the Regulation;

Budgetary and financial management

1. Notes that the Court of Auditors (the 'Court') found in its report (the 'Court's report'), the annual accounts of the Joint Undertaking for the financial year ended 31 December 2020 present fairly, in all material respects, the financial position of the Joint Undertaking at 31 December 2020, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its Financial Regulation and with the accounting rules adopted by the Commission's accounting officer; notes that the underlying transactions to the accounts are legal and regular in all material respects;

2. Notes that the Joint Undertaking's final available budget for 2020 (including re-entered unused appropriations of previous years, assigned revenues, and reallocations to the next year) comprised commitment appropriations of EUR 346 723 559 and payment appropriations of EUR 356 604 910; notes that utilisation rate was 71,66 % for commitment appropriations and 78,41 % for payment appropriations;

([1]) Council Regulation (EC) No 71/2008 of 20 December 2007 setting up the Clean Sky Joint Undertaking (OJ L 30, 4.2.2008, p. 1).
([2]) Council Regulation (EU) No 558/2014 of 6 May 2014 establishing the Clean Sky 2 Joint Undertaking (OJ L 169, 7.6.2014, p. 77).

3. Notes that the Seventh Framework Programme for Research and Technological Development (FP7) was formally closed in 2017 and that in 2020 the Joint Undertaking implemented a few remaining FP7 *ex post* audits; notes, moreover, that in 2020, there was no change in members' contributions to the FP7 programme;

4. Notes that by the end of 2020, out of the maximum amount of EUR 1 755 000 000 of Union contribution from Horizon 2020 as per Regulation (EU) No 558/2014, the Union contributed a total of EUR 1 451 082 877 to the Horizon 2020 operational activities and running costs; notes that, as at the end of 2020, the total in-kind contribution from private members to operational activities was EUR 581 335 882, while the total in-kind contribution from private members to additional activities was EUR 1 144 170 000 (which includes EUR 838 120 000 fully certified by the members' external auditors and validated by the Governing Board for the period 2014–2019);

5. Notes from the Court's report the 2020 payment budget available for Horizon 2020 projects; notes, further, that the COVID-19 pandemic resulted in a slowdown of the grant agreements for partners, and in addition, an under-execution of the 2018–2019 grant agreements for members; notes, moreover, that this led to significant recoveries of overpaid pre-financing that increased the operational payment appropriations (internal assigned revenue funds) to EUR 22 572 214 in 2020; notes, in addition, that this situation adversely affected the implementation rate of the operational payment budget, which was 82,6 % at the end of 2020 (compared to 2019: 97,2 %); notes, furthermore, from the Court's report that, contrary to its financial rules, the Joint Undertaking did not fully use the previous years' appropriation of approximately EUR 13 300 000, which was re-entered into the operational budget 2020, before using the payment appropriations of the year; notes the Joint Undertaking's reply that, at the beginning of the year 2020, it had only payment credits with C1 fund sources and that, with the first budget amendment of the year, unused appropriations were reactivated as C2 funds in May 2020; notes however, the explanation that the Commission grant management tool did not prioritise the use of C2 funds without manual intervention for each payment, and that therefore the C1 appropriations were consumed first; notes, furthermore, from the Joint Undertaking's reply, that it had planned to use the C2 funds for the payments of additional pre-financings to Grant Agreement for Members 2020–2021 in the last months of 2020 and that, however, some of those payments had to be postponed until the beginning of 2021; notes, moreover, that the Joint Undertaking will put in place additional monitoring measures to ensure that the reactivated funds are consumed first; calls on the Joint Undertaking to report to the discharge authority any development in that regard;

6. Notes that, according to the Court' report, the Joint Undertaking more than doubled the payment budget of its infrastructure and communication expenditure (representing around 1,5 % of the Joint Undertaking's total available payment budget) for the financial year 2020 and that this doubling of the payment budget, together with the impact of the COVID-19 pandemic on planned costs for IT, communication, event and other external services, resulted in the low implementation rate of 42,7 % at the end of 2020 (compared to 2019: 98,7 %);

7. Notes that the ECA Annual Report on Joint Undertakings for 2020 did not have all data for the validated in-kind contributions. Asks the Joint Undertaking to shorten delays for reporting in-kind contributions;

8. Notes that there are different procedures across the Joint Undertakings regarding the calculation for the in-kind contributions and calls for their harmonisation;

Performance

9. Notes that the eleventh call for proposals (CfP11) was launched in January 2020 comprising 35 topics, four of which were thematic topics, and that they involved 128 participations from 17 different countries; notes, furthermore, that 188 eligible proposals were submitted and 36 were retained of which 25 proposals for thematic topics; notes, moreover, that the call for proposals was successfully processed entirely remotely; notes that the Joint Undertaking's global portfolio over its lifetime comprises eleven calls for proposals engaging more than 726 partners from 28 different countries with a strong small and medium enterprises' involvement in terms of participation and grants awarded, and a total of 610 projects; notes, moreover, that the Joint Undertaking completed the implementation of the tenth call for proposals (CfP10) in April 2020; notes that the evaluation of the last call of the Programme was completed in 2020, namely the CFP11, and that the Joint Undertaking reported that it was continuing its efforts to improve the gender balance of the group of experts; regrets that, despite those efforts, the percentage of female experts was just 20 %;

10. Notes that the net number of Core Partners including their affiliates and linked third parties acceding to the programme on the basis of Calls for Core Partners is over 190 with roughly 50 small and medium enterprises participating, and they are from 22 different countries (18 Member States and four countries associated with Horizon 2020);

11. Notes that the Programme Office conducted an assessment of the impact on its activities of the COVID-19 pandemic, with a view to identifying areas in the strategic planning in need of revision or the implementation of mitigating measures and that, based on that, the scope of work for the vast majority of demonstrators to be achieved remains unchanged, and that however, some delays (4–6 months on average) have been identified for approximately one third of the demonstrators on the Programme implementation, with an unequal situation observed across the different areas of activity; notes that, where possible, demonstrators received funding support based on existing funding availability, with a view to reducing the risk of delays and/or potential funding shortfalls in affected areas of the programme; notes, moreover, that the contribution to the Joint Undertaking's High Level Objectives is not affected as the overall programme content is preserved but that delays (which are a direct consequence of the pandemic but also of technical difficulties linked to a certain level of uncertainty inherent in R&I activities) may impact the timely exploitation of results; notes that the Joint Undertaking considers that more than 80 % of its key demonstrators will deliver their objectives by the end of the programme as planned; calls on the Joint Undertaking to report to the discharge authority in that regard;

12. Welcomes the fact that, despite the COVID-19 crisis in 2020, the Undertaking is continuing to implement the action plan on synergies with Member States and regions that are interested in investing ESIF (European Structural and Investment Funds), or regional funds, in the aeronautics area and other related technologies;

13. Notes that the Joint Undertaking has implemented tools to monitor the execution of the Joint Undertaking's programme, namely quarterly reports of the Integrative Technology Demonstrators/Innovative Aircraft Demonstrator Platforms (ITD/IADPs), steering Committees at ITD/IADP level, annual reviews of the ITD/IADPs' performance, and reported regularly to the Governing Board;

14. Notes that the Joint Undertaking uses key performance indicators for monitoring performance and cross-cutting issues under Horizon 2020, and specific KPIs to the Joint Undertaking such as call topics success rate, work plan execution and *ex post* audit coverage;

15. Notes the major milestones achieved in 2020 in relation to activities carried out in Grant Agreement for Members, such as the good progress of the Large Passenger Aircraft IADP, the very important progress with the detailed design phase completed for all full-scale demonstrators in the Regional Aircraft IADP, the subsystem critical design and the aircraft critical design reviews carried out in NGCTR technology demonstrator and the progress in the RACER compound demonstrator, as well as the progress and achievements in the Airframe ITD, the Engines ITD, the Systems ITD, the Eco-design transverse activity, the Small Air Transport Transverse, and the Technology Evaluator;

16. Notes that, due to operational reasons, three initially planned operational calls for tenders were moved from 2020 to 2021, slightly modifying their scopes and merging two into one single study;

17. Stresses the essential role played by the Undertaking in ensuring net accelerations in green technologies that aim to reduce CO_2 gas emissions and noise levels produced by aircraft, thereby improving the environmental impact of aeronautical technologies and developing a strong and globally competitive aeronautical industry and supply chain in Europe; believes that its successor, Clean Aviation, will play an important role ensuring the aviation sector's involvement in the European Green Deal;

Staff and procurement

18. Notes that, at 31 December 2020, 36 temporary agents' and 6 contract agents' positions were filled out as per establishment plan, and, in addition, 1 seconded national expert out of the two under the establishment plan;

19. Notes that the Joint Undertaking in 2020 launched the recruitment process for 3 positions; notes that in addition to the statutory posts, the Joint Undertaking relies on external service providers, such as the webmaster, the IT services firm shared with the other Joint Undertakings, nine interims and one consultant in communications; notes that the Joint Undertaking also further implemented the use of Sysper2;

20. Notes with concern that, according to the Court's report, although the Joint Undertaking's statutory staff remained static at 42 from 2017 to 2020, during the same period, the Joint Undertaking significantly increased its use of interim staff from three to ten full-time equivalents, that is, from 8 % to 24 % of the Joint Undertaking's statutory staff, that the tasks performed by the interim staff are however, not of a one-off or temporary nature, arising from an exceptional increase in workload or the performance of a one-off activity, but rather are permanent in nature (e. g. legal service assistant, secretarial support, communication assistant, and project officer assistant); notes that the Joint Undertaking's practice creates de facto permanent posts, in excess of those provided for in the establishment plan, which can lead to a high staff turnover and uncertainty among contractual staff and ultimately can negatively affect the Joint Undertaking's overall performance;

21. Notes the Joint Undertaking's reply that it has been obliged to constantly enlarge the use of interim staff during the past years due to the limitations of the rigid staff establishment plan due to increasing tasks and workload, and regrets that this trend is expected to continue with the two programmes – the Clean Sky 2 and the new Clean Aviation programme running in parallel; welcomes, moreover, that the Joint Undertaking has put in place mitigation measures (such as appropriate supervision mechanisms, limiting tasks for interims to non-core tasks and ensuring appropriate training and mentoring support); notes, however, that this situation is not optimal on a medium and long-term perspective and that the Joint Undertaking considers that the solution would be to provide more flexibility with regard to the number of contract agents posts in the staff establishment plan; urges the Joint Undertaking to identify key areas of operations where the human resources should be concentrated in order to optimise their contribution to the workflow and calls for the Joint Undertaking to receive more staff;

22. Notes that after the COVID-19 pandemic was declared, rapid action was taken to ensure that all staff were equipped with the ICT materials needed for extended teleworking;

23. Notes with concern the challenges associated with the COVID-19 pandemic for employees, especially taking into account the different living situations, the lack of access to office space and the possible effects of isolation; asks the Joint Undertaking to focus on employee wellbeing, stress management and work-life balance; asks management to ensure that appropriate support structures are in place to ensure the psychological wellbeing of staff;

24. Welcomes the fact that the Joint Undertaking used the eProcurement solution for its open procurement procedures in 2020;

Internal control

25. Notes that in January 2020, the revised Financial Rules, following the adoption of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([3]) and the model Financial Regulation for public-private partnership bodies (Commission Delegated Regulation (EU) 2019/887 ([4])), were adopted;

([3]) 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 966/2012 (OJ L 193, 30.7.2018, p. 1).

([4]) Commission Delegated Regulation (EU) 2019/887 of 13 March 2019 on the model financial regulation for public-private partnership bodies referred to in Article 71 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council (OJ L 142, 29.5.2019, p. 16).

26. Notes that, according to the Court's report, the Joint Undertaking has set up reliable *ex ante* control procedures based on financial and operational desk reviews, that it implemented the Commission's internal control framework (ICF), which is based on 17 internal control principles, in 2020, and that for the annual self-assessment and monitoring of the effectiveness of the control activities required by the ICF it developed relevant indicators for all internal control principles and related characteristics; notes that the Joint Undertaking's risk management process has been streamlined as one of the main pillars of the internal control system;

27. Notes from the Court's report for Horizon 2020 payments, that the Commission's Common Audit Service (CAS) is responsible for the *ex post* audits and that based on the *ex post* audit results available at the end of 2020, the Joint Undertaking reported a representative error rate of 1,60 % and a residual error rate of 0,91 % for Horizon 2020 projects; notes from the Commission's proposal for a Horizon 2020 regulation that the ultimate aim for the residual level of error at the closure of the programmes after the financial impact of all audits, correction and recovery measures will have been taken into account, is to achieve a level as close as possible to 2 %;

28. Notes that the Court audited randomly sampled Horizon 2020 payments made in 2020 at the level of the final beneficiaries to corroborate the *ex post* audit error rates as part of the operational payment controls and that these detailed audits revealed in one case, an error above 1 % of audited costs, related to declared personnel costs, where the beneficiary did not fully respect the ceiling for hours worked on the project, in respect of staff exclusively working on the project without time recording;

29. Emphasises that, in the Court of Auditors' annual report on the EU Joint Undertakings for the financial year 2020, the Court found persistent systemic errors in the personnel costs declared by beneficiaries, in particular on the part of SMEs and new beneficiaries; notes that such errors were also regularly reported in the *ex post* audits of the CAS and its contracted auditors; highlights that, on page 39 of that report, the Court states that the streamlining of Horizon 2020 rules for the declaration of personnel costs and the wider use of simplified cost options is a precondition for future research framework programmes, in order to stabilise error rates to below materiality level; encourages the Joint Undertaking to strengthen its internal control systems given that SMEs and new beneficiaries are more error-prone;

30. Welcomes the corrective action taken by the Undertaking to address the systemic errors related to declared personnel costs observed by the European Court of Auditors in the previous year;

31. Notes that the Joint Undertaking's programme is covered by the Common Antifraud Strategy for the research family (CAFS); notes that in 2020, the Joint Undertaking established its specific Clean Sky 2 Antifraud Strategy and that an action plan has been developed to further strengthen the controls to prevent and detect fraud; notes that an awareness training session for the Joint Undertaking's staff took place in November 2020; notes, moreover, that in 2020, the Joint Undertaking followed up on two ongoing alleged fraud cases, which were notified to OLAF in 2018, and in respect of which OLAF opened investigations; notes, from the follow-up report to the 2019 discharge, that in September 2021, the Joint Undertaking received the final reports of OLAF for two investigations on Clean Sky and Clean Sky 2 projects and that, in both cases, OLAF confirmed the suspicions of fraud and issued recommendations to recover the irregularly obtained funding from the defrauding entities and to register the entities and persons involved in the Early Detection and Exclusion System of the Commission; calls on the Joint Undertaking to report to the discharge authority developments in that regard;

Internal audit

32. Notes that, in 2020, the Internal Audit Service (IAS) finalised an audit, planned in the Strategic Audit Plan 2019–2021, of the implementation phase of grants under the Horizon 2020 programme and that recommendations were issued in regard to the Joint Undertaking's fraud risk assessment and the anti-fraud controls, a risk-based approach for the *ex ante* evaluation of grant payments and reports, and the monitoring of project dissemination, exploitation and communications; notes that in June 2021 the IAS performed a follow-up audit and considered the three recommendations closed;

33. Notes that in February 2021, the Joint Undertaking received the annual report of the IAS for 2020, which highlighted two recommendations stemming from a previous audit on performance management and one recommendation concerning the Joint Undertaking's grant management as significantly delayed; calls on the Joint Undertaking to report to the discharge authority developments in that regard.

34. Notes that the Internal Audit Officer (IAO) confirmed to the Governing Board its organisational independence, as defined in IIA standards, although it highlighted a potential lack of objectivity for some specific activities and processes of the Undertaking, for which the IAO took over direct operational responsibility; notes however that those processes of the Undertaking were fully covered by other auditors through assurance audits or through risk assessment ([5]).

([5]) Clean Sky 2 Consolidated annual activity report 2020, p. 104–105.

DECISION (EU) 2022/1818 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the Clean Sky 2 Joint Undertaking (now the Clean Aviation Joint Undertaking) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the Clean Sky 2 Joint Undertaking for the financial year 2020,

— having regard to the Court of Auditors' annual report on the EU Joint Undertakings for the financial year 2020, together with the Joint Undertakings' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Joint Undertaking in respect of the implementation of the budget for the financial year 2020 (06005/2022 – C9-0105/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 71 thereof,

— having regard to Council Regulation (EU) No 558/2014 of 6 May 2014 establishing the Clean Sky 2 Joint Undertaking ([4]), and in particular Article 12 thereof,

— having regard to Council Regulation (EU) 2021/2085 of 19 November 2021 establishing the Joint Undertakings under Horizon Europe and repealing Regulations (EC) No 219/2007, (EU) No 557/2014, (EU) No 558/2014, (EU) No 559/2014, (EU) No 560/2014, (EU) No 561/2014 and (EU) No 642/2014 ([5]), and in particular Article 26 thereof,

— having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ([6]),

— having regard to Commission Delegated Regulation (EU) 2019/887 of 13 March 2019 on the model financial regulation for public-private partnership bodies referred to in Article 71 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([7]),

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Transport and Tourism,

— having regard to the report of the Committee on Budgetary Control (A9-0070/2022),

1. Approves the closure of the accounts of the Clean Sky 2 Joint Undertaking for the financial year 2020;

([1]) OJ C 458, 12.11.2021, p. 20: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52021TA1112%2801%29&qid=1650460517287
([2]) OJ C 458, 12.11.2021, p. 20: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52021TA1112%2801%29&qid=1650460517287
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 169, 7.6.2014, p. 77.
([5]) OJ L 427, 30.11.2021, p. 17.
([6]) OJ L 38, 7.2.2014, p. 2.
([7]) OJ L 142, 29.5.2019, p. 16.

