

RESOLUTION (EU) 2018/2072 OF THE EUROPEAN PARLIAMENT**of 24 October 2018****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 2016, 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 2016, Section II – European Council and Council,
 - having regard to Rule 94 of and Annex IV to its Rules of Procedure,
 - having regard to the second report of the Committee on Budgetary Control (A8-0300/2018),
- A. Whereas all Union institutions ought to be transparent and fully accountable to the citizens of the Union for the funds entrusted to them as Union institutions;
- B. Whereas Parliament's role in respect of the budget discharge is specified in the Treaty on the Functioning of the European Union (TFEU) and in the Financial Regulation;
1. Recalls that the Union institutions have administrative autonomy in matters relating to their respective operations and underlines the importance of them acting responsibly in the implementation of their budgets;
 2. Underlines the role of Parliament within the discharge procedure, as governed by the TFEU, the Financial Regulation and Parliament's Rules of Procedure;
 3. Regrets that Council has not replied to the observations made by Parliament in its discharge resolution of 18 April 2018 ⁽¹⁾, following the trend from previous years;
 4. Deeply regrets that the recommendations of Parliament have not been followed up at all and that no reason or justification has been given; insists that Council implement the observations made in Parliament's discharge resolution of 18 April 2018, in particular the observations below, and immediately react to the observations;
 5. Expresses support for the successful paradigm shift towards performance-based budgeting in the Commission's budget planning introduced in September 2015 as part of the 'EU Budget Focused on Results' initiative; encourages the European Council and the Council to apply the method to their own budget-planning procedure;

Pending issues

6. Regrets that the request for the budgets of the European Council and the Council to be separated, made by Parliament in previous discharge resolutions, has not been considered;
7. Notes that Council is still working on a reply to the European Ombudsman's strategic report on the 'Transparency of the Council legislative process' (OI/2/2017/TE), despite the fact that the European Ombudsman requested a reply to her recommendations and suggestions for improvements by 9 May 2018; acknowledges that Council is engaging in serious and thorough research in preparing its reply but nevertheless urges Council to respect the request of the Ombudsman; recalls that the European Ombudsman also sent her findings to Parliament and that two of its committees are currently working on a report on the findings for which reason Council is called upon to transmit its reply and findings to Parliament as soon as possible;
8. Regrets that, despite the occasional exchange of information between the building departments of Parliament and Council, Council continues not to provide detailed information on its building policy in its annual financial report; regrets the lack of information on its buildings policy and related expenditures and asks for full public access to this information as a sign of transparency for Union citizens;
9. Reiterates its call for progress reports on building projects and a detailed breakdown of the costs incurred to date; takes note of the publication of the Final Financial Statements 2017 — the Council of the European Union and the European Council, dated 12 June 2018, which puts the cost of the Europa building at EUR 312 143 710,53;
10. Reiterates its call for an overview of human resources to be broken down by category, grade, gender, nationality and training;

⁽¹⁾ OJ L 248, 3.10.2018, p. 24.

11. Welcomes the ongoing inter-institutional negotiations to strengthen the Union transparency register; reiterates its call for a successful outcome of the negotiations that will lead to Council joining the register;
12. Reiterates its call on Council to clarify what measures it has taken to overcome the irregular nomination of a judge to the Court of Justice of the European Union ⁽¹⁾;
13. Takes note of the decision by the United Kingdom to withdraw from the Union; observes that at this point no predictions can be made about the financial, administrative, human and other consequences related to the withdrawal; asks the European Council and the Council to perform impact assessments and to inform Parliament of the results by the end of the year 2018;

State of play

14. Welcomes the informal exchanges that took place between Parliament and Council in order to discuss solutions to the current impasse in respect of the discharge procedure; notes that Council replied to the Parliament proposal on the Council discharge exercise procedure on 2 May 2018 with an amended proposal, and that following an informal meeting between Parliament and Council on 10 July 2018 the Budgetary Control Committee sent its reaction to Council's amended proposal on 21 July 2018; urges Council to react to the latest proposals from the Budgetary Control Committee swiftly, so that the new arrangements for the discharge exercise can be applied as soon as possible;
15. Regrets the difficulties repeatedly encountered in the discharge procedures to date which were due to a lack of cooperation from Council; points out that Parliament refused to grant discharge to the Secretary-General of the Council in relation to the financial years 2009, 2010, 2011, 2012, 2013, 2014 and 2015 for the reasons set out in its resolutions of 10 May 2011 ⁽²⁾, 25 October 2011 ⁽³⁾, 10 May 2012 ⁽⁴⁾, 23 October 2012 ⁽⁵⁾, 17 April 2013 ⁽⁶⁾, 9 October 2013 ⁽⁷⁾, 3 April 2014 ⁽⁸⁾, 23 October 2014 ⁽⁹⁾, 27 October 2015 ⁽¹⁰⁾, 27 October 2016 ⁽¹¹⁾ and 25 October 2017 ⁽¹²⁾ and postponed its decision on granting the Secretary-General of the Council discharge in relation to the financial year 2016 for the reasons set out in its resolution of 18 April 2018;
16. Notes the Commission's view, expressed in January 2014, that all institutions are fully part of the follow-up process to the observations made by Parliament in the discharge exercise and that all institutions should cooperate to ensure the smooth functioning of the discharge procedure;
17. Notes that the Commission has stated that it will not oversee the implementation of the budget of the other institutions and that giving a response to questions addressed to another institution would infringe on the autonomy of that institution to implement its own section of the budget;
18. Regrets that Council continues to fail to provide answers to Parliament's questions;
19. Insists that the expenditure of Council must be scrutinised in the same way as that of other institutions and that the fundamental elements of such scrutiny have been laid down in its discharge resolutions of the past years;
20. Emphasises Parliament's prerogative to grant discharge pursuant to Articles 316, 317 and 319 TFEU, in line with current interpretation and practice, namely to grant discharge of each heading of the budget individually in order to maintain transparency and democratic accountability towards Union taxpayers.

⁽¹⁾ Judgment of the General Court (Appeal Chamber) of 23 January 2018, *FV v Council of the European Union*, T-639/16 P, ECLI:EU:T:2018:22.

⁽²⁾ OJL 250, 27.9.2011, p. 25.

⁽³⁾ OJL 313, 26.11.2011, p. 13.

⁽⁴⁾ OJL 286, 17.10.2012, p. 23.

⁽⁵⁾ OJL 350, 20.12.2012, p. 71.

⁽⁶⁾ OJL 308, 16.11.2013, p. 22.

⁽⁷⁾ OJL 328, 7.12.2013, p. 97.

⁽⁸⁾ OJL 266, 5.9.2014, p. 26.

⁽⁹⁾ OJL 334, 21.11.2014, p. 95.

⁽¹⁰⁾ OJL 314, 1.12.2015, p. 49.

⁽¹¹⁾ OJL 333, 8.12.2016, p. 50.

⁽¹²⁾ OJL 318, 2.12.2017, p. 25.