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EU budget

€3bn spent without control as EU Council refuses parliamentary accountability

Pascal Durand, Greens/EFA MEP, explains why he was forced to vote against his own report on the Council's budget accountability.

Pascal, tell us about your report – what were you hoping to achieve?

To date, the Council of the European Union has spent over €3bn with no democratic control by the European Parliament over how this money is spent. I wanted to break the deadlock surrounding the lack of accountability in the spending of the EU budget by the Council.

So, in my capacity as a member of the European Parliament's Constitutional Affairs Committee (AFCO) I wanted to use this report to denounce the fact that the Treaties of the EU were not being respected because of the Council's refusal to provide budget spending information to the European Parliament.

What do you mean? Nobody controls the Council's spending?

The European Parliament is responsible for signing off on the spending of the entire EU budget, according to the Treaties. Without getting too technical, the European Commission is in charge of the overall EU budget, which is then split up and spent by the different institutions, agencies and bodies such as the Council.

Over the years, the Parliament has begun to sign-off on the annual spending by each individual institution. This has allowed the European Parliament to demand, for example, that certain institutions work hard to resolve potential conflicts of interest before their accounts can be signed off, so it is a good tool for ensuring proper accountability.

However, this accountability can only work if all the institutions comply with the budgetary control system, and the Council refuses to do so. This is why the Budgetary Control Committee has refused to sign off on the Council's accounts for the past six years! But this has not changed the Council's position, and it still refuses to submit its accounts to the European Parliament.

How can this be?

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The Council claims that there is a "gentleman's agreement", which dates back to the 1970s, which means that the Member States should not question the European Parliament's budget, and in turn, the European Parliament should not question the Council's budget.

But this – rather questionable – "gentleman's agreement" could only ever apply to the planned budget of each institution, and it does not mean that there should be no oversight of how each budget is actually spent in practice. In fact, we need to have oversight of the execution of the budget if we are to be sure that taxpayers' money is well-spent and that there is no fraud in the system.

However, the Council claims that it only needs to provide information on its annual spending to the European Commission, because technically it is the Commission that is responsible for the full EU budget. The Council argues that the European Parliament should only sign off on the budget as a whole, without looking into the spending by each particular institution.

So why can't the European Commission just give you the Council's spending information?

Well, the European Commission argues that it cannot hand over the accounts to the European Parliament because that would undermine the Council's "institutional autonomy". Which leaves us in a situation of deadlock.

How do you think this lack of accountability in the Council's spending can be solved?

We are calling for the system to be reformed so that the Council is no longer able to escape the European Parliament's oversight. Our report sought to break the deadlock in whatever way possible – as a compromise we were willing to propose that the Parliament sign off on the full accounts (in what is known as the "budget discharge") but that it still make individualised resolutions or statements for each institution, office, body or agency, thus maintaining its oversight functions.

You were the one who wrote the first draft of the report, so why did you vote against the final version of it?

Because our initial proposals in the draft report were watered down by the other groups in the European Parliament, so that it no longer tackles the fundamental issue: the lack of oversight of the Council's spending. It's sad to say, but in debates with the other political groups it became clear that some MEPs are less worried about actually ensuring accountability of the Council's spending than they are about having a larger number of reports to work on - 53 budget discharge reports per year instead of only one.

Since the amendments by other political groups to my original draft report completely changed it, I felt compelled to vote against the final version.

The budget discharge will be voted on by the full Parliament in plenary on 2 April 2016.

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