2. Instructs its President to forward this decision to the Executive Director of the Clean Aviation Joint Undertaking, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

DECISION (EU) 2022/1819 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the ECSEL Joint Undertaking (now the Key Digital Technologies Joint Undertaking) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the ECSEL Joint Undertaking for the financial year 2020,

— having regard to the Court of Auditors' annual report on the EU Joint Undertakings for the financial year 2020, together with the Joint Undertakings' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Joint Undertaking in respect of the implementation of the budget for the financial year 2020 (06005/2022 – C9-0106/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 71 thereof,

— having regard to Council Regulation (EU) No 561/2014 of 6 May 2014 establishing the ECSEL Joint Undertaking ([4]),

— having regard to Council Regulation (EU) 2021/2085 of 19 November 2021 establishing the Joint Undertakings under Horizon Europe and repealing Regulations (EC) No 219/2007, (EU) No 557/2014, (EU) No 558/2014, (EU) No 559/2014, (EU) No 560/2014, (EU) No 561/2014 and (EU) No 642/2014 ([5]), and in particular Article 26 thereof,

— having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ([6]),

— having regard to Commission Delegated Regulation (EU) 2019/887 of 13 March 2019 on the model financial regulation for public-private partnership bodies referred to in Article 71 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([7]),

— 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 (A9-0077/2022),

1. Grants the Executive Director of the Key Digital Technologies Joint Undertaking discharge in respect of the implementation of the Joint Undertaking's budget for the financial year 2020;

([1]) OJ C 458, 12.11.2021, p. 20.
([2]) OJ C 458, 12.11.2021, p. 20.
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 169, 7.6.2014, p. 152.
([5]) OJ L 427, 30.11.2021, p. 17.
([6]) OJ L 38, 7.2.2014, p. 2.
([7]) OJ L 142, 29.5.2019, p. 16.

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 Executive Director of the Key Digital Technologies Joint Undertaking, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1820 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget for the ECSEL Joint Undertaking (now the Key Digital Technologies Joint Undertaking) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the ECSEL Joint Undertaking for the financial year 2020,

— 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 (A9-0077/2022),

A. whereas the ECSEL Joint Undertaking (the 'Joint Undertaking') was established on 6 May 2014 by Council Regulation (EU) No 561/2014 ([1]), which entered into force on 27 June 2014, for a period until 31 December 2024, to replace and succeed the ARTEMIS and the ENIAC Joint Undertakings;

B. whereas the members of the Joint Undertaking are the Union, the Member States and, on a voluntary basis, the Associated Countries (Participating States), and private member associations (Private Members) that represent their constituent companies and other organisations active in the field of electronic components and systems in the Union;

C. whereas the contributions to the Joint Undertaking for the entire period of Horizon 2020 is up to EUR 1 184 874 000 from the Union, including EFTA appropriations, to administrative and operational costs, at least EUR 1 170 000 000 from the Participating States to the operational costs and commensurate with the Union's financial contribution, and at least EUR 1 657 500 000 from the Private Members;

Budgetary and financial management

1. Notes that the Court of Auditors ('the Court') found in its report (the 'Court's report') that the annual accounts of the Joint Undertaking present fairly, in all material respects, the financial position of the Joint Undertaking at 31 December 2020, the results of its operations, its cash flows and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer; notes, furthermore, that the underlying transactions to the accounts are legal and regular in all material respects;

2. Notes that the Joint Undertaking total available budget for year 2020, which includes re-entered unused appropriations of previous years, assigned revenues and reallocations to the following year, included EUR 218 342 000 for commitment appropriations and EUR 215 849 000 for payment appropriations, and that the utilisation rate was 99,59 % for commitment appropriations and 88,63 % for payment appropriations;

3. Notes from the Court's report that, at the end of 2020, the Union contributed EUR 573 197 000 for the co-financing of the Joint Undertaking's Seventh Framework programme activities, as transferred from the ARTEMIS and ENIAC Joint Undertakings in June 2014, and a further EUR 10 390 000 for the co-financing of the related administrative costs;

4. Notes that the accumulated commitment for Seventh Framework programme activities taken over by Joint Undertaking in June 2014, amounted to EUR 447 342 072 (EUR 101 425 148 from ARTEMIS and EUR 345 916 924 from ENIAC), of which the Joint Undertaking had de-committed approximately EUR 58 000 000 (approximately EUR 16 800 000 from ARTEMIS and EUR 41 200 000 from ENIAC) and paid EUR 386 767 877 (EUR 83 822 121 from ARTEMIS and EUR 302 945 756 from ENIAC) at the end of 2020; notes, moreover, that consequently EUR 2 544 641 (EUR 768 150 from ARTEMIS and EUR 1 776 491 from ENIAC) remains to be paid in the coming years;

([1]) Council Regulation (EU) No 561/2014 of 6 May 2014 establishing the ECSEL Joint Undertaking (OJ L 169, 7.6.2014, p. 152).

5. Notes, in addition, from the Court's report that in regard to the Joint Undertaking's 2020 payment budget available for Seventh Framework programme projects (EUR 20 317 158), the implementation rate for payment appropriations was 70 %;

6. Notes that in its report the Court draws attention to the fact that the founding regulations of the predecessors of the Joint Undertaking, ARTEMIS and ENIAC, provided that their operational research and innovation activities under the Seventh Framework programme are supported through financial contributions from Participating States, of at least 1,8 times the Union's operational financial contribution, to be paid to project participants, and through in-kind contributions from private members, of at least the contribution amount of public members; notes with regret that neither the Joint Undertaking's 2020 provisional annual accounts nor its 2020 budgetary and financial management report disclose the following estimates of neither the financial contributions of Participating States to the Seventh Framework programme projects of ARTEMIS and ENIAC nor the in-kind contributions made by research and development organisations participating in Seventh Framework programme projects of ARTEMIS and ENIAC; notes the Joint Undertaking's reply that contrary to Horizon 2020, Seventh Framework programme regulations for its predecessors never foresaw or required such reporting and that at the time of ARTEMIS and ENIAC, after discussions with DG BUDG, it was decided, inter alia, not to include this information in the annual accounts; calls on the Joint Undertaking to report to the discharge authority in that regard;

7. Notes, from the Court's report, that, as regards the implementation of the Horizon 2020 budget, the Participating States are required to make financial contributions of at least EUR 1 170 000 to the operational activities of the Joint Undertaking and that at the end of 2020, the Participating States taking part in the 2014–2019 calls for proposals, signed contractual commitments amounting to EUR 936 588 004 and declared in total, financial contributions of EUR 374 748 810 (or 40 % of the total committed contributions), which they paid directly to the beneficiaries of the Horizon 2020 projects they supported; notes, moreover, that the difference between the amount of Participating States' financial contribution and the Union's financial contribution at the end of 2020, is due to the fact that most Participating States recognise and report their costs to the Joint Undertaking only on the completion of the Horizon 2020 projects that they support;

8. Notes from the Court's report, furthermore, that the Joint Undertaking can calculate the actual amount of the industry members' in-kind contributions only after it has validated the contributions of the Participating States at the end of the programme; notes, therefore, that the Joint Undertaking estimates the industry members' in-kind contributions based on a 'pro rata temporis' methodology adopted by the its Governing Board; notes that this explains why at the end of 2020, the estimated and not yet validated amount of industry in-kind contributions is EUR 896 524 611, in comparison with the amount of validated industry in-kind contributions of EUR 180 275 376; notes, in addition, that based on project data for the Joint Undertaking's Horizon 2020 2014 to 2019 calls, as at 31 December 2020, the related industry members' obligations for in-kind contributions amount to EUR 1 384 176 208;

9. Notes that there are different procedures across the Joint Undertakings regarding the calculation for the in-kind contributions and calls for their harmonisation;

10. Notes that as regards the Joint Undertaking's 2020 budget available for Horizon 2020 projects, the implementation rates for commitment and payment appropriations were 100 % and 91 % respectively;

11. Notes from the Court's report that, in 2020, the Joint Undertaking reactivated EUR 57 259 000 of unused payment appropriations in the operational budget for Horizon 2020 activities; notes, however, the Joint Undertaking could only use EUR 39 981 000 (or 70 %) of the reactivated appropriations before using the appropriations of the year; notes the Joint Undertaking's reply that the timing of the reactivation during Q3 of 2020 was beyond the Joint Undertaking's intention and control due to a pending related request that was cleared only beginning of September 2020 and that however, as of the reactivation, all payments were executed using in priority reactivated appropriations, in line with its financial rules, and that, moreover, the Joint Undertaking is committed in reactivating any unused appropriations within three financial years and using them in priority according to its financial rules and it estimates that by the end of 2021, any remaining operational payment appropriations will be reactivated and consumed; calls on the Joint Undertaking to report to the discharge authority in that regard;

Performance

12. Notes that the Joint Undertaking uses common Horizon 2020 key performance indicators (KPIs) for monitoring performance and cross-cutting issues, as well as KPIs specific to the Joint Undertaking;

13. Notes that in 2020, the Joint Undertaking launched its last calls, namely two Research and Innovation Actions (RIA), one Innovation Action (IA) and one Coordination and Support Action (CSA), for which 44 eligible proposals were submitted and eventually eight RIA, six IA, and CSA proposals were funded; notes the global project portfolio comprising 96 projects; notes, moreover, the three Lighthouse Initiatives: Mobility.E, Industry4.E and Health.E, that promote collaboration within the ECS community, and between the community and technology users, decision-making bodies, and society so that technologies and innovations have a real and faster impact on business, the economy, and consumers;

14. Notes that, regarding gender balance in the Joint Undertaking's projects, the 2020 annual activity report indicates the total number of women and men engaged in projects and that the women involved in projects from the 2014–2018 calls amounted to 19 %, of which 66 % are involved in research activities and 34 % in non-research activities, and that of the remaining 81 % men, 80 % are involved in research while 20 % are involved in non-research activities;

Procurement and staff

15. Notes that, on 31 December 2020, the Joint Undertaking employed 29 staff, which included temporary and contract agents and seconded national experts; notes that, in September 2020, the Joint Undertaking launched a new recruitment procedure for the post of financial/administrative assistant; notes, moreover, that in May 2020, the Joint Undertaking's Governing Board adopted a new set of implementing rules to staff regulations;

16. Notes with concern the challenges associated with the COVID-19 pandemic for the staff of the Joint Undertaking, especially taking into account different living situations, lack of access to office space and possible effects of isolation; asks the Joint Undertaking to focus on the wellbeing, stress management and work and life balance of its staff; asks management of the Joint Undertaking to ensure there are appropriate support structures in place to ensure the psychological well-being of staff;

17. Notes from the Court's report that the Joint Undertaking has not planned to use all the modules of the e Procurement platform due to its low number of high value procurement procedures; nevertheless, in line with the principle of a single electronic data exchange, provided for by the Financial Regulation, invites the Joint Undertaking to join the Commission's eProcurement solution in order to ensure the competition on the broadest possible basis; notes that the Joint Undertaking made to the most possible extent use of the various service level agreements already concluded with relevant Commission services, as well as its private members and made use of inter-institutional framework contracts, and that in 2020, the Joint Undertaking ran very few procurement procedures mainly for low value contracts, as well as one re-opening of competition;

Internal control

18. Notes that, in the course of 2020, the Joint Undertaking moved to a principle-based system to align its internal control framework (ICF) to the revised control framework adopted by the Commission; notes from the follow-up report to the 2019 discharge that the revised ICF was adopted by a governing board decision in August 2020 and that by the end of the year, the Joint Undertaking performed its first self-assessment; notes, in addition, that in 2020, a specific COVID-19 risk assessment was performed; notes, moreover, that Joint Undertaking's revised financial rules were adopted in March 2020;

19. Notes from the Court's report that administrative agreements concluded by the ARTEMIS and ENIAC Joint Undertaking with the national funding authorities (NFAs) have continued to apply since those Joint Undertakings merged to form the Joint Undertaking; notes that under these agreements, the *ex post* audit strategies of ARTEMIS and ENIAC relied heavily on the NFAs to audit project cost claims and that the Joint Undertaking has taken steps to assess the implementation of *ex post* audits by the NFAs and has obtained written statements from the NFAs declaring that the implementation of their national procedures provides reasonable assurance as to the legality and regularity of transactions;

20. Notes, from the Court's report, moreover, that the significant variation in the methodologies and procedures used by the used by the Participating States' national funding authorities does not allow the Joint Undertaking to calculate a single reliable weighted error rate or a residual error rate for Seventh Framework programme payments; notes that for Seventh Framework programme projects, the payments made by the Joint Undertaking in 2020 amounted to EUR 14 287 435 (compared to EUR 20 305 796 in 2019), which represented 7,7 % (compared to 11,2 % in 2019) of the total operational payments made by the Joint Undertaking in 2020; notes that, for those payments, the Court applied the residual error rate established by the directorate-general for research and innovation for the whole Seventh Framework programme, which was 3,51 % at the end of 2020; notes the Joint Undertaking's reply that it took steps to address this recurring finding and considers that these measures (yearly NFA written statements) are adequate, as confirmed by the budgetary authority, and that the Joint Undertakings' founding regulations provided that 'the ARTEMIS/ENIAC Member States may carry out any other checks and audits among the recipients of their national funding as they deem necessary and shall communicate the results to the ARTEMIS/ENIAC Joint Undertaking';

21. Notes, from the Court's report, moreover, that given the low percentage of Seventh Framework programme payments in 2020 (around 8,6 %), the residual error rate for the Joint Undertaking's total operational payments made in 2020, is therefore considered to be below the materiality threshold;

22. Notes from the Court's report, that the Commission's common audit service (CAS) carries out the *ex post* audits of expenditure and that based on the audit results at the end of 2020, the Joint Undertaking reported a representative error rate for Horizon 2020 of 2,68 % and a residual error rate of 1,25 %; notes that the Commission considered in its proposal for a Horizon 2020 regulation that the ultimate aim for the residual level of error at the closure of the programmes after the financial impact of all audits, correction and recovery measures will have been taken into account, is to achieve a level as close as possible to 2 %;

23. Notes that the Court audited randomly sampled Horizon 2020 payments made in 2020 at the level of the final beneficiaries to corroborate the *ex post* audit error rates; notes that these detailed audits revealed, in one case systemic errors of above 1 % of audited costs related to the calculation of declared personnel costs, and that in a second case, the beneficiary declared direct costs for the purchase of services from another beneficiary, who was part of the project consortium for which the beneficiary neither provided a duly justification nor proof that the procurement process ensured best value for money; notes the Joint Undertaking's reply that it addressed the identified findings with the respective beneficiaries; calls on the Joint Undertaking to report to the discharge authority developments in that regard;

24. Emphasises that, in the Court's annual report on the EU Joint Undertakings for 2020, the Court found persistent systemic errors in the personnel costs declared by beneficiaries, in particular on the part of SMEs and new beneficiaries; notes that such errors were also regularly reported in the *ex post* audits of the CAS and its contracted auditors; highlights that, on page 39 of that report, the Court states that the streamlining of Horizon 2020 rules for the declaration of personnel costs and the wider use of simplified cost options is a precondition for future research framework programmes, in order to stabilise error rates to below materiality level; encourages the Joint Undertaking to strengthen its internal control systems given that SMEs and new beneficiaries are more error-prone;

Internal audit

25. Notes that the Commission's internal audit service performed an audit on Horizon 2020 grant agreement implementation and closing which was finalised in June 2020, concluding that overall, the Joint Undertaking has set up an efficient and effective internal control system in that regard, and issued two important recommendations on Monitoring compliance with dissemination, exploitation, and communication requirements, and on processes and procedures; notes that in January 2021 the IAS concluded that the recommendations have been adequately and effectively implemented.

DECISION (EU) 2022/1821 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the ECSEL Joint Undertaking (now the Key Digital Technologies Joint Undertaking) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the ECSEL Joint Undertaking for the financial year 2020,

— having regard to the Court of Auditors' annual report on the EU Joint Undertakings for the financial year 2020, together with the Joint Undertakings' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Joint Undertaking in respect of the implementation of the budget for the financial year 2020 (06005/2022 – C9-0106/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 71 thereof,

— having regard to Council Regulation (EU) No 561/2014 of 6 May 2014 establishing the ECSEL Joint Undertaking ([4]),

— having regard to Council Regulation (EU) 2021/2085 of 19 November 2021 establishing the Joint Undertakings under Horizon Europe and repealing Regulations (EC) No 219/2007, (EU) No 557/2014, (EU) No 558/2014, (EU) No 559/2014, (EU) No 560/2014, (EU) No 561/2014 and (EU) No 642/2014 ([5]), and in particular Article 26 thereof,

— having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ([6]),

— having regard to Commission Delegated Regulation (EU) 2019/887 of 13 March 2019 on the model financial regulation for public-private partnership bodies referred to in Article 71 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([7]),

— 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 (A9-0077/2022),

1. Approves the closure of the accounts of the ECSEL Joint Undertaking for the financial year 2020;

([1]) OJ C 458, 12.11.2021, p. 20.
([2]) OJ C 458, 12.11.2021, p. 20.
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 169, 7.6.2014, p. 152.
([5]) OJ L 427, 30.11.2021, p. 17.
([6]) OJ L 38, 7.2.2014, p. 2.
([7]) OJ L 142, 29.5.2019, p. 16.

2. Instructs its President to forward this decision to the Executive Director of the Key Digital Technologies Joint Undertaking, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

DECISION (EU) 2022/1822 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the Fuel Cells and Hydrogen 2 Joint Undertaking (now the Clean Hydrogen Joint Undertaking) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the Fuel Cells and Hydrogen 2 Joint Undertaking for the financial year 2020,

— having regard to the Court of Auditors' annual report on the EU Joint Undertakings for the financial year 2020, together with the Joint Undertakings' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Joint Undertaking in respect of the implementation of the budget for the financial year 2020 (06005/2022 – C9-0109/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 71 thereof,

— having regard to Council Regulation (EU) No 559/2014 of 6 May 2014 establishing the Fuel Cells and Hydrogen 2 Joint Undertaking ([4]), and in particular Article 12 thereof,

— having regard to Council Regulation (EU) 2021/2085 of 19 November 2021 establishing the Joint Undertakings under Horizon Europe and repealing Regulations (EC) No 219/2007, (EU) No 557/2014, (EU) No 558/2014, (EU) No 559/2014, (EU) No 560/2014, (EU) No 561/2014 and (EU) No 642/2014 ([5]), and in particular Article 26 thereof,

— having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ([6]),

— having regard to Commission Delegated Regulation (EU) 2019/887 of 13 March 2019 on the model financial regulation for public-private partnership bodies referred to in Article 71 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([7]),

— 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 (A9-0075/2022),

1. Grants the Executive Director of the Clean Hydrogen Joint Undertaking discharge in respect of the implementation of the Joint Undertaking's budget for the financial year 2020;

([1]) OJ C 458, 12.11.2021, p. 20.
([2]) OJ C 458, 12.11.2021, p. 20.
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 169, 7.6.2014, p. 108.
([5]) OJ L 427, 30.11.2021, p. 17.
([6]) OJ L 38, 7.2.2014, p. 2.
([7]) OJ L 142, 29.5.2019, p. 16.

