Press release – EU spending for 2015 approved

The Commission managed the 2015 EU budget funds according to the rules, so MEPs granted it a "discharge" approval for that year, in a resolution voted on Thursday.

Parliament's management of its own budget in 2015 was approved as well. By contrast, Parliament postponed approving spending by the Council of Ministers and the European Council.

Error rate down…

The payments error rate fell from 4.4% in 2014 to 3.8% in 2015, which remains above the 2% threshold beneath which the European Court of Auditors could classify payments as "error-free", MEPs note.

…but a new payment crisis looms

Parliament deplores substantial backlogs in the use of 2007-2013 European structural and investment (ESI) funds. By the end of 2015, payment of 10% of the €446.2 billion allocated was still outstanding, MEPs note. They stress that "this situation may indeed pose a significant challenge and undermine the effectiveness of ESI Funds" in a number of member states.

The ongoing payments backlog, as well as global economic recession, could mean that "delays in budget execution for the 2014-2020 programming period will be greater than those experienced for the 2007-2013", MEPs regret.

Climate spending shortfall and budget fragmentation

MEPs deplore the fact that climate-related spending accounted for only 17.3% in 2015, even though the objective was to reach at least, 20% over the financial period – a target which may not be met any more without more effort to tackle climate change.

Parliament also criticizes the fragmentation of the EU budget, which is implemented through "different tools and combinations between them as for example programmes, structural and investment funds, trust funds, strategic investment fund, guarantee funds, facilities, financial instruments, macro-financial assistance instruments". These "various shadow budgets" undermine the credibility of the EU budget, warn MEPs, who demand that funding arrangements be made "clearer, simpler, more coherent."

Council discharge postponed

For the seventh consecutive year, the Budgetary Control Committee had recommended that Parliament postpone granting discharge to the Council of Ministers and the European Council (heads of state or government) due to their failure to cooperate with Parliament by supplying the figures it needs to assess spending.

Background

The EU Commission is legally responsible for the biggest chunk of the funds, amounting to €145.2 billion in 2015, but around 80% of all EU funding is in fact managed locally, by EU member states.

The EU budget is always balanced, which means no single euro is spent on debt.

The decision on whether to grant discharge for the execution of the EU budget is made by the European Parliament, acting on a non-binding recommendation by the Council, the other arm of the EU budgetary authority. Another key institution is the European Court of Auditors, the EU's independent external auditor, whose reports are a fundamental part of the procedure. The discharge procedure has proved to be a powerful tool, which has had an impact on the evolution of the EU's budgetary system, while helping to increase Parliament's political leverage.