2016 discharge: EU general budget, European Committee of the Regions

2017/2142(DEC) - 26/06/2017 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2016, as part of the 2016 discharge procedure.

Analysis of the accounts of the EU Institutions: **Committee of the Regions.**

Consolidated annual accounts of the EU: this Commission document concerns the EU's consolidated annual accounts for the year 2016, prepared on the basis of the information presented by the institutions and bodies under Article 148(2) of the Financial Regulation applicable to the general budget of the European Union. It details how spending by the EU institutions and bodies was carried out.

The consolidated annual accounts of the EU provide financial information on the activities of the institutions, agencies and other bodies of the EU from an accrual accounting and budgetary perspective. It also presents the accounting principles applicable to the European budget (in particular, consolidation).

The document also presents the different financial actors involved in the budget process (accounting officers, internal officers and authorising officers) and recalls their respective roles in the context of the tasks of sound financial management.

Audit and discharge: the EU's annual accounts and resource management are audited by the European Court of Auditors, its external auditor, which as part of its activities draws up for the European Parliament and the Council:

- an annual report on the activities financed from the general budget, detailing its observations on the annual accounts and underlying transactions;
- an opinion, based on its audits and given in the annual report in the form of a statement of assurance, on (i) the reliability of the accounts and (ii) the legality and regularity of the underlying transactions involving both revenue collected from taxable persons and payments to final beneficiaries.

The European Parliament is the discharge authority within the EU. The **discharge** represents the **final step** of a budget lifecycle. It is the political aspect of the external control of budget implementation and is **the decision by which the European Parliament, acting on a Council recommendation, "releases" the Commission (and other EU bodies) from its responsibility for management of a given budget** by marking the end of that budget's existence.

This discharge procedure may produce three outcomes: (i) the granting; (ii) postponement; (iii) or the refusal of the discharge.

(2) Implementation of the Committee of the Regions' appropriations for the financial year 2016: the appropriations available for 2016 amounted to **EUR 90.5 million** with 98.7% of these committed.

As regards the budgetary implementation of the CoR, the 2016 Annual Activity Report noted that the Committee focused on the following:

- the continuation of legislative monitoring with the adoption of opinions by the Committee of Regions (50 opinions and 9 resolutions);
- the continuation of cooperation with other EU institutions and regional and local authorities.

2016 was the second year of the CoR's sixth term of office 2015-2020 under the Presidency of Markku Markkula as its President and Karl-Heinz Lambertz as First Vice-President.

The CoR met five times in Plenary Session in 2016 and two extraordinary Bureau meetings were organised in Amsterdam and Bratislava marking the EU Presidencies of the Netherlands and Slovakia.

In 2016, the CoR undertook new ambitious horizontal and thematic initiative with a high potential for providing a meaningful input from local and regional authorities to the EU decision-making process.

These include:

- the launch of a consultation exercise reflecting on the future of Europe. Initiated by the European Council President, Donald Tusk, it will feed into an opinion to be adopted in 2018 well ahead of the European elections;
- various reports and conferences on investing in Europe's future;
- reinforced cooperation with the EU institutions.