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 Executive Director of the Clean Hydrogen Joint Undertaking, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1823 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget for the Fuel Cells and Hydrogen 2 Joint Undertaking (now the Clean Hydrogen Joint Undertaking) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the Fuel Cells and Hydrogen 2 Joint Undertaking for the financial year 2020,

— 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 (A9-0075/2022),

A. whereas the Fuel Cells and Hydrogen Joint Undertaking (the 'FCH') was set up in May 2008 as a public-private partnership by Council Regulation (EC) No 521/2008 ([1]) for a period until 31 December 2017 to increase research efforts and accelerate the deployment of fuel cells and hydrogen technologies; whereas Regulation (EC) No 521/2008 was repealed by Council Regulation (EU) No 559/2014 ([2]);

B. whereas Regulation (EU) No 559/2014 established the Fuel Cells and Hydrogen 2 Joint Undertaking (the 'FCH2') in May 2014 to replace and succeed the FCH for a period until 31 December 2024;

C. whereas the members of the FCH were the Union, represented by the Commission, the Fuel Cell and Hydrogen Joint Technology Initiative Industry Grouping, and the Research Grouping N.ERGHY;

D. whereas the members of the FCH2 are the Union, represented by the Commission, the New Energy World Industry Grouping AISBL (the 'Industry Grouping'), renamed Hydrogen Europe in 2016, and the New European Research Grouping on Fuel Cells and Hydrogen AISBL (the 'Research Grouping'), renamed Hydrogen Europe Research in 2018;

E. whereas the maximum Union contribution in the FCH covering running costs and operational costs is EUR 470 000 000 from the Seventh Framework programme; whereas the contributions from the other members must be at least equal to the Union contribution;

F. whereas the maximum Union contribution to the FCH2 is EUR 665 000 000 (including EFTA appropriations) from the Horizon 2020 and the members of the Industry and Research Groupings are expected to contribute total resources of at least EUR 380 000 000 over the period defined by Regulation, comprising in-kind contributions in the Horizon 2020 projects funded by the FCH2, in-kind contributions to additional activities of at least EUR 285 000 000, and in cash-contributions to administrative costs;

Budget and financial management

1. Notes that the report of the Court of Auditors (the 'Court') on the annual accounts of the FCH2 (the 'Court's report') finds the 2020 annual accounts to present fairly, in all material respects, the financial position of the FCH2 at 31 December 2020, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its Financial Regulation and with accounting rules adopted by the Commission's accounting officer; notes furthermore from the Court's report that the underlying transactions to the accounts are legal and regular in all material respects;

2. Notes that the FCH2's final available budget, which includes re-entered unused appropriations of previous years, assigned revenues and reallocations to the following year, for the financial year 2020 included commitment appropriations of EUR 104 231 642 and payment appropriations of EUR 103 779 004; notes that the overall 2020 budget execution of commitment and payment appropriations reached 94,4 % and 95,3 % respectively;

([1]) Council Regulation (EC) No 521/2008 of 30 May 2008 setting up the Fuel Cells and Hydrogen Joint Undertaking (OJ L 153, 12.6.2008, p. 1).

([2]) Council Regulation (EU) No 559/2014 of 6 May 2014 establishing the Fuel Cells and Hydrogen 2 Joint Undertaking (OJ L 169, 7.6.2014, p. 108).

3. Notes that at the end of 2020 out of the maximum contribution of EUR 470 000 000 as per Regulation (EC) No 521/2008, the Union contributed a total of EUR 426 127 000 in cash and in-kind from the Seventh Framework programme and the members from the Industry Grouping and the Research Grouping contributed a total of validated resources of EUR 458 275 000, comprising EUR 440 391 000 in-kind validated contributions in the Seventh Framework projects; notes from the Court's report that for the whole Seventh Framework programme, at the end of 2020, the FCH2 had committed EUR 428 477 494 for signed Seventh Framework grant agreements, of which around EUR 7 062 748 (or 2 %) remain to be paid in the coming years, and that regarding the FCH2's 2020 payment budget available for Seventh Framework projects, the implementation rate for payment appropriations was 89 %;

4. Notes that at the end of 2020 the Union contributed a total of EUR 498 577 000 from Horizon 2020 and the members from the Industry Grouping and Research Grouping together contributed a total of EUR 20 630 000 in validated in-kind contributions, comprising EUR 11 916 000 in-kind validated contributions in the FCH2's Horizon 2020 projects; notes from the Court's report that the low level of validated industry members' in-kind contributions for operational activities of EUR 11 916 000, is due to the fact that the FCH2 certifies them later in the Horizon 2020 programme, when the final payment for the projects is made and the certificates of financial statement are due; notes additionally that the Industry Grouping and Research Grouping together contributed a total of EUR 1 095 070 000 in kind to additional activities as at the end of 2020, significantly more than the minimum EUR 285 000 000 set in the FCH2 founding regulation for the entire duration of Horizon 2020; notes that there are different procedures across Joint Undertakings regarding the calculation for the in-kind contributions and calls for their harmonisation;

5. Notes that, according to the Court's report the FCH2's practice of reactivating unused payment appropriations from previous years to the extent of open administrative commitments, results in an accumulation of unused payment appropriations and that, aggravated by the impact of the COVID-19 pandemic, this practice resulted in a low budget implementation rate for the FCH2 administrative budget (Title 2) infrastructure and communication expenditure representing around 3 % of the FCH2's total available payment budget, which was 56 % at the end of 2020; notes the FCH2 reply that the administrative budget showed a consistent high implementation rate between 75 % and 80 % for the previous four years, and that in 2020, however, the situation was different due to the significant impact of the COVID-19 pandemic and that cancellation of planned activities of up to 13 % of Title 2 payment appropriations could not be known to their full extent before the end of the year; calls on the FCH2 to develop a plan to limit the reactivation of the unused payment appropriations as a way to prevent low budget implementation rate;

6. Notes that the implementation rate of the budget available for Horizon 2020 projects for commitments and payments appropriations was 97 % in each case;

Procurement and staff

7. Notes that, according to the Court's report in April 2020 the FCH2 launched an open procurement procedure for a framework contract related to the implementation of third phase of the project to develop a H2 certification scheme for compliance with the revised renewable energy directive (REDII) and that, although the consortium that had already implemented the first two phases of the project was in a situation of a knowledge advantage, the FCH2 used the open procurement procedure for implementing the third phase of the project, and as a result a consortium with the same coordinator who already had implemented the previous two phases was the only candidate that submitted a tender, and made a financial offer close to the maximum estimated contract value fixed in the tender specifications; calls on the FCH2 to report to the discharge authority on that regard;

8. Notes that, according to the Court's report, due to the use of an open procurement procedure in a situation of knowledge advantage, the best price-quality ratio objective could not be fully demonstrated and that to increase competition and to allow a better estimation of price from the market the FCH2 is encouraged to carry out preliminary market research on price and consultation with other companies acting in the hydrogen market; notes the FCH2 reply that it exercised an internal market research combined with the use of historical financial data in order to establish an appropriate contract value, and that in future, the FCH2 will complement the internal research with a more detailed external market research to find the most accurate market price for the contract;

9. Notes that the FCH2 maintained the position of 'Service knowledge management' with constant assignments to interim staff for a period of around 2,5 years due to the request of the FCH2 governing board to enhance the role of knowledge management and that, according to the Commission's framework contract for interim services the use of interim staff, however, is limited to office work of a one-off or temporary nature, arising from an exceptional increase in workload and/or the performance of a one-off activity, or to fill a vacant post pending the recruitment of a permanent staff member and that that FCH2 practice is against this principle and in fact creates a permanent post, in addition to those foreseen in the staff establishment plans; notes the FCH2's reply that the interim staff was needed to face the turnover for the post of knowledge management officer between the years 2015 to 2020 and which explains partly the need for interim staff to ensure continuity of the service, and that furthermore, the FCH2 could only ensure the consequent increased workload with interim staff, following the special request of its governing board; emphasises however that the use of interim staff should remain a temporary solution otherwise it could negatively affect the FCH2's overall performance, such as the retention of key competences, unclear accountability channels, and lower staff efficiency; calls on the FCH2 to report to the discharge authority any development in that regard;

10. Notes that the FCH2 used the eProcurement solution for open procurement procedures in 2020 and that in addition, in 2020, FCH2 migrated to EU Sign;

11. Notes that at the end of 2020, according to its annual activity report, the FCH2 had 27 members of staff (respectively 24 temporary agents, 3 contract agents) and two seconded national experts from 10 Member States and is pleased to note that there is gender balance among staff (56 % men and 44 % women); welcomes this very good initiative and encourages the FCH2 to continue to maintain this gender balance;

12. Notes with concern the challenges associated with the COVID-19 pandemic for employees, especially taking into account different living situations, lack of access to office space and possible effects of isolation; asks the FCH2 to focus on employee wellbeing, stress management and work and life balance; asks the FCH2's management to ensure there are appropriate support structures in place to ensure the psychological well-being of staff;

Performance

13. Notes that 2020 was a key year for the FCH2 in the context of the Commission's adoption on 8 July of the Union's Hydrogen Strategy in line with the NextGenerationEU recovery package and the European Green Deal and that that was marked by the first European Hydrogen Week; notes that in 2020 the FCH2 published one call for proposals covering 24 topics and that it received 71 proposals and that following that 22 of the 23 grant agreements were signed in 2020; notes that in 2020 the FCH2 launched three calls for tenders and contracted three studies, one jointly with Clean Sky 2 Joint Undertaking on the use of hydrogen and fuel cells for aircraft propulsion;

14. Notes that by the end of 2020 the FCH 2's global portfolio was 131 projects signed under the Horizon 2020 programme of which 26 were closed and 105 open; notes that the FCH2 is actively part of the C-lead Mission Innovation initiative on a Hydrogen Valley Platform; takes note that in 2020 the public launch of the Fuel Cells and Hydrogen Observatory took place in collaboration with DG R&I, which is expected to be an important tool for all policymakers and other stakeholders;

15. Notes that the value of leverage effect as at 31 December 2020 was 2,34 taking into consideration all private partners contributions, and 1,69 taking into account only Members of Hydrogen Europe Industry and Hydrogen Europe Research;

16. Notes that in 2020 synergies were further developed both with regions, joint undertakings and other agencies, such as the Clean Sky 2 Joint Undertaking, the Executive Agency for Small and Medium-sized Enterprises and the Innovation and Networks Executive Agency; notes that, as part of the Regions Initiative the pilot Project Development Assistance entered in force in June 2020 supporting 11 public regional and local authorities to develop their concepts for regional FCH2 projects into detailed work plans; notes that the hydrogen valleys and ecosystems were developed under the FCH2 supported project BIG HIT, in particular the Hydrogen Territories Platform was launched; notes moreover other projects such as HEAVENN, which started in 2020;

17. Notes that the FCH2 uses Horizon 2020 common Key Performance Indicators (KPIs) and for monitoring cross-cutting issues, as well as specific indicators to the FCH2 such as share of the funding allocated to research activities in areas of renewable energy, end-user energy efficiency, smart grids, and storage, as well as demonstrator projects hosted in Member States and regions benefiting from Union's Structural and Investment Funds;

Internal audit

18. Notes that in 2020, in line with the strategic internal audit plan for 2019–2021, the internal audit service (IAS) launched an audit to assess the adequacy of the design and the efficiency and effectiveness of the internal control system in place and that that concluded that the FCH2 has set up an efficient and effective internal control system for the implementation and closing of grant agreements under the Horizon 2020 programme and it has re-enforced *ex ante* controls and initiatives to boost dissemination and exploitation, and moreover that it did not identify any critical or very important issue;

Internal controls

19. Notes that, according to the Court's report the FCH2 has set up *ex ante* control procedures based on financial and operational desk reviews, and that implemented the Commission's new internal control framework in 2019 and that for the required annual self-assessment and monitoring of the effectiveness of the control activities, the FCH2 developed relevant indicators for all internal control principles and related characteristics;

20. Notes that, according to the Court's report for Seventh Framework interim and final payments, the FCH2 is responsible for *ex post* audits at the beneficiaries, while for Horizon 2020 project cost claims, it is the Commission's Common Audit Service (CAS), and that based on the *ex post* audit results available at the end of 2020, the FCH2 reported a representative error rate of 1,97 % and a residual error rate of 1,01 % for its Seventh Framework projects, and a representative error rate of 2,16 % and a residual error rate of 1,34 % for Horizon 2020 projects (clearings and final payments); notes from the Commission's proposal for a Horizon 2020 regulation that the ultimate aim for the residual level of error at the closure of the programmes after the financial impact of all audits, correction and recovery measures will have been taken into account, is to achieve a level as close as possible to 2 %;

21. Notes that the Court audited randomly sampled Horizon 2020 payments made in 2020, at the level of the final beneficiaries to corroborate the *ex post* audit error rates, as part of the operational payment controls, and that these detailed audits showed an error above 1 % of the audited costs caused by the application of a wrong exchange rate for the conversion of the declared costs into euro;

22. Emphasises that, in the Court of Auditors' annual report on the EU Joint Undertakings for 2020, the Court found persistent systemic errors in the personnel costs declared by beneficiaries, in particular on the part of SMEs and new beneficiaries; notes that such errors were also regularly reported in the *ex post* audits of the CAS and its contracted auditors; highlights that, on page 39 of that report, the Court states that the streamlining of Horizon 2020 rules for the declaration of personnel costs and the wider use of simplified cost options is a precondition for future research framework programmes, in order to stabilise error rates to below materiality level; encourages the FCH2 to strengthen its internal control systems given that SMEs and new beneficiaries are more error-prone;

23. Notes that the annual risk-assessment workshop held in October 2020 focused on critical risks affecting the achievement of FCH2 objectives as well as action plans that had been identified in the previous year, and assessed their adequacy and relevance for both 2020 and 2021, and that, in addition, consolidated input was gathered and discussed in order to establish a list of new significant risks for 2020, and the respective action plans were drawn up; notes, moreover, that the FCH2 implements the common research anti-fraud strategy and that in 2020, internal training sessions were organised on the early detection and exclusion system and on the anti-plagiarism tool.

DECISION (EU) 2022/1824 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the Fuel Cells and Hydrogen 2 Joint Undertaking (now the Clean Hydrogen Joint Undertaking) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the Fuel Cells and Hydrogen 2 Joint Undertaking for the financial year 2020,

— having regard to the Court of Auditors' annual report on the EU Joint Undertakings for the financial year 2020, together with the Joint Undertakings' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Joint Undertaking in respect of the implementation of the budget for the financial year 2020 (06005/2022 – C9-0109/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 71 thereof,

— having regard to Council Regulation (EU) No 559/2014 of 6 May 2014 establishing the Fuel Cells and Hydrogen 2 Joint Undertaking ([4]), and in particular Article 12 thereof,

— having regard to Council Regulation (EU) 2021/2085 of 19 November 2021 establishing the Joint Undertakings under Horizon Europe and repealing Regulations (EC) No 219/2007, (EU) No 557/2014, (EU) No 558/2014, (EU) No 559/2014, (EU) No 560/2014, (EU) No 561/2014 and (EU) No 642/2014 ([5]), and in particular Article 26 thereof,

— having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ([6]),

— having regard to Commission Delegated Regulation (EU) 2019/887 of 13 March 2019 on the model financial regulation for public-private partnership bodies referred to in Article 71 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([7]),

— 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 (A9-0075/2022),

1. Approves the closure of the accounts of the Fuel Cells and Hydrogen 2 Joint Undertaking for the financial year 2020;

([1]) OJ C 458, 12.11.2021, p. 20.
([2]) OJ C 458, 12.11.2021, p. 20.
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 169, 7.6.2014, p. 108.
([5]) OJ L 427, 30.11.2021, p. 17.
([6]) OJ L 38, 7.2.2014, p. 2.
([7]) OJ L 142, 29.5.2019, p. 16.

2. Instructs its President to forward this decision to the Executive Director of the Clean Hydrogen Joint Undertaking, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

DECISION (EU) 2022/1825 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the Innovative Medicines Initiative 2 Joint Undertaking (now the Innovative Health Initiative Joint Undertaking) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the Innovative Medicines Initiative 2 Joint Undertaking for the financial year 2020,

— having regard to the Court of Auditors' annual report on the EU Joint Undertakings for the financial year 2020, together with the Joint Undertakings' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Joint Undertaking in respect of the implementation of the budget for the financial year 2020 (06005/2022 – C9-0110/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 71 thereof,

— having regard to Council Regulation (EU) No 557/2014 of 6 May 2014 establishing the Innovative Medicines Initiative 2 Joint Undertaking ([4]), and in particular Article 12 thereof,

— having regard to Council Regulation (EU) 2021/2085 of 19 November 2021 establishing the Joint Undertakings under Horizon Europe and repealing Regulations (EC) No 219/2007, (EU) No 557/2014, (EU) No 558/2014, (EU) No 559/2014, (EU) No 560/2014, (EU) No 561/2014 and (EU) No 642/2014 ([5]), and in particular Article 26 thereof,

— having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ([6]),

— having regard to Commission Delegated Regulation (EU) 2019/887 of 13 March 2019 on the model financial regulation for public-private partnership bodies referred to in Article 71 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([7]),

— 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 (A9-0072/2022),

([1]) OJ C 458, 12.11.2021, p. 20.
([2]) OJ C 458, 12.11.2021, p. 20.
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 169, 7.6.2014, p. 54.
([5]) OJ L 427, 30.11.2021, p. 17.
([6]) OJ L 38, 7.2.2014, p. 2.
([7]) OJ L 142, 29.5.2019, p. 16.

