2015 discharge: Office of the Body of European Regulators for Electronic Communications (BEREC Office)

2016/2190(DEC) - 13/09/2016 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the Office of the Body of European Regulators for Electronic Communications (BEREC) for the year 2015, together with the Office's reply.

CONTENT: in accordance with the tasks conferred on the Court of Auditors by the Treaty on the Functioning of the European Union, the Court presents to the European Parliament and to the Council, in the context of the discharge procedure, a Statement of Assurance as to the reliability of the annual accounts of each institution, body or agency of the EU, and the legality and regularity of the transactions underlying them, on the basis of an independent external audit.

This audit focused on the annual accounts of the Body of European Regulators for Electronic Communications (BEREC). The Office's main task is to provide professional and administrative support services to the Body of European Regulators for Electronic Communications (BEREC) and, under the guidance of the Board of Regulators, to collect and analyse information on electronic communications and to disseminate among National Regulatory Authorities regulatory best practices such as common approaches, methodologies or guidelines on the implementation of the EU regulatory framework.

Statement of assurance: pursuant to the provisions of Article 287 of the Treaty on the Functioning of the European Union (TFEU), the Court has audited:

- the annual accounts of the Agency, which comprise the financial statements and the reports on the implementation of the budget for the financial year ended 31 December 2015, and
- the legality and regularity of the transactions underlying those accounts.

Opinion on the reliability of the accounts: in the Court's opinion, the Office's annual accounts present fairly, in all material respects, its financial position as at 31 December 2015 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation and the accounting rules adopted by the Commission's accounting officer.

Opinion on the legality and regularity of the transactions underlying the accounts: in the Court's opinion, the transactions underlying the annual accounts for the year ended 31 December 2015 are legal and regular in all material respects. The Court noted that in 2013 the Office signed a 4-year framework contract for the provision of professional event organisation services. However, it underestimated its needs and the contract had reached its maximum amount in December 2014. A procurement procedure to sign a new framework contract was launched, but only in August 2015. In the meantime, the Office procured these services from the same provider using purchase orders and low-value contracts (negotiated procedures). According to the Court, an open procurement procedure where all interested economic partners may submit a tender should have been used.

The report also made a series of observations on the budgetary and financial management of the Office, accompanied by the latter's response. The main observations may be summarised as follows:

The Court's observations:

- **budgetary management**: the Court noted that the Office's audited budgetary implementation report differs from the level of detail provided by most other agencies. It noted that the carry-overs of committed appropriations for administrative expenditure were high at EUR 134 228. These carry-overs are mainly related to the delivery of services that go beyond 2015.

The Office's reply:

- **budgetary management**: the BEREC Office stated that these carry-overs are mainly related to the delivery of services that go beyond 2015 and are coming from normal operations of the BEREC Office, which were planned in advance. The BEREC Office has set a target to reduce the level of committed appropriations carried over in 2016 for administrative expenditure.

Lastly, the Court of Auditors' report contained a summary of the **Office's key figures in 2015**:

- **Budget**: EUR 4 million.
- **Staff**: 26 including officials, temporary and contract staff and seconded national experts.