

2015 discharge: European Banking Authority (EBA)

2016/2186(DEC) - 27/04/2017 - Text adopted by Parliament, single reading

The European Parliament decided to grant the Executive Director of the European Banking Authority (EBA) discharge in respect of the implementation of EBA's budget for the financial year 2015.

The vote on the decision on discharge covers the closure of the accounts (in accordance with Annex IV, Article 5 (1) (a) to Parliament's Rules of Procedure).

Noting that the Court of Auditors has stated that it has obtained reasonable assurances that EBA's annual accounts for the financial year 2015 are reliable and that the underlying transactions are legal and regular, Parliament adopted by 505 votes to 122 with 5 abstentions, a resolution containing a series of recommendations, which form an integral part of the decision on discharge and which add to the general recommendations set out in the [resolution on performance, financial management and control of EU agencies](#).

These recommendations may be summarised as follows:

- **Authority's financial statements:** Parliament 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:** Parliament emphasised that any potential increases in the Authority's means must be accompanied by adequate prioritisation measures. It 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.

Parliament 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, it 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. It looks forward to further efforts from the Authority to enhance cooperation with other decentralised agencies and **further reduce overhead and administrative costs**.

It noted that it was a driving force behind the establishment of a new and comprehensive European System of Financial Supervision (ESFS), including the three European Supervisory Authorities (ESAs), to ensure better financial supervision system after the financial crisis.

Effects of Brexit: Parliament 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.

It 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, Parliament expressed concern regarding the potential operational and business continuity risks and related costs of a relocation decision.

Parliament also 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. It 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.

It 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.

Financial contribution of the Authority: lastly, Parliament recalled that the Authority's mixed financing arrangement, which relies heavily on contributions from national competent authorities, is inadequate, inflexible, burdensome and a potential threat to its independence. It therefore called on the Commission, in the White Paper planned for the second quarter of 2016 and in a legislative proposal to be presented by 2017, to launch a different financing arrangement based on a separate budget line in the budget of the Union and on the complete replacement of the contributions from national authorities by fees paid by market participants.