1. Grants the Executive Director of the Innovative Health Initiative Joint Undertaking discharge in respect of the implementation of the Joint Undertaking's budget for the financial year 2020;

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 Executive Director of the Innovative Health Initiative Joint Undertaking, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1826 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the Innovative Medicines Initiative 2 Joint Undertaking (now the Innovative Health Initiative Joint Undertaking) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the Innovative Medicines Initiative 2 Joint Undertaking for the financial year 2020,

— 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 (A9-0072/2022),

A. whereas the Joint Undertaking for the implementation of the Joint Technology Initiative on Innovative Medicines ('IMI Joint Undertaking') was established in December 2007 for a period of 10 years to improve significantly the efficiency and effectiveness of the drug development process with the long-term aim of the pharmaceutical sector producing more effective and safer innovative medicines;

B. whereas, following the adoption of Council Regulation (EU) No 557/2014 ([1]) in May 2014, the Innovative Medicines Initiative 2 Joint Undertaking ('IMI2 Joint Undertaking') was established for a period up to 31 December 2024; whereas it replaced and became the successor to the IMI Joint Undertaking in June 2014 with the aim of finalising research activities under the Seventh Framework Programme and launching a new project under the Horizon 2020 framework;

C. whereas the Union, which is represented by the Commission, and the European Federation of Pharmaceutical Industries and Associations (the 'industry') are the founding members of the IMI Joint Undertaking and IMI2 Joint Undertaking;

D. whereas the maximum contribution from the Union to the IMI Joint Undertaking is EUR 1 000 000 000 for a period of 10 years, to be paid from the budget of the Seventh Framework Programme, and the founding members are to contribute equally to the IMI Joint Undertaking's running costs, each with an amount not exceeding 4 % of the total Union contribution;

E. whereas the maximum contribution for the period of 10 years from the Union, including European Free Trade Association appropriations, to the IMI2 Joint Undertaking is EUR 1 630 000 000, to be paid from the Horizon 2020 budget, and the members, other than the Commission, have to contribute 50 % of the running costs and to contribute to operational costs through cash or in-kind contributions, or both, of an amount equal to the financial contribution of the Union;

Budgetary and financial management

1. Notes that the report of the Court of Auditors (the 'Court') on the accounts of the IMI2 Joint Undertaking for the year ended on 31 December 2020 (the Court's report) finds the annual accounts to be presented fairly, in all material aspects, with regard to the IMI2 Joint Undertaking's financial position at 31 December 2020, the results of its operations, its cash flows, and the changes in its net assets for the year then ended, in accordance with its financial regulation and with the accounting rules adopted by the Commission's accounting officer; notes, moreover, that, according to the Court's report, the transactions underlying the accounts are legal and regular in all material respects;

2. Notes that the final IMI2 Joint Undertaking available budget for 2020, including re-entered unused appropriations of previous years, assigned revenues, and reallocations to the next year, was EUR 276 538 561 in commitment appropriations (of which EUR 269 829 327 from the Union budget) and EUR 241 559 114 in payment appropriations (of which EUR 232 349 880 from the Union budget); notes that the budget execution of the commitment appropriations and the payment appropriations reached 98,66 % and 97,08 %, respectively;

([1]) Council Regulation (EU) No 557/2014 of 6 May 2014 establishing the Innovative Medicines Initiative 2 Joint Undertaking (OJ L 169, 7.6.2014, p. 54).

3. Notes that out of the EUR 1 000 000 000 of contributions to be made by private members to operational activities of the IMI Joint Undertaking, by the end of 2020 the IMI Joint Undertaking had reported and validated in-kind and cash contributions of EUR 759 471 000 from private members, of which EUR 737 573 000 in-kind and EUR 21 898 000 in cash contributions; notes that, during 2020, 11 projects were running under the IMI Joint Undertaking, of which 3 had ended by 31 December 2020;

4. Notes that the IMI Joint Undertaking utilisation rate for payment appropriations for the Seventh Framework Programme projects was 96 %;

5. Notes that out of the EUR 1 425 000 000 of in-kind and cash contributions to be made by industry members to the operational activities of the IMI2 Joint Undertaking, in-kind contributions of EUR 317 206 000 and cash contributions of EUR 20 717 000 were reported and validated, and that, additionally, EUR 7 064 000 in cash and EUR 34 972 000 of in-kind contributions by associated members were reported and validated; notes that, consequently, at the end of 2020, the total contributions of industry members and associated partners to the Horizon 2020 activities of the IMI2 Joint Undertaking amounted to EUR 379 959 000, compared to the Union's total cash contribution of EUR 643 180 000; acknowledges that pre-financing rules are set by the Financial Regulation and the model grant agreement and expects that industry contributions will match Union input at programme level by the end of the IMI2 Joint Undertaking; notes that, regarding the 2020 budget available for Horizon 2020 projects, the implementation rates for commitment and payment appropriations were 100 % and 99,7 %, respectively; notes that, during 2020, 92 projects were running under the IMI2 Joint Undertaking, of which 6 had ended by 31 December 2020; notes that the increase of commitments in 2020 of EUR 200 400 000 (Union funding) and EUR 182 300 000 (the industry and Associated Partner commitment), results from the conclusion of 19 new signed grant agreements by the IMI2 Joint Undertaking, including 8 projects for the emergency call for proposals on coronavirus treatments and diagnostics;

6. Notes that there are different procedures across the Joint Undertakings regarding the calculation for the in-kind contributions, and calls for a harmonisation of the in-kind contribution calculation across the Joint Undertakings;

7. Notes from the Court's report that the IMI2 Joint Undertaking is characterised by long project durations due to the nature of its research, and that this situation is an example of varying degrees of achievement of contribution targets set by the Joint Undertakings' regulations in relation to Horizon 2020 activities, and that this presents the risk that the level of administrative resources needed to manage the Joint Undertaking's funds in a timely manner may not be sufficient, due to an increasing number of projects from multiple Multiannual Financial Framework programmes being implemented simultaneously; invites the IMI2 Joint Undertaking to review its organisational structure and staffing needs in order to ensure business continuity in periods of significantly increased workflows; calls on the IMI2 Joint Undertaking to provide more transparency in the decision making process for its research priorities and to communicate the chosen method in its next annual report;

8. Notes that, in 2020, the IMI2 Joint Undertaking still made final Seventh Framework Programme grant payments; notes, moreover that, according to the Court, the IMI2 Joint Undertaking reported residual error rates below the materiality threshold of 2 %, based on the *ex post* audit results at the end of 2020;

9. Notes from the Court's report that the IMI2 Joint Undertaking's practice of reactivating unused payment appropriations from previous years to the extent of open administrative commitments, results in an accumulation of unused payment appropriations and that, aggravated by the impact of the COVID-19 pandemic, it resulted in a low budget implementation rate for the IMI2 Joint Undertaking's Title 2 administrative budget of 51 %; acknowledges that the unspent amount of Title 2 payment appropriations was EUR 3,2 million, against the amount of EUR 241 559 114 of the total budgeted payment appropriations; notes the IMI2 Joint Undertaking's reply that rigid budget planning and the amendment mechanism did not allow appropriate adjustments to be made to the fast changing and uncertain global pandemic-driven crisis situation, and that, for 2021, it is planning to carry over a lower amount of administrative payment appropriations than the amount of commitments carried forward to 2021 under Title 2 Infrastructure expenditure, and that it plans to pay the difference out of the current year budget; calls on the IMI2 Joint Undertaking to develop a plan to limit the reactivation of the unused payment appropriations as a way of preventing a low budget implementation rate;

Performance

10. Notes that the IMI2 Joint Undertaking launched a fast-track call for proposals on coronavirus treatments and diagnostics, resulting in 8 projects; notes, moreover, the launch of three additional calls for proposals relating to topics such as rare diseases, infectious diseases, cancer, neurodegenerative diseases and autoimmune diseases; notes, furthermore, the signing of 19 new grant agreements for projects with a total combined budget of over EUR 380 000 000, bringing the total IMI2 Joint Undertaking's portfolio to 167 projects; notes that the new projects focus on cancer, diabetes, obesity, digital health, artificial intelligence, advanced therapies, drug discovery and environmental issues;

11. Notes that the annual activity report 2020 highlighted that for the evaluation experts, IMI2 Joint Undertaking used 235 experts from 29 countries. Of the members of that group of experts, 105 were female and 130 male; welcomes the fact that the IMI2 Joint Undertaking continues to improve gender balance in this respect;

12. Notes that the IMI2 Joint Undertaking, besides collecting data to report against the relevant standard Horizon 2020 key performance indicators (KPIs) for the assessment of the results and impacts of the specific objectives of the programme, uses KPIs to track activities in 10 strategic areas; notes, furthermore, that the IMI2 Joint Undertaking gathers data on those points via a dedicated web platform through which project coordinators can submit their project's results, allowing also the IMI2 Joint Undertaking to aggregate and analyse data, and build a picture of project achievements as they evolve; notes that, although those KPIs are designed for the IMI2 Joint Undertaking, where relevant the IMI2 Joint Undertaking also gathers the data for IMI Joint Undertaking projects, allowing the impacts of the Joint Undertaking since its inception to be examined; notes, moreover, that the analysis of the data collected up to 31 December 2020 shows that almost all the relevant priority areas in the IMI2 Joint Undertaking Strategic Research Agenda are addressed by IMI2 Joint Undertaking projects (11 out of 12);

13. Notes that several new tools and processes generated by IMI2 Joint Undertaking projects have been implemented by the industry participants (examples of such implementation are animal models, standards, biomarkers, standard operating procedures, use of screening platforms, clinical trial networks, etc.). Data also shows that there were 176 implementation results for the IMI2 Joint Undertaking (versus a target of 50) and 482 implementation results for the IMI Joint Undertaking and IMI2 Joint Undertaking considered together; notes, in addition, that 60 % of the projects involve patient organisations and healthcare professionals' associations as consortium partners, members of advisory boards, members of stakeholder groups, etc., and that this trend has remained stable during the course of the IMI2 Joint Undertaking; is concerned however that IMI2 Joint Undertaking projects still fail to guarantee affordability, accessibility and availability of publicly funded research results; calls in this regard for the IMI2 Joint Undertaking successor, the Innovative Health Initiative Joint Undertaking, to introduce new requirements immediately, in accordance with which all beneficiaries of the Union public funding for research and innovation for treatment, prevention or diagnosis would be obliged to commit to access, effectiveness, affordability and availability principles;

14. Notes that this reveals a dynamic in which the IMI2 Joint Undertaking's projects are getting on track and in some cases surpassing the established targets now that a number of the IMI2 Joint Undertaking's projects have finished and are reaching the end of the IMI2 Joint Undertaking's programme cycle;

15. Notes from the Court's report that the IMI2 Joint Undertaking made an important contribution to the common European response to the COVID-19 pandemic and that the IMI2 Joint Undertaking reallocated EUR 45 000 000 of its 2020 budget to a fast-track call for proposals launched in March 2020; notes that, in addition, Horizon 2020 funds from the Commission increased the call amount to EUR 72 000 000;

16. Notes that the issue of intellectual property rights needs to be addressed in all contracts which may produce an intended outcome of the performance, or result, such as studies, analysis, or evaluations; notes that it aims at safeguarding the rights of individual creators but also at providing details as to how the rights will be used in the future; notes that since the purchases are made with public money, the results should be transparent and accessible to the public; calls on the IMI2 Joint Undertaking to provide a clarification of the intellectual property rights and more transparency when it comes to the results of the research;

17. Notes that in 2020 the IMI2 Joint Undertaking's leverage effect was 1,01;

Recruitment and staff coping with COVID

18. Notes that on 31 December 2020, 53 of the 56 positions in the staff establishment plan of the IMI2 Joint Undertaking were occupied, five positions were filled during 2020, three for temporary agents and two for contract agents;

19. Notes that during the lockdown period, the IMI2 Joint Undertaking's staff switched to full-time teleworking, with staff able to access all the files, tools and resources they needed from day one; notes that the switch to working from home was also facilitated by the fact that the IMI2 Joint Undertaking had adopted a number of the Commission's standard tools, such as ARES, Sysper and the full set of Horizon 2020 programme management IT tools; notes, moreover, that the IMI2 Joint Undertaking and the other joint undertakings who work in the same building agreed on a single set of rules for staff who exceptionally have to work at the office, to ensure staff safety and well-being, and also outlined a phased return to the office; notes with concern the challenges associated with the COVID-19 pandemic for staff, especially taking into account different living circumstances, lack of access to office space and possible effects of isolation; asks the IMI2 Joint Undertaking to focus on staff well-being, stress management and work-life balance; asks management to ensure there are appropriate support structures in place to ensure the psychological well-being of staff;

Internal audit

20. Notes that in 2020, the internal audit service (IAS) performed an audit on Horizon 2020 grant implementation in the IMI2 Joint Undertaking, as originally provided for in the 2019–2021 strategic internal audit plan; notes, moreover, that the objective of that audit was to assess the adequacy of the design and the efficiency and effectiveness of the internal control system in place for the implementation of grant agreements under Horizon 2020;

21. Notes that, in November 2020, the IMI2 Joint Undertaking's executive director informed the internal auditors of the latest IMI2 Joint Undertaking organisational and operational developments and the results of the latest risk assessment, and provided feedback on the potential audit topics in preparation for the IAS strategic plan;

Internal control systems

22. Notes that the Court concluded that the IMI2 Joint Undertaking set up reliable *ex ante* control procedures for financial and operational desk reviews and that, in 2018, the IMI2 Joint Undertaking implemented the Commission's internal control framework, which is based on 17 internal control principles;

23. Notes from the Court's report that, for Seventh Framework Programme interim and final payments, the IMI2 Joint Undertaking performs *ex post* audits at the beneficiaries' premises, whilst for Horizon 2020 project cost claims, the Commission's Common Audit Service (CAS) is responsible for the *ex post* audits, and that, based on the *ex post* audits results available at the end of 2020, the IMI2 Joint Undertaking reported a representative error rate of 2,16 % and a residual error rate of 1,14 % for its Seventh Framework Programme projects, and a representative error rate of 1,13 % and a residual error of 0,74 % for Horizon 2020 projects (clearings and final payments); notes, moreover, that according to the Commission's proposal for the Horizon 2020 regulation, the ultimate aim for the residual level of error at the closure of the programmes, after the financial impact of all audits, correction and recovery measures have been taken into account, is to achieve a level as close as possible to 2 %;

24. Notes that, according to the Court's report, as part of the operational controls, the Court audit randomly sampled Horizon 2020 payments made in 2020 at the level of the final beneficiaries, to corroborate the *ex post* audit error rates, and that those detailed audits revealed, in one case, a systemic error above 1 % of the audit costs related to the declared direct costs, due to the fact that the beneficiary had wrongly declared as 'other direct costs', several indirect cost items not directly attributable to the project; notes, however, that such indirect costs are covered by a flat rate of 25 % of the direct cost amount;

25. Emphasises that the Court's report found persistent systemic errors in the personnel costs declared by beneficiaries, in particular on the part of SMEs and new beneficiaries; notes that such errors were also regularly reported in the *ex post* audits of the CAS and its contracted auditors; highlights the fact that, on page 39 of its report, the Court states that the streamlining of Horizon 2020 rules for the declaration of personnel costs and the wider use of simplified cost options is a precondition for future research framework programmes, in order to stabilise error rates to below the materiality level; encourages the Joint Undertaking to strengthen its internal control systems, given that SMEs and new beneficiaries are more error-prone.

DECISION (EU) 2022/1827 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the Innovative Medicines Initiative 2 Joint Undertaking (now the Innovative Health Initiative Joint Undertaking) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the Innovative Medicines Initiative 2 Joint Undertaking for the financial year 2020,

— having regard to the Court of Auditors' annual report on the EU Joint Undertakings for the financial year 2020, together with the Joint Undertakings' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Joint Undertaking in respect of the implementation of the budget for the financial year 2020 (06005/2022 – C9-0110/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 71 thereof,

— having regard to Council Regulation (EU) No 557/2014 of 6 May 2014 establishing the Innovative Medicines Initiative 2 Joint Undertaking ([4]), and in particular Article 12 thereof,

— having regard to Council Regulation (EU) 2021/2085 of 19 November 2021 establishing the Joint Undertakings under Horizon Europe and repealing Regulations (EC) No 219/2007, (EU) No 557/2014, (EU) No 558/2014, (EU) No 559/2014, (EU) No 560/2014, (EU) No 561/2014 and (EU) No 642/2014 ([5]) , and in particular Article 26 thereof,

— having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ([6]),

— having regard to Commission Delegated Regulation (EU) 2019/887 of 13 March 2019 on the model financial regulation for public-private partnership bodies referred to in Article 71 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([7]),

— 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 (A9-0072/2022),

([1]) OJ C 458, 12.11.2021, p. 20.
([2]) OJ C 458, 12.11.2021, p. 20.
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 169, 7.6.2014, p. 54.
([5]) OJ L 427, 30.11.2021, p. 17.
([6]) OJ L 38, 7.2.2014, p. 2.
([7]) OJ L 142, 29.5.2019, p. 16.

1. Approves the closure of the accounts of the Innovative Medicines Initiative 2 Joint Undertaking for the financial year 2020;

2. Instructs its President to forward this decision to the Executive Director of the Innovative Health Initiative Joint Undertaking, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

DECISION (EU, Euratom) 2022/1828 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European Joint Undertaking for ITER and the Development of Fusion Energy (F4E) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Joint Undertaking for ITER and the Development of Fusion Energy for the financial year 2020,

— having regard to the Court of Auditors' annual report on the EU Joint Undertakings for the financial year 2020, together with the Joint Undertakings' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Joint Undertaking in respect of the implementation of the budget for the financial year 2020 (06005/2022 – C9-0108/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Council Decision 2007/198/Euratom of 27 March 2007 establishing a European Joint Undertaking for ITER and the Development of Fusion Energy and conferring advantages upon it ([4]), and in particular Article 5 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]),

— 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 (A9-0076/2022),

1. Grants the Director of the European Joint Undertaking for ITER and the Development of Fusion Energy discharge in respect of the implementation of the Joint Undertaking's budget for the financial year 2020

([1]) OJ C 458, 12.11.2021, p. 20.
([2]) OJ C 458, 12.11.2021, p. 20.
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 90, 30.3.2007, p. 58.
([5]) OJ L 122, 10.5.2019, p. 1.

