

MFP GENERAL EXPENDITURE ALLOWANCE

Members of the European Parliament (MEPs) are entitled to a number of allowances designed to help carry out activities related to their legislative mandate. The General Expenditure Allowance (GEA) is meant for office expenses related to their work as a MEP, such as rental costs for constituency office space, phone bills, or office supplies. The GEA amounts to € 4,342 per month/per MEP and is transferred to the MEPs' bank account of their choosing, including their own personal accounts by default. The spending under this budget line amounts to just under €40 million annually in taxpayers' money.

The GEA is intended for specific purposes and has rules in place on how it must be used. These rules are contained in the <u>Members' Statute</u>, accompanying <u>implementing measures</u> and financial regulation. The European Parliament has also adopted <u>internal guidelines</u> that are given to MEPs to clarify how this money should be spent.

There is absolutely <u>no transparency</u> of the GEA, nor financial controls by the European Parliament to prevent misuse of this allowance. The Parliament <u>does not hold</u> a single document nor receipt related to the spending of the GEA by MEPS. The only publicly known fact, which the <u>Secretary General confirmed</u>, is that 98.4% of all MEPs in 2014, including departing ones from the last mandate, used the full amount of their GEA.



The best way to prevent fraud and misuse of public money is through transparency and accountability. Citizens need to be able to scrutinise how their MEPs spend their allowances to be able to hold them to account.

RECOMMENDATIONS

The European Parliament needs to:

- Put in place robust financial control mechanisms and carry out an internal audit of the General Expenditure Allowance;
- Make GEA spending information fully transparent and publish these details in open source format;
- Immediately adopt a Bureau decision earmarking a percentage of the GEA or the Personal Assistance Allowance for MEPs to carry out an external professional audit of the GEA, which should serve as an *interim measure only*;
- Supply additional resources for the Directorate General of Finance to put into place financial control mechanisms for all MEP allowances, including the GEA;
- Provide clearer guidelines for MEPs on the use of the GEA