2014 discharge: EU general budget, Court of Auditors

2015/2158(DEC) - 28/04/2016 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Secretary-General of the European Court of Auditors in respect of the implementation of the budget of the Court for the financial year 2014.

In its resolution accompanying the decision on discharge, adopted 575 votes to 48 with 9 abstentions, Parliament noted the opinion of the independent external auditor - PricewaterhouseCoopers SARL – is that "**the financial statements give a true and fair view of the financial position of the Court**". It welcomed the Court's reform project started in late 2014 aimed at streamlining the audit process, and invited the Court to inform the discharge authority of the objectives achieved and of the impact identified following that reform.

Budgetary and financial management: Parliament showed that in 2014, the Court's final appropriations amounted to a total of **EUR 133 498 000** (EUR 142 761 000 in 2013) and that the overall rate of implementation for the budget was **98.8 %** compared to 92 % in 2013. It welcomed the improvement in the executions rate with a reduced budget, and acknowledged the crucial role of the Court in ensuring better and smarter spending of Union funds.

Members noted with satisfaction that **the obligation of a 5 % staff reduction** is being implemented without negative impact on the Court's policy of reinforcing its audit services. They called on the Court to make sure that further cuts will not adversely affect the quality of its reports.

The common approach on decentralised agencies: Parliament called on to the Court to follow the common approach agreed in 2012 and provide better guidance to private auditors so as to **significantly reduce the administrative burden**.

Members deeply regretted: (i) that the new audit approach of involving private sector auditors resulted in an increase of administrative burden by 85 %, to more than 13 000 hours compared to the previous audit managed by the Court; (ii) the time spent on procurement and administration of the audit contracts created more than 1 400 hours of additional work for the decentralised agencies; (iii) the total additional expenditure of external private sector audits in 2014 amounted to EUR 550 000.

Court of Auditors' actions: Parliament made a series of observations on the daily management of the Court and called for:

- the preparation of a **special report** on whether the Commission has made good use of its powers in supporting and controlling Member States when implementing Union law, and their implementation of the budget;
- closer **cooperation** between the Court and national supreme audit institutions should be pursued, in particular in connection with conducting the performance (value for money) audit reports of different Union policies and programmes and the auditing of shared-management arrangements;
- an examination of the relationship between the number and timeliness of special reports(the timescales required to produce special reports have shortened although they have not yet achieved the 18-month target);
- clearer recommendations in special reports and the consistent disclosure of the positive and the negative conduct of the countries concerned;

- better geographical balance of its staff, in particular in management and directorial posts, as well as improved gender balance;
- clarifications on the Court's **building policy** to be attached to its annual activity report;
- consideration to be given to outsourcing **translation** as an additional way of saving costs;
- inclusion in its annual activity reports, in compliance with the existing rules on confidentiality and data protection, the **results and consequences of closed OLAF cases,** where the institution or any of the individuals working for it were the subject of the investigation.

Parliament noted the Court's first steps towards a paperless environment and endorses the environmental strategy implemented by the Court up until now. Lastly, it welcomed the improved clarity of the Court's messages through the media.