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 Director of the European Joint Undertaking for ITER and the Development of Fusion Energy, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1829 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget for the European Joint Undertaking for ITER and the Development of Fusion Energy (F4E) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European Joint Undertaking for ITER and the Development of Fusion Energy for the financial year 2020,

— 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 (A9-0076/2022),

A. whereas the European Joint Undertaking for ITER and the Development of Fusion Energy (the 'Joint Undertaking') was established in April 2007 for a period of 35 years by Council Decision 2007/198/Euratom ([1]) of 27 March 2007;

B. whereas the members of the Joint Undertaking are Euratom, represented by the Commission, the member states of Euratom, and third countries which have concluded a cooperation agreement with Euratom in the field of controlled nuclear fusion;

C. whereas the objectives of the Joint Undertaking are to provide the Union's contribution to the ITER international fusion energy project, to implement the broader approach agreement between Euratom and Japan, and to prepare for the construction of a demonstration fusion reactor and related facilities;

D. whereas the discharge for the financial year 2020 concerns the Fusion for Energy (F4E) as ITER is an international nuclear fusion research and engineering megaproject and F4E is the organisation managing the Union's contribution to ITER;

E. whereas the Joint Undertaking started to work autonomously in March 2008;

General

1. Notes that the report of the Court of Auditors (the 'Court') on the Joint Undertaking's annual accounts for the financial year 2020 (the 'Court's report') finds the annual accounts to present fairly, in all material respects, its financial position at 31 December 2020 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with the accounting rules adopted by the Commission's accounting officer; notes, moreover, that the underlying transactions to the accounts for the financial year 2020 are, in all material respects, legal and regular;

2. Notes with concern from the Court's report the emphasis of matter drawing attention to the estimate of the total cost for completing its delivery obligations for the ITER project in 2042, assessed by the Joint Undertaking at EUR 17 968 050 000 (in 2020 values) and to the fact that changes in key assumptions concerning the estimate and the risk exposure could lead to significant costs increases and/or to further delays in the implementation of the ITER project; notes that among the key assumptions the ITER baseline approved in November 2016 by the Council of the ITER Organization leading to First Plasma in December 2025, and the start of the Deuterium-Tritium phase in December 2035 is maintained; notes in contrast that the 2010 baseline estimated the achievement of the construction phase in 2020, and that the current ITER baseline approved in 2016 is considered to be the earliest possible technically achievable date; calls on the Joint Undertaking to report to the discharge authority of any development in that regard; notes that the Court's report refers to in particular changes in nuclear safety requirements that are under the ultimate authority of the French Nuclear Safety Authority, the cost estimate for the Hot Cell Complex which has not been revised, as well as requirement changes;

([1]) Council Decision 2007/198/Euratom of 27 March 2007 establishing the European Joint Undertaking for ITER and the Development of Fusion Energy and conferring advantages upon it (OJ L 90, 30.3.2007, p. 58).

3. Suggests that the Joint Undertaking control better the costs of the project and communicate more transparently on all the expenses related to the overall operation;

4. Notes the ITER Council decided to maintain temporarily this baseline plan with First Plasma set in December 2025 despite the forecasted delay of eight months due to the accumulation of delays in component deliveries, the start of the installation activities at the Cadarache site, and the effect of the COVID-19 pandemic; notes that the ITER Organization has acknowledged that there is an irreversible slippage of the schedule for First Plasma; regrets that the delay is estimated in total at about 17 months and that that is not only driven by the health pandemic but also by the late delivery of some components, in particular the Vacuum Vessel, and particularly its sectors under European responsibility, as well as the overall slower assembly works by the international organisation; calls the Joint Undertaking to report to the discharge authority in that regard; notes, moreover, the lack of contingency in the schedule and that the suggestion of Commission and the United States Department of Energy were not retained and included at Union level; notes from the 9th Annual Assessment report that the schedule contingency reserve should be introduced in the concerned Joint Undertaking's activities planning and that it should be part of the schedule baseline; notes, moreover, the recommendations made by the panel of assessors on management reserves; calls on the Joint Undertaking to report to the discharge authority in that regard;

5. Notes that the ITER Organization is expected to present an updated schedule on the construction of the ITER site in Spring 2022 with the view of its adoption in November 2022, subject to an assessment by a panel of independent experts; calls on the Joint Undertaking to urgently report any development in that regard and especially on the date of the starting of the Deuterium-Tritium phase;

6. Notes that on 31 January 2020, the United Kingdom (UK) left the Union and Euratom; notes that following the Withdrawal Agreement the UK committed to paying all its obligations under the current Multiannual Financial Framework (MFF) and previous financial perspectives arising from its membership of the Union and that it has paid into the 2020 EU Budget during the year, and received payments, as if it was a Member State; notes that the UK will become an Associated State of Euratom, under equivalent conditions as full Member States, pending the ratification of the protocol on the UK's association to Union programmes; calls on the Joint Undertaking to report to the discharge authority of developments in that regard;

7. Is aware of the fact that in addition to the construction phase, the Joint Undertaking will have to contribute to the ITER operational phase after 2035 and to the subsequent ITER deactivation and decommissioning phases as specified in the Agreement on the Establishment of the ITER International Fusion Energy Organization for the Joint Implementation of the ITER Project ([2]); notes that the contribution to the deactivation and decommissioning phases were estimated, respectively, at EUR 95 540 000 and EUR 180 200 000 (in 2001 values);

8. Notes that for the next MFF period 2021–2027, the European Council has agreed a budget for the Euratom contribution to ITER amounting to a total value of EUR 5 614 000 000 (in current values) of which EUR 5 560 000 000 (in current value) of direct contribution to the project;

Budget and financial management

9. Notes that the final 2020 available budget included commitment appropriations of EUR 885 669 069 and payment appropriations of EUR 816 458 884; notes that the utilisation rates for commitment and payment appropriations were 100 % and 98 % respectively (compared to 99,8 % and 97,1 % in 2019);

10. Notes that out of EUR 885 669 069 available for commitment appropriations, 100 % was implemented through individual commitments (corresponding to EUR 885 349 020);

([2]) OJ L 358, 16.12.2006, p. 62: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A22006A1216%2803%29

11. Notes from the Court's report that the Joint Undertaking's calculation method for the 2020 annual membership contributions did not comply with the respective provisions of its financial regulation and instead of using the contribution estimates as adopted by the governing board, the Joint Undertaking levied the contributions based on a yet to be adopted draft estimate; calls on the Joint Undertaking to comply with the provisions of its financial regulation and to report, in a comprehensive and transparent manner, to the discharge authority on the reasons of having departed from the use of the governing board estimate; notes from the Joint Undertaking's reply that it has adopted the measure to approve the draft single programming document for the following year by the last governing board of the year to avoid this issue happening again;

Performance

12. Notes that the Joint Undertaking has achieved the ITER Council/governing board milestone for the crane access between the Assembly Hall and Tokamak Building which allowed for the start of ITER assembly in July 2020 and delivered first major components to ITER Organization; notes, moreover, from the progress report that in 2020 the ITER Organization announced that the overall project had reached 72,1 % of the total construction work scope to First Plasma against a planned value of 77,3 %, and that including all post First Plasma construction work to achieve Deuterium-Tritium the ITER project execution reached 57,7 %;

13. Notes with concern from the 9th Annual Assessment that the panel of assessors detected a lack of a common project identity and common goal, in particular at managerial level between the F4E and the ITER Organization and that these 'soft' elements of project management are of central importance; wonders whether this situation might not affect the effectiveness of the project and calls on the Joint Undertaking to report to the discharge authority in that regard; notes furthermore from the annual assessment that the Joint Undertaking needs to reinforce its technical core expertise in the fields concerning on-going and future critical activities in relation to functional requirements of ITER Organization and technical specifications and compliance of industrial contractors; calls on the Joint Undertaking to follow the recommendations issued in the annual assessment and to report to the discharge authority in that regard;

14. Notes from the Court's report that the Joint Undertaking assessed that the impact of the COVID-19 pandemic has been serious but not significant and that by April 2021, the pandemic had caused delays of up to four months for some deliveries, with a resulting increase in costs of around EUR 47 000 000 (in 2008 values) for the overall ITER project, and that further repercussions are possible should the pandemic worsen in 2021; calls on the Joint Undertaking to keep the discharge authority informed of any additional delays and cost increases associated with the pandemic;

Prevention of fraud and of conflicts of interest

15. Notes the Joint Undertaking's anti-fraud action plan covering the period 2020 through 2023, following its strategy adopted in 2019, and the awareness raising events and trainings organised for staff and management; moreover, notes that in 2020, 33 anti-fraud actions have been implemented; calls on the Joint Undertaking to report to the discharge authority on the outcome of those actions;

16. Notes that with a view to preventing and managing conflicts of interest, the anti-fraud and ethics officer organised a training for new staff and specific training for F4E managers; urges the joint undertaking to keep improving its fraud prevention measures;

Staff and recruitment

17. Notes with concern from the Court's report that the Joint Undertaking's recruitment procedures made in 2020 lacked transparency in drawing up the final shortlist of candidates to be invited for the next assessment phase (interviews and written tests), and that it is not clear how the selection committee took account of the advantageous criteria for shortlisting candidates; notes the Joint Undertaking's reply that in 2021 it started to include fully quantitative assessments of applications; calls on the Joint Undertaking to diligently review and continue to improve its recruitment policy with the aim of increasing transparency and fairness of the process and to report to the discharge authority any development in that regard;

18. Notes that a preliminary internal investigation determined that it was not clear whether the employee's suicide was connected to the working environment, but points out that the same employee left a note in which they made clear that 'burnout at work' was a factor and, in an earlier email to a representative of the administration dated 22 January 2020, they wrote about their exposure to 'a severe case of harassment'; believes, therefore, that there needs to be an independent investigation into what went on, as also called for by the F4E director;

19. Notes that in 2020, a special focus was put on the implementation of a new training and qualification programme for Joint Undertaking's staff performing protection important activities, in application of the new Joint Undertaking's policy related to nuclear safety competence and qualification and that at the end of 2020, 92 % of protection important activities' performers were trained and qualified, meeting the corporate objective;

20. Notes with concern from the Court's follow-up action to its 2019's observations that corrective actions towards problems and risks at senior management and corporate culture level identified by an external expert panel are ongoing; reiterates that this situation, if remaining unsolved, could negatively affect the performance of the staff; calls on the Joint Undertaking to report to the discharge authority in that regard; notes that in 2020 the policy on contracts of employment in the Joint Undertaking was modified;

21. Notes with concern that staff continued to decrease slightly by 0,9 % in 2020; reiterates that problematic Joint Undertaking's human resources have been flagged by ECA also during previous audits; stresses that lack of sufficient statutory staff leads to increased use of interim staff or the contractual insourcing of workers; is of the opinion that this presents particular risks that could negatively affect the Joint Undertaking's overall performance, such as the retention of key competences, unclear accountability channels, and lower staff efficiency;

22. Is aware that on the 17 January 2022 the heads of the three main trade unions sent a letter on behalf of the F4E staff to the Commissioner for Budget and Administration, and the Commissioner for Energy, about the critical situation in the F4E asking the Commission to support an OLAF inquiry into the F4E professional environment; notes that in addition they also ask the Commission to perform 'an in-depth assessment of the current F4E Senior Management, in particular in relation to their credibility and capacity to implement, in the present context, a change programme capable to restore trust and to transform the F4E working environment and corporate culture'; calls on the Joint Undertaking to report to the discharge authority of any development in that regard;

23. Recalls that the 2019 discharge report noted several problems and risks at senior management and corporate culture level; which, if unresolved, could negatively affect the performance of the Joint Undertaking's staff; notes that several measures have been adopted in an attempt to address these issues, including the appointment of a new head of administration, the introduction of a coaching programme and an agreement with three unions; remains however, seriously concerned that the working environment and the staff's well-being have not been sufficiently improved;

24. Notes that, the Joint Undertaking has adopted a diversity strategy to support and seek gender balance and geographical representation of staff; notes that in 2020 the 14 % of the F4E's senior managers were female and 86 % were male and that 16 % of its middle managers were female and 84 % were male; welcomes the fact that the F4E has appointed a female head of administration position; urges the Joint Undertaking to continue to improve gender and strive for a balanced geographical balance in this respect;

25. Notes that in 2020, the Joint Undertaking adopted its first Strategy on Diversity, Equal Opportunities and Non-Discrimination to undertake promoting equality and diversity in the workplace, spanning over three years;

26. Notes that the Joint Undertaking launched its first survey on the impact of COVID-19 in June 2020 and that following its result the Human Resources decided to focus on psychosocial preventive actions in the area of emotional wellbeing and stress management; is concerned that a recent psychosocial risk assessment found 54,2 % of staff were concerned about their workload;

27. Notes that the F4E recognises the need for further improvement with regards to 'resources, values, trust and culture' and has launched actions to meet its corporate objective 'F4E being a Greater Place to Work'; requests that the Joint Undertaking report back to the discharge authority without delay on these actions;

Internal control

28. Notes that the 2020 annual assessment of the internal control system concluded that all the components are operating together in an integrated manner, except one control where a critical deficiency related to the formalisation of legal commitments for operational expenditure in the Joint Undertaking's contract management tool (DACC); notes, however, from the Court's report that the DACC and the IT application for the document management (IDM) are not applicable to the systems and workflow of the Commission's central financial information system (ABAC) and that in March 2020, the Joint Undertaking's executive director decided that the advanced electronic signatures in DACC should not only be used for managing and signing contract amendments but also for initial contracts, as temporary administrative measures, during the COVID-19 pandemic; notes that the Joint Undertaking did not fully align its local IT applications with the internal processes for delegations and that significant weaknesses remain to be resolved which include legal, technical, and internal control aspects; moreover, notes with concern that the DACC application cannot evidence that staff had properly understood the contents of a document and agreed to sign it with their personal signature; calls on the Joint Undertaking to report to the discharge authority in that regard;

29. Notes from the Joint Undertaking reply that in early 2021, in the frame of the annual assessment of the Joint Undertaking's internal control system, errors were detected by its internal control coordinator regarding the signature phase of some operational contracts in DACC and therefore not in line with the Joint Undertaking's financial regulation, and that although the contracts are still considered legal under Spanish and French law, the issue revealed serious deficiencies in the Joint Undertaking's internal control systems; notes that the Joint Undertaking's executive director included a non-quantified reputational reservation in its annual declaration of assurance for the year 2020 on that regard; notes furthermore from the Joint Undertaking's reply that from 2021 its internal audit capability (IAC) will extend the scope of its annual review of ABAC access rights to also include DACC; notes that the Internal Audit Service launched in June 2021 an audit on 'Delegations and efficiency of decision making in F4E and cooperation mechanisms with DG ENER'; calls on the Joint Undertaking to report to the discharge authority on findings in that regard;

30. Notes from the Court's report that the Joint Undertaking created, in addition to individual user accounts, user group accounts with virtual identities to facilitate the management of its local IT applications (DACC, IDM) and that until the end of 2020, the functional group account created for the Joint Undertaking's director was also used to approve and sign a variety of important documents, contrary to the basic principles of the Joint Undertaking's information and communication technology's access management policy requiring user accounts to be unique and linked to a single user, and therefore allows all persons included within the group account to perform actions uniquely reserved for the responsible authorising officer; calls on the Joint Undertaking to report to the discharge authority in that regard;

31. Notes from the 9th Annual Assessment report that the Joint Undertaking risk management process may be improved in particular as regards the cost and schedule contingencies, sensitivity and confidence level, and against the guidelines of the International Organization for Standardization; calls on the Joint Undertaking to report to the discharge authority in that regard; notes with concern that findings from the report on the risk maturity assessment 2020 indicate that the Joint Undertaking did not record any lesson learned on risk management; calls on the Joint Undertaking to follow the recommendations stemming from the assessment and to report to the discharge authority in that regard;

32. Notes that following an IAC's audit on Nuclear Safety in 2019 covering the management and compliance aspects of the Joint Undertaking's nuclear safety management, the IAC performed a follow-up in May 2020, and that by the end of 2020, 22 actions out of the 23 on the action plan were already implemented, with the last action being in progress; calls on the Joint Undertaking to report to the discharge authority on developments in that regard;

33. Notes from the Court's report that at the end of 2020, the framework of the delegations in the Joint Undertaking's DACC and IDM did not automatically establish technical delegations but instead, relied on each responsible authorising officer to select the correct person to delegate to, based on the framework approved by the Joint Undertaking's Director and, moreover, that delegation powers that are provided by the contracts are given to staff, other than the responsible authorising officer, which is not reflected in the Joint Undertaking's framework of delegations; notes from the Joint Undertaking's reply that delegation powers correspond exclusively to daily management activities of the contract, and do not amend the contract as such, and that the Joint Undertaking will update the respective provision in the model contract; calls on the Joint Undertaking to report to the discharge authority any development in that regard;

34. Notes with concern from the Court's report that the Joint Undertaking's DACC application has never been subject to an internal control audit, to ensure the compliance of user rights to authorise transactions with delegations assigned to staff and therefore there is a high risk that non-compliance due to breaches of the Joint Undertaking's delegation policy may not have been identified nor mitigated; notes from the Joint Undertaking's reply that a validation of the user right is being performed by a third party to provide assurance; calls on the Joint Undertaking to report to the discharge authority in that regard;

35. Notes from the Court's report that although in 2016, the Joint Undertaking started to use the DACC for the legal commitment or contract management (in 2020 including for initial contracts), and therefore as an additional source for accounting and financial data, no validation of the its accounting system has been performed since 2013, which is contrary to the Joint Undertaking's financial regulation; notes from the Joint undertaking reply that a validation of the accounting systems will be launched in 2021 and that DACC is not automatically synchronized with ABAC and that data entered in the accounting system is validated in line with the internal control system; calls on the Joint Undertaking to report of any development in that regard;

36. Notes that over the years, the Joint Undertaking has made considerable efforts to implement an electronic document management system and that during the COVID-19 pandemic the advanced electronic signatures in DACC was not only used for managing and signing contract amendments but also for initial contracts, as temporary administrative measures; calls on the Joint Undertaking to continue using this instrument and to expand it to other features;

Procurement and grants

37. Notes that during 2020, 42 operational procurement procedures were launched, and that 47 operational procurement contracts were awarded and 55 were signed, while only one grant was launched, and none signed;

38. Notes from the Court's report that the Joint Undertaking uses its own eProcurement portal, which is not fully synchronised with the Commission's eProcurement solution and could lead to unnecessary duplications with the Commission's development efforts and investment in the future; reminds that this is not in line with the principle of a single 'electronic data interchange area' for participants, as provided for by the Financial Regulation; notes from the Joint Undertaking's reply that when the tool offered by the Commission covers all procurement procedure types relevant for the Joint Undertaking and the incident reported rate decreases, the Joint Undertaking will evaluate a potential move to the Commission toolset and take a decision based on the Joint Undertaking's operational requirements; calls on the Joint Undertaking to harmonise its procurement solution with that of the Commission.

