

2016 discharge: European Banking Authority (EBA)

2017/2171(DEC) - 22/03/2018 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Bart STAES (Greens/EFA, BE) on discharge in respect of the implementation of the budget of the European Banking Authority (EBA) for the financial year 2016.

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 2016.

Noting that the Court of Auditors stated that it had obtained reasonable assurance that the annual accounts of the Authority for the financial year 2016 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 2016 was EUR 36 491 378, representing an increase of 9.19 % compared to 2015. As a reminder, the Authority is financed by a contribution from the Union (EUR 14 071 959, representing 40 %), and contributions from national supervisory authorities of the Member States and observers (EUR 22 419 419, representing 60 %).
- **Budget and financial management:** Members acknowledged that the budget monitoring efforts during the financial year 2016 resulted in a budget implementation rate of 96.76 %, representing a decrease of 2.58 % compared to 2015, and that the rate of execution of payment appropriations was 88.67 %, representing a decrease of 1.03 %. They acknowledged from the Authority that this continued high rate of execution is due to good budget planning and monitoring.
- They also noted that, due to the increase in the value of the Euro against the British Pound in 2016, the Authority requested a decreasing amending budget of EUR 1 572 000.
- **Commitments and carryovers:** the overall rate of committed appropriations carried over from 10 % in 2015 to 8% in 2016, its lowest level ever in the context of a 9% increase in total budget between the two years. Carry-overs are often justified and do not necessarily indicate weaknesses in budget planning and implementation.

Members also made a series of observations regarding transfers, procurement, staff policy, the prevention and management of conflicts of interests and internal audits.

They stated that the Court issued an emphasis of matter paragraph for the two London-based agencies, concerning the United Kingdom's decision to withdraw from the Union. Members noted that, in view of the decision on its future location, the Authority has disclosed as contingent liabilities in its financial statements the residual EUR 14 000 000 cost related to the office lease contract (assuming its cancellation by the end of 2020) and the fact that other potential costs associated with relocation, such as the relocation of staff together with their families, cannot yet be estimated. A future decrease in the Authority's revenue resulting from the United Kingdom's decision to withdraw from the Union is possible. The EBA is called on to report to the discharge authority on the costs of the relocation.

The report highlighted that, as the Authority's workload is increasingly shifting from regulatory tasks to enforcing and applying the Union law, the Authority's budget and manpower should be reallocated internally.