

2015 discharge: European Banking Authority (EBA)

2016/2186(DEC) - 28/03/2017 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Inés AYALA SENDER (S&D, ES) on discharge in respect of the implementation of the budget of the European Banking Authority (EBA) for the financial year 2015.

The committee called on the European Parliament to grant the Executive Director of the Authority discharge in respect of the implementation of the EBA's budget for the financial year 2015.

Noting that the Court of Auditors stated that it had obtained reasonable assurance that the annual accounts of the Authority for the financial year 2015 were reliable and that the underlying transactions were legal and regular, Members called on Parliament to approve the closure of the Authority's accounts. They made, however, a number of recommendations that needed to be taken into account when the discharge is granted, in addition to the general recommendations that appear in the [draft resolution on performance, financial management and control of EU agencies](#):

- **Authority's financial statements:** Members noted that the final budget of the Authority for the financial year 2015 was EUR 33 419 863, representing a decrease of 0.54 % compared to 2014. This was due to the Authority's recently established nature.
- **Budget and financial management:** Members emphasised that any potential increases in the Authority's means must be accompanied by adequate prioritisation measures. They suggested that, as the Authority's workload is increasingly shifting from legislative tasks to supervisory convergence and enforcement, the Authority's budget and manpower should be allocated accordingly.

Members also made a series of observations regarding commitments, carry-overs, transfers, procurement, recruitment procedures, the prevention and management of conflicts of interests and internal audits.

As regards performance, Members took note that the Authority closely cooperates with the European Insurance and Occupational Pensions Authority (EIOPA) and the European Securities and Markets Authority (ESMA) across all support functions in order to reduce administrative costs. They look forward to further efforts from the Authority to enhance cooperation with other decentralised agencies and **further reduce overhead and administrative costs**.

Effects of Brexit: Members recalled that, on 23 June 2016, the citizens of the United Kingdom voted to leave the European Union.

Following the outcome of the UK referendum, the Authority, whose headquarters is in London, drafted impact assessments for all support areas, namely IT, human resources, procurement, corporate services and communications, which will be updated according to developments.

Members noted that, excluding the rental contract, there would be no financial penalties for early termination of these contracts if the applicable notice periods of between one and three months are observed. However, Members expressed concern regarding the potential operational and business continuity risks and related costs of a relocation decision.

Lastly, Members noted that the Authority signed a 12-year-lease with an end date of 8 December 2026 and that, under normal contractual conditions, there is a liability to pay the full rent for the entire period. They observed, however, that the Authority negotiated a break-out clause at the midway point of the contract, meaning that if the clause is exercised, the Authority would be relieved of the obligation to pay the rent for the final six years.

They called on the Commission and the Council, following the triggering of the Article 50 by the Government of the United Kingdom, to make the merits and the decision making process on the Authority's reallocation destination transparent and democratic.