DECISION (EU, Euratom) 2022/1830 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European Joint Undertaking for ITER and the Development of Fusion Energy (F4E) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European Joint Undertaking for ITER and the Development of Fusion Energy for the financial year 2020,

— having regard to the Court of Auditors' annual report on the EU Joint Undertakings for the financial year 2020, together with the Joint Undertakings' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Joint Undertaking in respect of the implementation of the budget for the financial year 2020 (06005/2022 – C9-0108/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Council Decision 2007/198/Euratom of 27 March 2007 establishing a European Joint Undertaking for ITER and the Development of Fusion Energy and conferring advantages upon it ([4]), and in particular Article 5 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([5]),

— 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 (A9-0076/2022),

1. Approves the closure of the accounts of the European Joint Undertaking for ITER and the Development of Fusion Energy for the financial year 2020;

2. Instructs its President to forward this decision to the Director of the European Joint Undertaking for ITER and the Development of Fusion Energy, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

([1]) OJ C 458, 12.11.2021, p. 20.
([2]) OJ C 458, 12.11.2021, p. 20.
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 90, 30.3.2007, p. 58.
([5]) OJ L 122, 10.5.2019, p. 1.

DECISION (EU) 2022/1831 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the SESAR Joint Undertaking (now the Single European Sky ATM Research 3 Joint Undertaking) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the SESAR Joint Undertaking for the financial year 2020,

— having regard to the Court of Auditors' annual report on the EU Joint Undertakings for the financial year 2020, together with the Joint Undertakings' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Joint Undertaking in respect of the implementation of the budget for the financial year 2020 (06005/2022 – C9-0111/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Council Regulation (EC) No 219/2007 of 27 February 2007 on the establishment of a Joint Undertaking to develop the new generation European air traffic management system (SESAR) ([4]), and in particular Article 4b thereof,

— having regard to Council Regulation (EU) 2021/2085 of 19 November 2021 establishing the Joint Undertakings under Horizon Europe and repealing Regulations (EC) No 219/2007, (EU) No 557/2014, (EU) No 558/2014, (EU) No 559/2014, (EU) No 560/2014, (EU) No 561/2014 and (EU) No 642/2014 ([5]), and in particular Article 26 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([6]),

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Transport and Tourism,

— having regard to the report of the Committee on Budgetary Control (A9-0073/2022),

1. Grants the Interim Executive Director of the Single European Sky ATM Research 3 Joint Undertaking discharge in respect of the implementation of the Joint Undertaking's budget for the financial year 2020;

2. Sets out its observations in the resolution below;

([1]) OJ C 458, 12.11.2021, p. 20. ECA Annual report on EU Joint Undertakings for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59817

([2]) OJ C 458, 12.11.2021, p. 20. ECA Annual report on EU Joint Undertakings for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59817

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 64, 2.3.2007, p. 1.

([5]) OJ L 427, 30.11.2021, p. 17.

([6]) OJ L 122, 10.5.2019, p. 1.

3. Instructs its President to forward this decision and the resolution forming an integral part of it to the Interim Executive Director of the Single European Sky ATM Research 3 Joint Undertaking, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1832 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget for the SESAR Joint Undertaking (now the Single European Sky ATM Research 3 Joint Undertaking) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the SESAR Joint Undertaking for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Transport and Tourism,

— having regard to the report of the Committee on Budgetary Control (A9-0073/2022),

A. whereas the SESAR Joint Undertaking (the 'Joint Undertaking') was set up in February 2007 by Council Regulation (EC) No 219/2007 ([1]) to run the Single European Sky Air Traffic Management Research (SESAR) programme, which aims to integrate and coordinate research and development activities to modernise Air Traffic Management (ATM) in the Union; whereas the maximum Union contribution for SESAR 1 is EUR 700 000 000;

B. whereas, following the adoption of Council Regulation (EU) No 721/2014 ([2]), the SESAR 2020 extended the lifetime of the Joint Undertaking until 31 December 2024;

C. whereas the Joint Undertaking was designed as a public-private partnership, with the Union and Eurocontrol as founding members;

D. whereas the Union contribution (including EFTA's) for the SESAR 2020 (from 2014 to 2024) funded from Horizon 2020 is EUR 585 000 000;

General

1. Notes that the Commission provided funds to the Joint Undertaking from the Seventh Framework Programme and the Horizon 2020, as well as from the Trans-European Transport Network (TEN-T) under the Multiannual Financial Framework 2007–2013, and from the Connecting Europe Facility (CEF) under the Multiannual Financial Framework 2014–2020;

2. Notes that the CVs and declarations of interest of the Administrative Board are not published; calls on the Joint Undertaking to publish the CVs and the declaration of interest of the Administrative Board in the light of the transparency framework and to guarantee user-friendly access to them;

3. Notes that the SESAR 1 programme was formally closed in 2016 and that the last corrective reimbursements to beneficiaries for the excess in cash contributions received for the Seventh Framework Programme projects were completed in 2020;

4. Notes that following a call for expressions of interest in 2015, 19 public and private entities from the aviation sector became members of the Joint Undertaking;

([1]) Council Regulation (EC) No 219/2007 of 27 February 2007 on the establishment of a Joint Undertaking to develop the new generation European air traffic management system (SESAR) (OJ L 64, 2.3.2007, p. 1).

([2]) Council Regulation (EU) No 721/2014 of 16 June 2014 amending Regulation (EC) No 219/2007 on the establishment of a Joint Undertaking to develop the new generation European air traffic management system (SESAR) as regards the extension of the Joint Undertaking until 2024 (OJ L 192, 1.7.2014, p. 1).

Budget and financial management

5. Notes that the report of the Court of Auditors (the 'Court') on the Joint Undertaking's annual accounts (the 'Court's report') finds the 2020 annual accounts to present fairly, in all material respects, the financial position of the Joint Undertaking at 31 December 2020, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its Financial Regulation and with accounting rules adopted by the Commission's accounting officer; notes, furthermore, that the underlying transactions to the accounts are legal and regular in all material respects;

6. Notes that, in 2020, the total available budget (including re-entered unused appropriations of previous years, assigned revenues and reallocations to the next year) was EUR 163 189 459 for commitment appropriations and EUR 179 159 495 for payment appropriations; notes that the respective implementation rate of the overall available budget for 2020 was 86,9 % for commitment appropriations and 67,7 % for payment appropriations;

7. Notes that following the closure of SESAR 1, the Joint Undertaking determined an excess of financial contributions received from its Members amounting to EUR 30 959 396; notes further that, according to Article 13 of the constituent act, the Joint Undertaking's members can only expect the reimbursement of their respective excess contributions at the dissolution of the Joint Undertaking by 31 December 2024; notes that, following the recommendation of the Commission and the Court and positive opinion of the Commission to the proposed decision, the Joint Undertaking adopted the decision to anticipate reimbursements on the 8 October 2020; notes in particular that Joint Undertaking reimbursed the Union on 4 December 2020 through two separated payment orders, one for the share corresponding to the TEN-T programme and one for the share corresponding to the Seventh Framework Programme; notes that, for Members other than the Union (except AIRBUS and DFS), the bilateral agreements approved by the Administrative Board were sent to the Members on 23 November 2020, with payments starting upon their signatures, and that Eurocontrol was paid on 9 December 2020: notes moreover that, at the end of 2020, all but three payments had been effected, amounting to EUR 30 474 586 (out of EUR 30 767 098, i.e. 99 %); notes from the follow up report that as of 10 February 2021, all excess cash contributions for the SESAR 1 programme were reimbursed to the respective SESAR 1 Joint Undertaking Members;

8. Notes that in 2020, SESAR 2020 final commitment appropriations amounted to EUR 162 784 059 and final payment appropriation to EUR 147 986 997; notes from the Court's report that regarding the Joint Undertaking's 2020 budget available for Horizon 2020 projects, the implementation rates for commitment and payment appropriations were 87,1 % and 81,9 % respectively;

9. Notes that in January 2020, the Joint Undertaking received from DG MOVE additional CEF funds of EUR 6 000 000 under the U-Space Delegation Agreement (second and final instalment) and that the Joint Undertaking neither entered the received CEF funds into the 2020 budget by means of an amending budget, nor considered them when planning actual needs for the budget line 3 7 0 0 (Deliver very large-scale demonstration activities); notes, consequently, that the final total available payment budget for the budget line 3 7 0 0 amounting to EUR 30 834 494, and that the Joint Undertaking had only implemented EUR 21 236 000 (or 58 %) by the end of 2020; notes the Joint Undertaking's reply that the assigned revenues mentioned by the Court have exclusively been used to finance the related entrusted tasks from the Commission as formalised in the U-Space Delegation Agreement and that it reports on the activities implementing the U-Space Delegation Agreement on a yearly basis by means of an Implementation Report and information in the Consolidated Annual Activity; calls on the Joint Undertaking to enter the received CEF funds in the 2020 budget by means of an amending budget;

10. Notes that there are different procedures across the Joint Undertakings regarding the calculation for the in-kind contributions and calls for their harmonisation;

11. Notes that the budget result in 2020 amounted to a deficit of EUR 28,16 million (of which a deficit of EUR 30,4 million for SESAR 1 following the reimbursement of SESAR 1 excess financial contributions and a surplus of EUR 2,2 million for the SESAR 2020) and that the cumulative surplus amounts to EUR 22,1 million;

Performance

12. Notes that the Joint Undertaking uses key performance indicators (KPIs), in particular, the common Horizon 2020 and for cross-cutting issues KPIs, the specific Joint Undertaking's KPIs and those related to the Performance Ambitions of the Single European Sky as designed in the European ATM Master Plan;

13. Notes that in the Joint Undertaking Consolidated Annual Activity Report 2020, the KPIs on gender balance increased in comparison to previous years but nevertheless remained low, with only 24 % of women participants in Horizon 2020 projects; notes that the percentage of women in Commission's advisory groups, experts groups, evaluation panels, individual experts appears in the Joint Undertaking Consolidated Annual Activity Report 2020. Suggests that the Joint Undertaking needs to continue to improve its gender balance;

14. Notes that the Joint Undertaking achieved all its objectives as outlined in the Single Programming Document for 2020–2022; notes that the Joint Undertaking defined and implemented budgetary measures that mitigated the adverse effect of the COVID-19 crisis on the aviation sector, such as increasing pre-financing rates applicable to grant agreements signed in 2020 to support the cash flow of beneficiaries;

15. Notes also that there was an exceptional 50 % reduction in the amount of cash contributions to the Joint Undertaking's running costs received from members other than the Union and Eurocontrol, due to the COVID-19 pandemic and that that reduction was compensated for by a reduction in the Joint Undertaking's running costs for 2020 of EUR 2,3 million (21 %);

16. Welcomes the fact that, despite the COVID-19 crisis, the Joint Undertaking was able to maintain the continuity and efficiency of all its operations by mobilising corporate tools and initiatives; welcomes the fact that, despite the challenging circumstances, the Joint Undertaking's members and partners were successful in advancing new technologies and procedures through the Joint Undertaking innovation pipeline, in accordance with the timeline set by the European ATM Master Plan – Europe's roadmap for the digital transformation of ATM; commends the preparatory work accomplished by the Joint Undertaking that paves the way for SESAR 3 and the future of air traffic management research;

17. Notes the reported leverage effect of 0,83 in 2020, and the forecasted leverage effect at the end of the programme of 1,23, measured following the Commission's method used in the interim evaluation, and that the actual leverage effect of the Joint Undertaking is regularly progressing towards the targets;

18. Notes that, in 2020, the last four projects funded under Exploratory Research 2, namely Airpass, Impetus, PercEvite and TERRA, and the Emphasis project, resulting from the Exploratory Research 3, completed their activities and were closed;

19. Notes that, in 2020, the Joint Undertaking managed 36 grants already in execution at the beginning of that year, following five calls of proposal procedures conducted in previous years; notes that, in addition, two calls for proposal as regard to very large-scale demonstrations (VLDs) under Horizon 2020 and 2 restricted industrial research and validation-VLD were launched in 2020;

20. Welcomes the fact that the Joint Undertaking launched 67 projects across its three strands of research in 2020, namely exploratory research (41 projects), industrial research and validation (15 projects) and very large-scale demonstrations (11 projects);

21. Notes that by the end of 2020, the SESAR 2020 programme had funded project in each phase of the SESAR innovation pipeline through 10 calls for proposal under three different legal frameworks; notes that the Joint Undertaking invested 90 % of its total budget from the Union (including three delegation agreements), corresponding to approximately EUR 596 300 000, in research and innovation projects and that the remaining part of the funds has been allocated to the procurement of services and studies in relation to core operations and to running costs;

22. Welcomes the Joint Undertaking's outreach activities, in particular the organisation by SESAR Digital Academy of numerous webinars to present its achievements;

23. Points out that one of the main achievements of the Joint Undertaking is free routing to reduce flight and fuel emissions; believes its successor should further contribute to the sustainability of the aviation sector in line with the objectives of the Green Deal; believes moreover that that successor should contribute to making the aviation market more flexible and resilient to traffic fluctuations, and to establishing the Single European Sky as the most efficient and environmentally friendly airspace in the world;

24. Welcomes the fact that the Joint Undertaking has completed a significant body of work related to U-space, the Commission's initiative for the safe and secure integration of drones;

Procurement and staff

25. Notes that, in 2020, six procurement procedures were launched and concluded and that the Joint Undertaking signed five amendments to its contracts, specific contracts and service-level agreements, and, moreover, that COVID-19 crisis accelerated the move towards electronic approval cycles and contract signature;

26. Notes with concern the challenges associated with the COVID-19 pandemic for employees, especially taking into account different living situations, lack of access to office space and possible effects of isolation; asks the Joint Undertaking to focus on employee wellbeing, stress management and work and life balance; asks management to ensure that appropriate support structures are in place to ensure the psychological well-being of staff;

27. Notes that the 2020 staff established plan, approved by the Joint Undertaking, allows 39 temporary or contract agents and three seconded national experts; notes that at 31 December 2020 the Joint Undertaking employed 39 temporary agents including the Executive Director; notes that Sysper for Agencies, the Human Resources management system developed by the Commission, was successfully implemented during 2020;

28. Welcomes the fact that the Joint Undertaking started using the e-procurement solution at the beginning on 2021;

Internal control

29. Notes from the Court's report that the Joint Undertaking has set up reliable *ex-ante* control procedures based on financial and operational desk reviews; notes that the Joint Undertaking implemented the Commission's internal control framework (ICF), which is based on 17 internal control principles, in 2020; notes that, for the annual self-assessment and monitoring of the effectiveness of the control activities required by the ICF, the Joint Undertaking developed relevant indicators for all internal control principles and related characteristics;

30. Notes from the Court's report that, for Horizon 2020 payments, the Commission's Common Audit Service (CAS) is responsible for the *ex post* audits and that based on the *ex post* audit results available at the end of 2020, the Joint Undertaking reported a representative error rate of 3,46 % and a residual error rate of 1 % for Horizon 2020 projects (clearings and final payments); notes from the Commission proposal that the ultimate aim for the residual level of error at the closure of the programmes after the financial impact of all audits, correction and recovery measures will have been taken into account, is to achieve a level as close as possible to 2 %;

31. Notes from the Court's report that as part of the operational payment controls, it audited randomly sampled Horizon 2020 payments made in 2020 at the level of the final beneficiaries to corroborate the *ex post* audit error rates and that these detailed audits showed no significant errors or control weaknesses at the sampled Joint Undertaking beneficiaries;

32. Emphasises that, in the Court of Auditors' Annual report on the EU Joint Undertakings for the financial year 2020, the Court found persistent systemic errors in the personnel costs declared by beneficiaries, in particular on the part of SMEs and new beneficiaries; notes that such errors were also regularly reported in the *ex post* audits of the CAS and its contracted auditors; highlights that, on page 39 of that report, the Court states that the streamlining of Horizon 2020 rules for the declaration of personnel costs and the wider use of simplified cost options is a precondition for future research framework programmes, in order to stabilise error rates to below materiality level; encourages the Joint Undertaking to strengthen its internal control systems given that SMEs and new beneficiaries are more error-prone;

33. Notes that, due to the pandemic, only one risk management workshop took place in 2020, and that the risk management team reviewed the strategic risks, internal risks, Master plan risks and programme risks and that following the review, the risk management policy were updated, also to include the risk related to impacts of COVID-19 crisis on the Joint Undertaking's programme; notes, moreover, that the Joint Undertaking sent a detailed report concerning the analysis of risks related to the pandemic to the Commission in June 2020;

34. Notes that the Internal Audit Capability (IAC) twice performed a compliance review related to all payments executed by the Authorising Officer by Delegation and the Authorising Officer by Sub-delegation and contributed to the validation of ABAC user authorisations; notes furthermore that the IAC also updated the Joint Undertaking's anti-fraud strategy and held sessions for staff on awareness-raising on ethics and anti-fraud measures;

35. Welcomes the fact that the Joint Undertaking was not subject to an investigation led by the European Anti-Fraud Office (OLAF) in 2020;

36. Notes that, in November 2020, the Joint Undertaking was informed by the CAS that a red flag had been raised during an *ex post* audit of a project, indicating suspicion that fraud may have been committed by a beneficiary; notes that the suspicion had not been confirmed, but OLAF and the relevant Commission services had been informed; calls on the Joint Undertaking to report to the discharge authority any development in that regard;

Internal audits

37. Notes that during 2020, the Internal Audit Service (IAS) performed an audit on Horizon 2020 grant implementation and that the auditors concluded that, overall, the internal controls put in place by the Joint Undertaking are adequately designed and efficiently and effectively implemented; notes that the auditors rated four recommendations as important; for which it developed a detailed action plan foreseeing implementation of all actions by the end of 2021; calls on the Joint Undertaking to report to the discharge authority on that regard.

