

2016 discharge: Agency for the Cooperation of Energy Regulators (ACER)

2017/2174(DEC) - 12/09/2017 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the Agency for Cooperation of Energy Regulators (ACER) for the year 2016, together with the Agency'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 Agency for Cooperation of Energy Regulators (ACER). As a reminder, the Agency's main task is to assist National Regulatory Authorities in exercising, at Union level, the regulatory tasks that they perform in the Member States and, where necessary, to coordinate their action.

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 Authority, which comprise the financial statements and the reports on the implementation of the budget for the financial year ended 31 December 2016; and
- the legality and regularity of the transactions underlying those accounts.

Opinion on the reliability of the accounts: in the Court's opinion, the Agency's annual accounts present fairly, in all material respects, its financial position as at 31 December 2016 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 2016 are legal and regular in all material respects.

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

The Court's observations:

- **budgetary management:** as regards operational expenditure, the Court stated that the Agency carried over EUR 4.9 million. These carry-overs were mainly related to the implementation of REMIT Regulation on wholesale energy market integrity and transparency. The increasing level of carry overs is a matter of concern.

The Agency's reply:

- **budgetary management:** the Agency acknowledges the high level of carried-over funds resulting from the multiannual nature of REMIT-related investments, which do not fit well with the budgetary principle of annuality. The high level of carry-overs is due to the timing of the annual

contractual cycle which was established in 2013, when a substantial additional budget for the REMIT project was received by the Agency at the end of the year.

Lastly, the Court of Auditors' report contained a summary of the **Agency's key figures in 2016**:

- **Budget:** EUR 15.9 million.
- **Staff:** 103 including officials, temporary and contract staff and seconded national experts.