2013 discharge: European Securities and Markets Authority (ESMA)

2014/2122(DEC) - 29/04/2015 - Text adopted by Parliament, single reading

The European Parliament adopted by 588 votes to 133, with 4 abstentions, a decision to grant discharge to the Executive Director of the European Securities and Markets Authority (ESMA) for the financial year 2013. The vote on the discharge decision approved the closure of the accounts (in accordance with Annex VI, Article 5(1) of the Rules of Procedure of the European Parliament).

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the Authority for the financial year 2013 are reliable, and that the underlying transactions are legal and regular, Parliament adopted by 565 votes to 107, with 13 abstentions, a resolution containing a number of recommendations that form an integral part of the discharge decision and as well as the general recommendations that appear in the resolution on performance, financial management and control of EU agencies.

- **Budget and financial management**: Parliament noted that the final budget of the Authority for the financial year 2013 was EUR 28 188 749, representing an increase of 39% compared to 2012, due to the additional tasks entrusted to the Authority.
- **Carry-overs**: It noted that budget monitoring efforts during the financial year 2013 resulted in a budget implementation rate of 93.18% and that the payment appropriations execution rate was 72.54%. In order to ensure that corrective actions related to the budget implementation were taken in due time, the Authority used a variety of methods, such as monthly reporting to the Executive Director and quarterly reporting to the Management Board. Members noted with concern that the level of committed appropriations carried over remains high for operational expenditure at 58%. This high level of carryovers results mainly from **delays in IT procurements** and from the multiannual nature of related IT projects. It called on the Authority to inform the discharge authority on the steps taken in order to reduce the level of carryovers to the lowest possible amount.

Parliament also made a series of observations on transfers, procurement and recruitment procedures as well as comments on prevention and conflicts of interest and internal controls.

It also called on the Authority, given its limited resources, to stick to the tasks assigned to it by Parliament and the Council. It should carry out those assignments in full, but that it must not seek to go beyond its mandate, and that it must remain independent.

Lastly, it regretted that late payments constituted 27% of all payments for goods and services received, resulting in **paid interest** (average delays of 32 days). Therefore, it called on the Authority to provide the discharge authority with detailed information on the steps taken in order to tackle this issue and to improve timeliness of payment processes.