DECISION (EU) 2022/1833 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the SESAR Joint Undertaking (now the Single European Sky ATM Research 3 Joint Undertaking) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the SESAR Joint Undertaking for the financial year 2020,

— having regard to the Court of Auditors' annual report on the EU Joint Undertakings for the financial year 2020, together with the Joint Undertakings' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Joint Undertaking in respect of the implementation of the budget for the financial year 2020 (06005/2022 – C9-0111/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 70 thereof,

— having regard to Council Regulation (EC) No 219/2007 of 27 February 2007 on the establishment of a Joint Undertaking to develop the new generation European air traffic management system (SESAR) ([4]), and in particular Article 4b thereof,

— having regard to Council Regulation (EU) 2021/2085 of 19 November 2021 establishing the Joint Undertakings under Horizon Europe and repealing Regulations (EC) No 219/2007, (EU) No 557/2014, (EU) No 558/2014, (EU) No 559/2014, (EU) No 560/2014, (EU) No 561/2014 and (EU) No 642/2014 ([5]), and in particular Article 26 thereof,

— having regard to Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([6]),

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Transport and Tourism,

— having regard to the report of the Committee on Budgetary Control (A9-0073/2022),

1. Approves the closure of the accounts of the SESAR Joint Undertaking for the financial year 2020;

([1]) OJ C 458, 12.11.2021, p. 20. ECA Annual report on EU Joint Undertakings for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59817

([2]) OJ C 458, 12.11.2021, p. 20. ECA Annual report on EU Joint Undertakings for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59817

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 64, 2.3.2007, p. 1.

([5]) OJ L 427, 30.11.2021, p. 17.

([6]) OJ L 122, 10.5.2019, p. 1.

2. Instructs its President to forward this decision to the Interim Executive Director of the Single European Sky ATM Research 3 Joint Undertaking, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

DECISION (EU) 2022/1834 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the Shift2Rail Joint Undertaking (now the Europe's Rail Joint Undertaking) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the Shift2Rail Joint Undertaking for the financial year 2020,

— having regard to the Court of Auditors' annual report on the EU Joint Undertakings for the financial year 2020, together with the Joint Undertakings' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Joint Undertaking in respect of the implementation of the budget for the financial year 2020 (06005/2022 – C9-0112/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 71 thereof,

— having regard to Council Regulation (EU) No 642/2014 of 16 June 2014 establishing the Shift2Rail Joint Undertaking ([4]), and in particular Article 12 thereof,

— having regard to Council Regulation (EU) 2021/2085 of 19 November 2021 establishing the Joint Undertakings under Horizon Europe and repealing Regulations (EC) No 219/2007, (EU) No 557/2014, (EU) No 558/2014, (EU) No 559/2014, (EU) No 560/2014, (EU) No 561/2014 and (EU) No 642/2014 ([5]), and in particular Article 26 thereof,

— having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ([6]),

— having regard to Commission Delegated Regulation (EU) 2019/887 of 13 March 2019 on the model financial regulation for public-private partnership bodies referred to in Article 71 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([7]),

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Transport and Tourism,

— having regard to the report of the Committee on Budgetary Control (A9-0069/2022),

1. Grants the Executive Director of the Europe's Rail Joint Undertaking discharge in respect of the implementation of the Joint Undertaking's budget for the financial year 2020;

([1]) OJ C 458, 12.11.2021, p. 20. ECA Annual report on EU Joint Undertakings for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59817
([2]) OJ C 458, 12.11.2021, p. 20. ECA Annual report on EU Joint Undertakings for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59817
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 177, 17.6.2014, p. 9.
([5]) OJ L 427, 30.11.2021, p. 17.
([6]) OJ L 38, 7.2.2014, p. 2.
([7]) OJ L 142, 29.5.2019, p. 16.

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 Executive Director of the Europe's Rail Joint Undertaking, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1835 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the Shift2Rail Joint Undertaking (now the Europe's Rail Joint Undertaking) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the Shift2Rail Joint Undertaking for the financial year 2020,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Transport and Tourism,

— having regard to the report of the Committee on Budgetary Control (A9-0069/2022),

A. whereas the Shift2Rail Joint Undertaking (the 'Joint Undertaking') was established in June 2014 for a period of 10 years by Council Regulation (EU) No 642/2014 ([1]);

B. whereas the founding members are the Union, represented by the Commission, and rail industry partners (key stakeholders, including rail equipment manufacturers, railway companies, infrastructure managers and research centres) with the possibility of other entities participating in the Joint Undertaking as associated members; whereas contributions of members other than the Union should not be limited to only covering the administrative costs and the co-financing required to carry out research and innovation actions, they should also relate to additional activities;

C. whereas the main objectives of the Joint Undertaking are to contribute to the achievement of the Single European Railway Area, and to enhance the attractiveness, competitiveness, sustainability, and integration of the European railway system, facilitating, among others, a modal shift from road and air to rail transport;

D. whereas the Joint Undertaking started to work autonomously in May 2016;

General

1. Notes from the report of the Court of Auditors (the 'Court') on the annual accounts of the Joint Undertaking for the financial year 2020 (the 'Court's report') that the annual accounts present fairly, in all material respects, the financial position of the Joint Undertaking on 31 December 2020, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its Financial Regulation and with accounting rules adopted by the Commission's accounting officer; notes, furthermore, from the Court's report that the underlying transactions to the accounts are, in all material respects, legal and regular;

2. Notes that for the period set in the Regulation, the maximum Union contribution to the activities of the Joint Undertaking is EUR 450 000 000 (including EFTA contributions), to be paid from Horizon 2020; notes that all members of the Joint Undertaking other than the Union (industry grouping) are to contribute total resources of at least EUR 470 000 000, consisting of at least EUR 350 000 000 to the operational activities of the Joint Undertaking and at least EUR 120 000 000 of in-kind contributions to the Joint Undertaking's additional activities;

3. Notes that, in total, more than 400 public and private entities, representing the railway sector, participate to the Joint Undertaking's research and innovation activities; notes, moreover, that in 2020 the cooperation in Member States as well as with international parties increased, as exemplified by the signing of a Memorandum of Understanding with the Basque Region, of another with the Canadian Urban Transit Research & Innovation Consortium and another with the Permanent Secretariat of the Transport Community in 2020;

([1]) Council Regulation (EU) No 642/2014 of 16 June 2014 establishing the Shift2Rail Joint Undertaking (OJ L 177, 17.6.2014, p. 9).

Budget and financial management

4. Notes that the final budget available in 2020 (including re-entered unused appropriations of previous years, assigned revenues and reallocations to the next year) comprised commitment appropriations of EUR 89 711 000 and payment appropriations of EUR 80 289 000; notes that, in 2020, the utilisation rates for the available commitment and payment appropriations were 94 % and 76 %, respectively;

5. Notes that the Joint Undertaking's available active Horizon 2020 budget in 2020 was EUR 84 081 000 in commitment appropriations and EUR 75 779 000 in payment appropriations; notes furthermore from the Court's report that at the end of 2020 the Joint Undertaking implemented 100 % and 80 % respectively of the commitment appropriations and payment appropriations available for Horizon 2020 projects; notes that the implementation rate for the operational payment appropriations declined compared to 2019 (88 %) because one grant agreement awarded under the 2020 call for proposals could not be signed by the end of 2020 and the related pre-financing had to be delayed accordingly;

6. Notes that as at the end of 2020, the private members contributed a total of validated EUR 131 181 000, comprising a total of EUR 9 238 000 in cash, EUR 121 942 000 in validated in-kind contributions, and additionally a total in-kind contribution to additional activities of EUR 204 806 156 (as of 31 January 2021), compared to the Union total cash contribution of EUR 297 741 000 (as at the end of 2020);

7. Notes that there are different procedures across the Joint Undertakings regarding the calculation for the in-kind contributions and calls for their harmonisation;

Performance

8. Notes that, in July 2020, the Joint Undertaking Governing Board selected 19 proposals for funding as a result of the 2020 call launched in January 2020 based on the amended Annual Work Plan 2020; notes that in 2020, 19 grants for a total value of approximately EUR 147 700 000 were awarded, and 18 of them were signed; notes that at the request of the Consortium, taking into consideration the need to reorganise the project allocations between work packages, one grant agreement signature was postponed to 2021; notes that in total 242 participants, of which 29 % were represented by small and medium-sized enterprises (SMEs) in the open call projects, were retained for funding in the 19 research and innovation topics under the 2020 call and the applications represented participants from 30 countries, of which 19 Member States and 3 countries associated to the Horizon 2020 Framework Programme were retained for funding;

9. Commends the measures taken by the Joint Undertaking to limit delays in the projects following the COVID-19 crisis; notes that due to the COVID-19 crisis, some of the payments initially foreseen for the year 2020 became due only in 2021; notes in that regard that the Joint Undertaking made use of Title 4 in its budget in accordance with its Financial Rules;

10. Notes that at the end of 2020, 72 projects were ongoing (36 calls for members and 36 open calls): 55 projects were distributed on the 5 innovation programmes, 9 projects on the cross cutting activities and 8 projects in Innovation Programme X;

11. Notes that the Joint Undertaking uses the common Key Performance Indicators (KPIs) for Horizon 2020 and for cross-cutting issues, as well as KPIs specific to the Joint Undertaking such as for the efficiency of the railway transport system; notes that during 2020 the Joint Undertaking continued the work to maintain the 'Shift2Rail 2030 Impact Forecast Model' ensuring the next release, resulting from the update of the data input from the different projects and technology demonstrators;

12. Commends the Joint Undertaking's continued reporting, since 2018, on its contribution to the attainment of the United Nation's Sustainable Development Goals, and, in particular, on its contribution to the reduction of the life-cycle cost of the railway transport;

13. Notes that by the end of 2020, the Shift2Rail Programme reached pivotal milestones in term of implementation as almost all the Joint Undertaking resources are committed for the Shift2Rail Programme activities, and at least 60 % of the Shift2Rail Programme has been realised with a view to reaching the TRL6/7 operational demonstrations planned for conclusion during 2023;

14. Notes that it is estimated that the total value of the activities performed in 2020 amounts to EUR 119,4 million (of which EUR 110,3 million was delivered by the members other than the Union);

15. Notes that the current activities of the Joint Undertaking are progressing towards their demonstrations in 2022 and 2023 and this will ensure a proper phasing out and phasing in between two Programmes in the Shift2Rail successor Europe's Rail Joint Undertaking; notes that the Joint Undertaking's technological demonstrators are the building blocks of a more systemic railway transformation which is strategically driven by the Commission's European Green Deal, the Digitalisation Agenda and, more recently, the Sustainable and Smart Mobility Strategy; notes that, during spring 2020, the Joint Undertaking further supported the development of the High Level Paper on Shift2Rail's successor, Europe's Rail Joint Undertaking (EU-Rail), and, following the submission of the first version of the High Level Paper in December 2019, the Joint Undertaking continued the coordination of the various inputs in the first half of 2020; notes that during August 2020, the Commission launched its invitation for entities to manifest the interest to become candidate founding member of the Europe's Rail Joint Undertaking;

16. Encourages the Joint Undertaking to develop, integrate, demonstrate, and validate innovative technologies and solutions in order to remove the remaining technical obstacles holding the rail sector back in terms of interoperability, product implementation and efficiency, and to reduce the negative externalities in close cooperation with stakeholders of the entire railway value chain in particular SMEs, research and technology centres and universities;

17. Highlights the need to further develop synergies between the new partnership and existing funding mechanisms and to make full use of opportunities for projects funded under Union programmes such as the Connecting Europe Facility, the Digital Europe Plan, the European Regional Development Fund and the Cohesion Fund, as well as InvestEU;

18. Notes that, in the 2020 Annual Activity Report of the Joint Undertaking regarding gender balance on the indicators for monitoring H2020 for that year the Joint Undertaking had the same percentage of women on the Governing Board as last year, namely 16 %, while they made up 33 % of the Joint Undertaking's Representatives and 33 % of the Scientific Committee; regrets that the figures for women are the same compared to the previous year 2019;

19. Notes with concern the challenges associated with the COVID-19 pandemic for employees; welcomes the fact that the Joint Undertaking carried out a staff survey for the first time and that an action plan was drawn up, which includes the establishment of a 'well-being training programme' to provide support for staff during the COVID-19 pandemic; asks management to ensure that appropriate support structures for the psychological wellbeing of staff are in place;

Staff and procurement

20. Notes that on 31 December 2020, considering the exceptional temporary contract agent recruitment to replace a temporary agent, 24 position were filled, comprising 2 seconded national experts, 5 temporary agents, and 16 contract agents as per establishment plan; notes that for the first year the Joint Undertaking carried out a staff survey with the aim of measuring staff engagement and of monitoring the extent to which the Joint Undertaking's predefined internal control framework was already embedded in staff behaviour;

21. Notes that in 2020 in the interest of sound financial management and to the possible extent, the Joint Undertaking made use of Service Level Agreements with relevant Commission services and Union Agencies (ICT, training, payroll, mission, experts reimbursements, interim staff, etc.) and participated in inter-institutional framework contracts (e.g. IT, audit, office furniture, insurance, human resources services) by signing Memoranda of Understanding, and that, in addition, the Joint Undertaking led or participated in inter-Joint Undertaking's framework contracts (e.g. IT and data protection services), also with the objective to enhance synergies; notes, moreover, that in 2020, the Joint Undertaking launched its first call for Prize, under Horizon 2020;

Internal audit

22. Notes that, in 2019, the internal audit service performed an audit on the grant process and that during 2020, the Joint Undertaking took measures on the basis of its action plan to implement the four important recommendations which had been raised by the auditors; notes, furthermore, that, in October 2020, the internal audit service confirmed, on the basis of additional documentation provided, that it considered the first three recommendations to have been implemented and that, in January 2021, it considered all recommendations to have been implemented;

23. Notes, moreover, that in 2020 the internal audit service performed an in-depth risk assessment in the Joint Undertaking as to develop a new strategic internal audit plan covering the period 2021-2023;

Internal control

24. Notes from the Court's report that in 2020 the Joint Undertaking has set up reliable *ex ante* control procedures based on financial and operational desk reviews and that the Joint Undertaking implemented the Commission's internal control framework (ICF), which is based on 17 internal control principles; notes, furthermore, that for the annual self-assessment and monitoring of the effectiveness of the control activities required by the ICF, the Joint Undertaking developed relevant indicators for all internal control principles and related characteristics;

25. Notes that the Governing Board decision No 7/2018 adopting the rules on the prevention and management of conflicts of interests, applicable to the bodies of the Joint Undertaking, requires that up-to-date CVs and conflict of interest declarations of the Governing Board members are published on the Joint Undertaking's website; notes from the Court's report that, as only a few of the Governing Board members duly submitted the information, no conflict of interest declarations and only half of the CVs could be published by the end of 2020; notes from the Joint Undertaking's that the Joint Undertaking reminded the Governing Board members several times to submit the missing declarations of conflict of interest, that as at June 2021, 28 % of the CVs and declaration of conflict of interests were still missing (12 out of 43 current active representatives), and that a status report was presented to the Governing Board members and explained that any member not having complied with the requirements in terms of conflict of interests declaration and CV is considered *de facto* in a conflict of interest situation, leading to an exclusion from Governing Board decision making process; calls on the Joint Undertaking to report to the discharge authority any development in that regard;

26. Notes from the Court's report that the Common Audit Service of the Commission (CAS) is responsible for the *ex post* audit of Horizon 2020 payments made by the Joint Undertaking and that, based on the *ex post* audit results available at the end of 2020, the Joint Undertaking reported a representative error rate of 2,9 % and a residual error rate of 1,99 % for Horizon 2020 projects (clearings and final payments); notes the Commission's proposal for a Horizon 2020 regulation that the ultimate aim for the residual level of error at the closure of the programmes after the financial impact of all audits, correction and recovery measures have been taken into account, is to achieve a level as close as possible to 2 %;

27. Notes that in 2020 the Joint Undertaking assessed its research and innovation activities through a third control gate exercise and that the exercise took into account the deliverables and reports submitted in the context of the annual review of the active projects coordinated by the other members while also ensuring through this process that the recommendation made during the previous control gate assessment had been properly applied;

28. Notes that the Joint Undertaking continued to implement the Shift2Rail Anti-Fraud Strategy 2017-2020, a tailor-made anti-fraud strategy complementing the Horizon 2020 and that in accordance to that five indicators are used to report on the results of fraud prevention and detection activities, and that the related action plan for implementation of the strategy covers the different stages of the anti-fraud cycle (prevention, detection, investigation and corrective measures); notes, moreover, that during 2020, fraud awareness and fraud risks were covered through the staff survey, carried out following the adoption of a revised internal control framework, and the risk assessment respectively;

29. Notes that the Court, as part of the operational payment controls, audited randomly sampled Horizon 2020 payments made in 2020, at the level of the final beneficiaries to corroborate the *ex post* audit error rates and that the detailed audits revealed in one case, a systemic error because of the use of a wrong method for the calculation of declared personnel costs and, in another case, a systemic non-quantifiable control weakness related to the absence of the beneficiary's validation procedure for the hours declared as worked on the project, was detected; notes the Joint Undertaking's reply that, as regards the finding concerning the absence of the beneficiary's validation procedure for hours declared, identified in an *ex post* audit report performed by the CAS at the end of 2020, financial adjustments were not required and the report concluded that, in general, the time recording system of the beneficiary was reliable, and that the beneficiary had confirmed that improvements in the time recording validation system would be implemented; calls on the Joint Undertaking to report to the discharge authority developments in that regard;

30. Emphasises that, in the Court's Annual report on the EU Joint Undertakings for the financial year 2020, the Court found persistent systemic errors in the personnel costs declared by beneficiaries, in particular on the part of SMEs and new beneficiaries; notes that such errors were also regularly reported in the *ex post* audits of the CAS and its contracted auditors; highlights that, on page 39 of that report, the Court states that the streamlining of Horizon 2020 rules for the declaration of personnel costs and the wider use of simplified cost options is a precondition for future research framework programmes, in order to stabilise error rates to below materiality level; encourages the Joint Undertaking to strengthen its internal control systems given that SMEs and new beneficiaries are more error-prone.

DECISION (EU) 2022/1836 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the Shift2Rail Joint Undertaking (now the Europe's Rail Joint Undertaking) for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the Shift2Rail Joint Undertaking for the financial year 2020,

— having regard to the Court of Auditors' annual report on the EU Joint Undertakings for the financial year 2020, together with the Joint Undertakings' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Joint Undertaking in respect of the implementation of the budget for the financial year 2020 (06005/2022 – C9-0112/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 71 thereof,

— having regard to Council Regulation (EU) No 642/2014 of 16 June 2014 establishing the Shift2Rail Joint Undertaking ([4]), and in particular Article 12 thereof,

— having regard to Council Regulation (EU) 2021/2085 of 19 November 2021 establishing the Joint Undertakings under Horizon Europe and repealing Regulations (EC) No 219/2007, (EU) No 557/2014, (EU) No 558/2014, (EU) No 559/2014, (EU) No 560/2014, (EU) No 561/2014 and (EU) No 642/2014 ([5]), and in particular Article 26 thereof,

— having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ([6]),

— having regard to Commission Delegated Regulation (EU) 2019/887 of 13 March 2019 on the model financial regulation for public-private partnership bodies referred to in Article 71 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([7]),

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Transport and Tourism,

— having regard to the report of the Committee on Budgetary Control (A9-0069/2022),

([1]) OJ C 458, 12.11.2021, p. 20. ECA Annual report on EU Joint Undertakings for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59817

([2]) OJ C 458, 12.11.2021, p. 20. ECA Annual report on EU Joint Undertakings for the 2020 financial year: https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=59817

([3]) OJ L 193, 30.7.2018, p. 1.

([4]) OJ L 177, 17.6.2014, p. 9.

([5]) OJ L 427, 30.11.2021, p. 17.

([6]) OJ L 38, 7.2.2014, p. 2.

([7]) OJ L 142, 29.5.2019, p. 16.

1. Approves the closure of the accounts of the Shift2Rail Joint Undertaking for the financial year 2020;

2. Instructs its President to forward this decision to the Executive Director of the Europe's Rail Joint Undertaking, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

DECISION (EU) 2022/1837 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on discharge in respect of the implementation of the budget of the European High Performance Computing Joint Undertaking for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European High Performance Computing Joint Undertaking for the financial year 2020,

— having regard to the Court of Auditors' annual report on the EU Joint Undertakings for the financial year 2020, together with the Joint Undertakings' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Joint Undertaking in respect of the implementation of the budget for the financial year 2020 (06005/2022 – C9-0107/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 71 thereof,

— having regard to Council Regulation (EU) 2018/1488 of 28 September 2018 establishing the European High Performance Computing Joint Undertaking ([4]),

— having regard to Council Regulation (EU) 2021/1173 of 13 July 2021 on establishing the European High Performance Computing Joint Undertaking and repealing Regulation (EU) 2018/1488 ([5]),

— having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ([6]),

— having regard to Commission Delegated Regulation (EU) 2019/887 of 13 March 2019 on the model financial regulation for public-private partnership bodies referred to in Article 71 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([7]),

— 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 (A9-0078/2022),

1. Grants the Executive Director of the European High Performance Computing Joint Undertaking discharge in respect of the implementation of the Joint Undertaking's budget for the financial year 2020;

([1]) OJ C 458, 12.11.2021, p. 20.
([2]) OJ C 458, 12.11.2021, p. 20.
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 252, 8.10.2018, p. 1.
([5]) OJ L 256, 19.7.2021, p. 3.
([6]) OJ L 38, 7.2.2014, p. 2.
([7]) OJ L 142, 29.5.2019, p. 16.

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 Executive Director of the European High Performance Computing Joint Undertaking, 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).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

RESOLUTION (EU) 2022/1838 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

with observations forming an integral part of the decision on discharge in respect of the implementation of the budget for the European High Performance Computing Joint Undertaking for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to its decision on discharge in respect of the implementation of the budget of the European High Performance Computing Joint Undertaking for the financial year 2020,

— 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 (A9-0078/2022),

A. whereas the European High Performance Computing Joint Undertaking (the 'Joint Undertaking') was established in 2018 by Council Regulation (EU) 2018/1488 ([1]) for a period until 31 December 2026 with the mission to develop, deploy, extend and maintain in the Union an integrated world-class supercomputing and data infrastructure and to develop and support a highly competitive and innovative high performance computing ecosystem;

B. whereas the Joint Undertaking became autonomous on 23 September 2020;

C. whereas the founding members of the Joint Undertaking under Regulation (EU) 2018/1488 are the Union, represented by the Commission, countries that are members of the Joint Undertaking (the 'Participating States') and the private associations that are members of the Joint Undertaking (represented by the European Technology Platform for High Performance Computing (ETP4HPC) and the Big Data Value Associations (BDVA)) (the 'Private Members');

D. whereas the maximum Union financial contribution to the Joint Undertaking under Regulation (EU) 2018/1488, including EFTA appropriations, is EUR 486 000 000, comprising a maximum of EUR 386 000 000 from Horizon 2020, including at least EUR 10 000 000 for administrative costs, and a maximum of EUR 100 000 000 from the Connecting Europe Facility; whereas the Participating States is to make a contribution to the administrative costs of the Joint Undertaking of at least EUR 10 000 000 and, in addition, is to make a contribution to the operational costs of the Joint Undertaking that is commensurate with the Union's financial contribution (EUR 486 000 000); whereas a contribution of at least EUR 476 000 000 by the Participating States to the operational costs of the Joint Undertaking is envisaged; whereas the private Members are to make or arrange for their constituent entities and affiliated entities to make contributions of at least EUR 422 000 000 to the Joint Undertaking, including EUR 2 000 000 for administrative costs; whereas under the multiannual financial framework for the years 2014-2020 a contribution to the administrative costs by the Union is to be front loaded to cover running costs only until 2023; whereas the Participating States and the private Members shall cover the administrative costs of the Joint Undertaking in full from 2024;

General

1. Notes that on 18 September 2020, the Commission proposed a new Council regulation allowing the Joint Undertaking to continue the development of high performance computing in Europe for the next decade in the context of the newly adopted multiannual financial framework 2021-2027; notes that this resulted in the adoption of Council Regulation (EU) 2021/1173 ([2]); notes, furthermore, that in 2020 BDVA changed its name to Data, AI and Robotics (DAIRO);

2. Notes that the accounting system migration took place in September 2020 and the Commission transferred funds in October 2020, and that the accounting officer of the Commission was appointed as the accounting officer of the Joint Undertaking in June 2020;

([1]) Council Regulation (EU) 2018/1488 of 28 September 2018 establishing the European High Performance Computing Joint Undertaking (OJ L 252, 8.10.2018, p. 1).

([2]) Council Regulation (EU) 2021/1173 of 13 July 2021 on establishing the European High Performance Computing Joint Undertaking and repealing Regulation (EU) 2018/1488 (OJ L 256, 19.7.2021, p. 3).

Budget and financial management

3. Notes that the report of the Court of Auditors (the 'Court') on the annual accounts of the Joint Undertaking (the 'Court's report') finds the 2020 annual accounts to present fairly, in all material respects, the financial position of the Joint Undertaking at 31 December 2020, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer; notes, furthermore, from the Court's report that the underlying transactions to the accounts are legal and regular in all material respects;

4. Notes that as at the end of 2020, contributions made comprised a total of EUR 190 919 000 in cash from the Union, including EUR 188 549 000 to operational costs and EUR 2 370 000 to administrative costs; notes, moreover, that a financial contribution of EUR 28 862 000 from Participating States at the end of 2020; notes that EUR 12 296 000 of unpaid cash contributions related to 2020 for which a recovery order was issued but not yet cashed are also included under the cash contribution to operational costs; notes, furthermore, that at the end of 2020 there were no validated in-kind contributions to operational activities from Participating States or Private Members;

5. Notes that the Joint Undertaking's final available budget, which includes re-entered unused appropriations of previous years, assigned revenues and reallocations to the next year, for the financial year 2020 included EUR 509 075 000 in commitment appropriations and EUR 181 489 000 in payment appropriations; notes from the Court's report that the implementation rates for commitment and payment appropriations were 95,5 % and 22,5 % respectively for Horizon 2020 projects, and that the low implementation level for the payment appropriations is partially explained by the fact that the Commission migrated the full annual payment budget to the Joint Undertaking when it achieved its financial autonomy on 23 September 2020;

6. Notes from the Court's report that, delays in the recruitment of key staff together with the impact of the COVID-19 pandemic on planned costs for IT, communication, missions, meetings, events and other services, significantly reduced the implementation rates for administrative payment budget, representing around 1,5 % of the total available budget, down to 16,5 % at the end of 2020; notes that the Joint Undertaking did not use all commitment appropriations on administration and that only 29 % under Title 1 were committed, and that only 19 % under Title 2 were committed due to the pandemic and the fact that the Joint Undertaking became autonomous in September 2020;

7. Notes from the Court's report that for 2020, the Joint Undertaking's operational payment budget was planned for the pre-financing related to the acquisition of the three precursor to exascale supercomputers and five petascale supercomputers (PetaSC) for an amount of EUR 134 874 000 and for completed calls for proposals for an amount of EUR 44 052 000); notes that at the end of 2020, pre-financing payments could only be made for the signed contracts related to a precursor to exascale computers (Leonardo) and PetaSC, amounting to EUR 34 288 000, and for signed grant agreements, amounting to EUR 6 083 000, and that this resulted in a low implementation rate for operational payment appropriations of 22,6 %; calls on the Joint Undertaking to report to the discharge authority on that regard;

Procurement and Staff

8. Notes that at the end of 2020, a total of 11 recruitments have been completed, including the executive director, and the selected staff are working for the Joint Undertaking; notes from the Court's report that as the need for key administrative staff has yet to be addressed, it presents risks in terms of weaknesses in financial, budgetary and staff management, and in internal control processes for operational payments and in-kind contributions, and that the high proportion of contractual staff (74 %) may result in a significant level of staff turnover in the near future, further increasing the risks to its management systems; points out that it could negatively affect the Joint Undertaking's overall performance, such as the retention of key competences, unclear accountability channels, and lower staff efficiency; calls on the Joint Undertaking to report to the discharge authority of any development in that regard;

9. Notes, furthermore, from the Court's report that the Court considers the Joint Undertaking to be currently understaffed considering its current workload of administrative and operational processes and its first important activities, and that during the 2020 organisational setup, the Joint Undertaking mainly concentrated on ensuring the main operational processes and tasks, but could not, under the agreed establishment plan, recruit administrative key staff, in particular, the head of administration and finance and the internal control and audit coordination manager; notes from the Joint Undertaking's annual activity report that as soon as the Joint Undertaking was autonomous, recruitment for the budget and accounting officer, legal officer and human resources officer began at the end of 2020 and the three staff members concerned took up their functions in 2021;

10. Notes with concern the challenges to employees associated with the COVID-19 pandemic, especially taking into account different living situations, lack of access to office space and possible effects of isolation; asks the Joint Undertaking to focus on employee wellbeing, stress management and work and life balance; asks the Joint Undertaking's management to ensure there are appropriate support structures in place to ensure the psychological well-being of staff;

11. Notes that calls for eight supercomputers (three precursor to exascale and five petascale) were launched in 2019 and evaluated throughout 2020; notes that following autonomy, the Joint Undertaking signed contracts for six high performance computers, more precisely four contracts for petascale supercomputers (MeluXina, Euro-IT4I/Karolina, VEGA and PetaSC/Discoverer) and two precursor to exascale supercomputers (Leonardo and LUMI);

12. Notes that the Joint Undertaking was formally notified that a vendor has appealed to the Court of Justice of the European Union for the annulment of the decision of the Joint Undertaking of 29 September 2020, concerning a procedure for the acquisition, delivery, installation and hardware and software maintenance of precursors to exascale supercomputers; calls on the Joint Undertaking to report to the discharge authority any development in that regard;

Performance

13. Notes the three main objectives of the Joint Undertaking in 2020, namely achieving autonomy, implementing the 2020 research and innovation calls, and implementing the infrastructure activities;

14. Notes that two calls in 2019 ('Towards Extreme Scale Technologies and Applications' and 'Innovating and Widening the HPC use and skills base'), and two calls in 2020 ('Advanced pilots towards the European supercomputers and a Pilot on quantum simulator' and 'Framework Partnership Agreement in European low-power microprocessor technologies (Phase 2)') were launched in accordance with the relevant annual work plans;

15. Welcomes the fact that, as highlighted in the Joint Undertaking's 2020 annual activity report, out of a total number of 37 experts, 43 % were female, 57 % were male, and they came from 23 different countries; encourages the Joint Undertaking to continue to maintain this level of gender balance;

16. Notes that in 2020 only some general Horizon 2020 key performance indicators (KPIs) appear in the annual activity report 2020 and that the final KPIs of the Joint Undertaking for Horizon Europe will be updated in line with the revised Joint Undertaking Regulation adopted in August 2021; calls on the Joint Undertaking to report to the discharge authority on that regard;

Internal control

17. Notes from the Court's report that the Joint Undertaking has set up reliable *ex ante* control procedures based on financial and operational desk reviews, and that at the end of 2020, the Joint Undertaking implemented the Commission's internal control framework, which is based on 17 internal control principles, to a large extent, and that however, for the control principles related to risk assessment, and control and monitoring activities, it still needs to complete several actions; calls on the Joint Undertaking to report to the discharge authority in that regard;

18. Notes from the Court's report that at the end of 2020, the Joint Undertaking had neither developed reliable procedures for the validation and certification of in-kind contributions declared by the Participating States and the Private Members, nor established an appropriate accounting procedure for the recognition of those in-kind contributions; highlights the fact that this situation impedes Joint Undertaking's ability to manage, monitor and report on the achievement of the minimum level of in-kind contributions to be made by the Participating States and the Private Members; calls on the Joint Undertaking to report to the discharge authority in that regard; notes that there are different procedures across Joint Undertakings regarding the calculation for the in-kind contributions and calls for their harmonisation;

Prevention and management of conflicts of interest, and anti-fraud strategy

19. Notes that the Joint Undertaking has developed a comprehensive set of rules and procedures in order to provide its staff with a clear framework for their work and that those rules are applicable across its entire governance structure;

20. Notes that the governing board of the Joint Undertaking adopted and will implement the common research anti-fraud strategy pursuant to its decision No 7/2021.

DECISION (EU) 2022/1839 OF THE EUROPEAN PARLIAMENT

of 4 May 2022

on the closure of the accounts of the European High Performance Computing Joint Undertaking for the financial year 2020

THE EUROPEAN PARLIAMENT,

— having regard to the final annual accounts of the European High Performance Computing Joint Undertaking for the financial year 2020,

— having regard to the Court of Auditors' annual report on the EU Joint Undertakings for the financial year 2020, together with the Joint Undertakings' replies ([1]),

— having regard to the statement of assurance ([2]) 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 2020, pursuant to Article 287 of the Treaty on the Functioning of the European Union,

— having regard to the Council's recommendation of 28 February 2022 on discharge to be given to the Joint Undertaking in respect of the implementation of the budget for the financial year 2020 (06005/2022 – C9-0107/2022),

— having regard to Article 319 of the Treaty on the Functioning of the European Union,

— 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 966/2012 ([3]), and in particular Article 71 thereof,

— having regard to Council Regulation (EU) 2018/1488 of 28 September 2018 establishing the European High Performance Computing Joint Undertaking ([4]),

— having regard to Council Regulation (EU) 2021/1173 of 13 July 2021 on establishing the European High Performance Computing Joint Undertaking and repealing Regulation (EU) 2018/1488 ([5]),

— having regard to Commission Delegated Regulation (EU) No 110/2014 of 30 September 2013 on the model financial regulation for public-private partnership bodies referred to in Article 209 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ([6]),

— having regard to Commission Delegated Regulation (EU) 2019/887 of 13 March 2019 on the model financial regulation for public-private partnership bodies referred to in Article 71 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ([7]),

— 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 (A9-0078/2022),

1. Approves the closure of the accounts of the European High Performance Computing Joint Undertaking for the financial year 2020;

([1]) OJ C 458, 12.11.2021, p. 20.
([2]) OJ C 458, 12.11.2021, p. 20.
([3]) OJ L 193, 30.7.2018, p. 1.
([4]) OJ L 252, 8.10.2018, p. 1.
([5]) OJ L 256, 19.7.2021, p. 3.
([6]) OJ L 38, 7.2.2014, p. 2.
([7]) OJ L 142, 29.5.2019, p. 16.

2. Instructs its President to forward this decision to the Executive Director of the European High Performance Computing Joint Undertaking, the Council, the Commission and the Court of Auditors, and to arrange for its publication in the *Official Journal of the European Union* (L series).

The President
Roberta METSOLA

The Secretary-General
Klaus WELLE

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